



NOTICE OF MEETING

CABINET

TUESDAY 8 MARCH 2022 AT 1PM

COUNCIL CHAMBER, SECOND FLOOR, THE GUILDHALL

Telephone enquiries to Democratic Services 023 9284 1704

Email: Democratic@portsmouthcc.gov.uk

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

Information with regard to public access due to Covid precautions

- Following the government announcement 'Living with COVID-19' made on 21 February, attendees will still be requested to undertake an asymptomatic/ lateral flow test within 48 hours of the meeting until the end of March (this guidance will be updated at that point). Around one in three people who are infected with COVID-19 have no symptoms so could be spreading the virus without knowing it. Asymptomatic testing – getting tested when you don't have symptoms - helps protect people most at risk by helping to drive down transmission rates.
- We strongly recommend that attendees should be double vaccinated and have received a booster.
- If symptomatic we encourage you not to attend the meeting but to stay at home, avoid contact with other people and to take a PCR test in line with current UKHSA advice.
- We encourage all attendees to wear a face covering while moving around crowded areas of the Guildhall.
- Although not a legal requirement, attendees are strongly encouraged to keep a social distance and take opportunities to prevent the spread of infection by following the 'hands, face, space' and 'catch it, kill it, bin it' advice that also protects us from other winter viruses.
- Hand sanitiser is provided at the entrance and throughout the Guildhall. All attendees are encouraged to make use of hand sanitiser on entry to the Guildhall.
- Those not participating in the meeting and wish to view proceedings are encouraged to do so remotely via the livestream link.

Membership

Councillor Gerald Vernon-Jackson CBE (Chair)

Councillor Suzy Horton (Vice-Chair)

Councillor Chris Attwell

Councillor Dave Ashmore

Councillor Kimberly Barrett

Councillor Ben Dowling

Councillor Jason Fazackarley

Councillor Hugh Mason

Councillor Darren Sanders

Councillor Lynne Stagg

(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

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

Council Chamber Risk Assessment

1 Apologies for Absence

2 Declarations of Interests

3 Record of Previous Decision Meetings (Pages 15 - 26)

A copy of the record of the previous decisions taken at Cabinet on 30 November 2021 and 8 February 2022 are attached.

4 Capital Strategy 2022/23-2031/32 (Pages 27 - 68)

Purpose

To:

- Enable the City Council to adopt a long term Capital Strategy from 2022/23 onwards.
- Inform members and the wider community of the Council's Capital Strategy.
- Ensure that Members are aware of the overall strategy, governance procedures and risk appetite.
- Highlight the inter-relationship between business planning the Capital Strategy, Capital Programme, the Revenue budget, the Medium Term Financial Strategy and Treasury Management.
- Ensure the council has sufficient liquidity to meet the cashflow arising from the capital programme.

RECOMMENDED

1. That Part I of the Capital Strategy (Capital Expenditure and Aspirations) be approved including:
 - a) The Short / Medium / Long-term Aspirations set out in Appendix 1.

2. That Part II of the Capital Strategy (Borrowing and Investing) be approved including:
 - a) The Minimum Revenue Provision (MRP) for Debt Repayment Policy (Part II, (paragraph 2.5)
 - b) The investment indicators in Part II - Appendix 2 (Part II, paragraph 3.5)
 - c) That the Director of Finance and Resources (Section 151 Officer) will bring a report to the next Cabinet and City Council if (Part II, paragraph 3.5):
 - (i) The Council's gross General Fund (GF) debt exceeds 500% of GF net service expenditure or;
 - (ii) Overall investment income from investment properties and long term treasury management investments exceeds 7.5% of GF net service expenditure.

5 Treasury Management Policy 2022/23 (Pages 69 - 104)

Purpose

The purpose of this report is to obtain the Council's approval of the updated Treasury Management Policy Statement (attached) which includes the Annual Investment Strategy.

RECOMMENDED

1. That the upper limit for principal sums invested for longer than 365 days contained in paragraph 4.7 of the attached Treasury Management Policy Statement be approved;
2. That the upper and lower limits on the maturity structure of borrowing contained in appendix 5.1 of the attached Treasury Management Policy Statement be approved;
3. That the attached Treasury Management Policy Statement including the Treasury Management Strategy and Annual Investment Strategy for 2022/23 be approved;
4. That the following change compared to the previous Annual Investment Strategy be noted:
 - (i) that the UK Infrastructure Bank be added to the approved sources of borrowing as set out in paragraph 3.9 of the Treasury Management Policy Statement;

5. As set out in paragraph 1.4 of the Treasury Management Policy Statement, the Director of Finance and Resources (Section 151 Officer) and officers nominated by him have delegated authority to:
- (i) invest surplus funds in accordance with the approved Annual Investment Strategy;
 - (ii) borrow to finance short term cash deficits and capital payments from any reputable source within the authorised limit for external debt of £963m approved by the City Council on 9 February 2021;
 - (iii) reschedule debt to even the maturity profile or to achieve revenue savings;
 - (iv) to buy and sell foreign currency, and to purchase hedging instruments including forward purchases, forward options, and foreign exchange rate swaps to mitigate the foreign exchange risks associated with some contracts that are either priced in foreign currencies or where the price is indexed against foreign currency exchange rates;
6. That the Director of Finance and Resources (Section 151 Officer) has the power to delegate treasury management operations to relevant staff;
7. That the Chief Executive, the Leader of the City Council and the Chair of the Governance and Audit and Standards Committee be informed of any variances from the Treasury Management Policy when they become apparent, and that the Leader of the City Council be consulted on remedial action (paragraph 1.2.2 of Treasury Management Policy Statement).

6 Carbon Budget Approach (Pages 105 - 108)

Purpose

To provide information to the Cabinet and Council on the approach that is being taken for the carbon management process, and the method being used to develop future carbon targets to meet the 2030 net zero targets for the Council and city.

RECOMMENDED that Cabinet notes the contents of this report and that it proceeds to Full Council to further note.

7 Health and Wellbeing Strategy (Pages 109 - 158)

Purpose

To present to the Cabinet the Health and Wellbeing Strategy (HWS) for 2022-2030 for approval.

RECOMMENDED

That Cabinet and Council approve the Health and Wellbeing Strategy attached at Appendix 1.

8 **Developing the Telecare Service** (Pages 159 - 190)

Purpose

To update councillors on the work undertaken to develop the telecare service into a new Safe At Home service, including the new branding, service contractors, service offer and plans to maintain a sustainable service.

RECOMMENDED

- 1. That councillors recognise the developments in the Telecare service, the new service offer, and agree to the changes proposed.**
- 2. Approve the financial fees for the new service, that are set on a cost recovery basis.**
- 3. That officers bring back an update report before the end of 2022 on the progress of the new service, and also outline how community and voluntary groups could be used to support service users to stay safe in their own home.**

9 **Portsmouth Local Plan Progression Update** (Pages 191 - 316)

Purpose

To provide an update on the progression of the new Portsmouth Local Plan following public consultation in September/ October 2021 and to seek approval for the revisions to the Local Plan timetable set out in the Local Development Scheme (LDS).

RECOMMENDED that Cabinet

- 1. Notes the progression of the draft new Portsmouth Local Plan *and the summary of responses to the 'Regulation 18' consultation during September-October 2021.***
- 2. Approves the revised Local Plan timetable set out in the Local Development Scheme (LDS).**
- 3. Grants delegated authority to Assistant Director Planning & Economic Growth to make minor amendments to the LDS and Development Plan Document timetables as necessary.**

10 **Solent Freeport Full Business Case** (Pages 317 - 368)

Purpose.

- 1.1 The Council as a partner and director of Solent Freeport Consortium LTD (SFCL) is required to have approval to the Solent Freeport Full Business Case (FBC) by Cabinet and Full Council before the submission of the FBC to Central Government can be made. The deadline for submission of the FBC to Central Government is 15 April 2022.
- 1.2 By gaining approval to the FBC by Central Government the Solent Freeport officially exists with all customs and tax powers for a period of 25 years. The main body of this report has been produced by the SFCL to ensure a consistent approach to approval by all Councils.
- 1.3 The Council is a major beneficiary of the Solent Freeport in that it is the owner of the Portsmouth International Port, a proposed custom site, and owner and developer of Dunsbury Park, a proposed tax site, both within the Solent Freeport.
- 1.4 It is also noteworthy that Portsmouth City Council is the Accountable Body for the SFCL.

RECOMMENDATION:

Cabinet approves that this report to go on to Full Council on the 15 March 2022 for approval.

Full Council approves:

To delegate to the Chief Executive and the S.151 Officer in consultation with the Deputy Leader of the City Council to approve the Solent Freeport Full Business Case (FBC) on behalf of Portsmouth City Council, and to see it submitted to Central Government following consultation with the S.151 and Monitoring Officers of each of the tax sites.

11 Regeneration of the City Centre (Pages 369 - 398)

Purpose

1. This report sets out the role the city centre plays, in accommodating the City's growth needs.
2. The development of the city centre, has for many years been a Council priority, defined in the current and emerging local plans as an area of housing and economic growth with the areas of City Centre North identified for regeneration and redevelopment.
3. The report provides an update to the 13 October Council decision and asks members to note progress made on the new masterplan, and planning applications which are due to be submitted to the Local Planning Authority (LPA) in early Spring.
4. The report seeks Cabinet approval of a series of recommendations to ensure progress from planning to the delivery stages of an extended City Centre Regeneration project also known as City Centre North.

RECOMMENDED that Cabinet

1. **Notes the progress made on land assembly to support the development in paragraph 7 of this report and that land assembly continues as approved by Full Council on the 13 October 2021.**
2. **Notes work done by officers to support the wider City Centre's economic recovery through the multiple workstreams listed below and the role of the new City Centre North development in that programme of work.**
3. **Notes the progress of all work to complete the planning application and submit it in Spring 2022.**
4. **Delegates authority to the Director of Regeneration and the S151 officer to deliver meanwhile uses in all PCC owned assets where possible and viable to do so, to further support the economic recovery of the City Centre.**
5. **Delegates authority to the Director of Regeneration and S151 Officer on the advice of the City Solicitor in consultation with the Leader to investigate funding and delivery options including internal delivery and potential partnering options for the City Centre North Development.**

12 Museum Strategy 2022-26 (Pages 399 - 448)

Purpose

To share the findings of the recent consultation to inform thinking around the Museums Strategy.

RECOMMENDED

- 1. That the number of people contributing their views and the findings of the consultation are noted.**
- 2. That the Museums Strategy 2022-2026 is approved without further change.**

13 S75 arrangements with Portsmouth Clinical Commissioning Group (Pages 449 - 464)

Purpose.

To update the Cabinet on work that is taking place to achieve greater integration of commissioning and governance arrangements between Portsmouth Clinical Commissioning Group (PCCG) and Portsmouth City Council (PCC), in the light of the new operating context for health services and to seek agreement to enter into a s75 agreement in respect of these arrangements.

RECOMMENDATIONS

The Cabinet is recommended to:

- **Note the work undertaken to bring about greater integration of health and care services in the city**
- **Approve in principle (on the basis of the summary document attached) the s75 agreement between Portsmouth City Council and Portsmouth Clinical Commissioning Group, with delegated responsibility to the Chief Executive to agree final amendments and to authorise the execution of the agreement in final form.**
- **Delegate authority for associated schedules to be completed and signed off by the relevant Director in consultation with the s151 officer or his authorised delegate.**

14 Violence Against Women and Girls Safety Audit (Pages 465 - 474)

Purpose

To update Cabinet following the request made at the extraordinary City Council meeting on 7 December 2021 for the "Cabinet to conduct a "Safety Audit", allowing residents to share their views about how public lighting and CCTV could be improved to promote safer streets and a safer public domain for women and girls".

RECOMMENDED

- 1. For a further report to Cabinet with an update on the outcome of the community safety survey.**

15 Skills Strategy Review 2021 (Pages 475 - 484)

Purpose

To review the progress since the Cabinet approved the Council's Skills Strategy in November 2020.

The Council as Company Owner

16 Ravelin Group Limited (Pages 485 - 494)

Purpose

1. This report follows on from the previous Cabinet and Full Council decision to setup the Ravelin Group of companies, most recently (15th December 2021) where the Five-year Business Plan and the Investment & Development Plan for Ravelin Housing Limited (RHL) were approved.
2. The report seeks to provide members with further information and oversight on RHL's growth and development plans while also providing further clarity on how and when the Company will engage with its Shareholders and Directors.
3. The report also provides an update on RHL company business and any delegated decisions taken since the last report.

RECOMMENDED that Cabinet

- 1. Notes the proposed future changes to the Ravelin group of company's directorships; and**
- 2. Delegates authority to the Director of Regeneration in consultation with the Leader and the Council's Monitoring Officer, to make changes to the directorship of the Ravelin group of companies, where such changes involve the appointment or removal of Council officers.**
- 3. For the avoidance of doubt, the delegation at 2 (above) would not apply in relation to the appointment or removal of directors to the Ravelin group of companies who are independent non-executive or executive directors and who are also not Council officers. Such appointments would need to be agreed by Cabinet as shareholder.**

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.

This meeting is webcast (videoed), viewable via the council's livestream account at [Portsmouth City Council on Livestream](#).

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.

Coronavirus Risk Assessment for the Council Chamber, Guildhall

Date: 25 February 2022 (based on Living with Covid - February 2022)

Review date: 31 March 2022

Author: Lynda Martin, Corporate Health and Safety Manager, Portsmouth City Council

Coronavirus Risk Assessment for the Executive Meeting Room, Guildhall

Manager's Name and Job Title completing Risk Assessment:	Lynda Martin Corporate Health and Safety Manager	Risk Assessment Dept:	Corporate Services	Date:	25 February 2022	Signature:	<i>Lynda Martin</i>
		Location:	Council Chamber, Guildhall				

Hazard	Who could be harmed and how	All controls required	How controls will be checked	Confirmed all in place or further action required
Risk of exposure to Covid-19 virus - Ventilation	Staff, contractors and attendees	<ul style="list-style-type: none"> There are no longer capacity limits for the Guildhall Chamber. Face coverings are advised to be worn in busy and crowded places and should only be removed when addressing the meeting. The actions to maximise ventilation in the Guildhall Council Chamber remain in place: <ul style="list-style-type: none"> The removal of internal casement secondary glazing windows. Large casement windows will be opened. Pedestal fans - positioned in each of the wing areas and along the back wall behind the pillars, maximum speed and modulation setting. High level doors and window - the double doors to the high level galleries and the gallery corridor window will be opened. 	Staff will ensure windows are open and fans switched on.	In place
Risk of transmission of virus - Risk Mitigation	Staff, contractors and attendees	<p>The Guildhall has the following measures in place:</p> <ul style="list-style-type: none"> Face Coverings – as per government guidance, we encourage you to continue to wear a face covering whilst in the venue & crowded places especially when walking around the building. Enhanced Sanitisation & Cleaning – we will carry out enhanced cleaning procedures between shows and we ask that you sanitise your hands on entry and regularly throughout your visit at the sanitisation points provided. 	The Guildhall Trust and PCC Facilities Team to implement and monitor.	In place
Risk of transmission of virus - Hygiene and prevention		<ul style="list-style-type: none"> Although not a legal requirement attendees are strongly encouraged to keep a social distance and take opportunities to prevent the spread of infection by following the 'hands, face, space' and 'catch it, kill it, bin it' advice that also protects us from other winter viruses. Wash hands for 20 seconds using soap and water or hand sanitiser. Maintain good hygiene particularly when entering or leaving. Hand sanitiser and wipes will be located in the meeting room. No refreshments will be provided. Attendees should bring their own water bottles/drinks. All attendees should bring and use their own pens/stationery. Attendees are requested to undertake an asymptomatic/ lateral flow test within 48 hours of the meeting (requirement in place until the end of March 2022.) It is recommend that attendees should be double vaccinated and have received a booster. 	The Guildhall Trust and PCC Facilities Team to implement and monitor.	In place
Financial Risk	Staff, contractors and attendees	<ul style="list-style-type: none"> The council meeting may need to be cancelled at short notice if the Covid-19 situation changes due to local outbreaks, local sustained community transmission, or a serious and imminent threat to public health. Technology in place to move to virtual council meeting if required and permitted by legislation. 	Financial commitments minimised wherever possible.	In place

Updates

- This risk assessment is a live document and will be updated as new information becomes available.
- All managers should feel free to adapt the measures contained within this risk assessment when assessing the risks for their own department's work activities/ premises.

Further information

- Further government information on support during the coronavirus pandemic can be found [here](#)
- HSE guidance, on working safely during the coronavirus pandemic can be found [here](#)
- Staff wellbeing advice during the coronavirus pandemic can be found [here](#)

Agenda Item 3

CABINET

RECORD OF DECISIONS of the meeting of the Cabinet held on Tuesday, 30 November 2021 at 12 noon at the Guildhall, Portsmouth

Present

Councillor Gerald Vernon-Jackson CBE
Suzy Horton
Ben Dowling
Jason Fazackarley
Hugh Mason
Darren Sanders
Lynne Stagg

98. Apologies for Absence (AI 1)

Apologies for absence were received from Councillors Dave Ashmore, Chris Attwell and Kimberly Barrett. Councillor Suzy Horton gave apologies for late arrival due to an earlier commitment.

99. Declarations of Interests (AI 2)

There were no declarations of interest.

100. Record of Previous Decision Meeting held on 26 October 2021 (AI 3)

The record of decisions from the previous Cabinet meeting held on 26 October 2021 was approved as a correct record.

101. Update on Economic Development Strategy 2019-2036 & Summary of the Economic Development Covid response and plans for recovery (AI 4)

Ian Maguire, Assistant Director of Planning and Economic Growth, introduced the report.

Members noted targets were being exceeded despite the challenges of Covid. The report showed the good work done with partners and the private sector to boost economic development. Driving up wages enables families to have a decent amount to live on. Increasing the number of people with good qualifications is important in the new economy. There is still work to do but a positive start and a move in the right direction have been made. Members thanked those involved in the report.

The Cabinet noted the report.

102. Support for People in Financial Hardship (AI 5)

Mark Sage, Tackling Poverty Co-ordinator, introduced the report.

Members were proud that the council had followed its own practices in tackling hardship and of the help it has provided. They were concerned the £20 reduction in Universal Credit would affect families very badly despite the taper. Central government needs to set the correct baseline so families can raise their children.

The Cabinet noted the report.

103. Plan for the next Homelessness and Rough Sleeping Strategy (AI 6)

Paul Fielding, Assistant Director of Housing, introduced the report.

Members welcomed the integration of the rough sleeping and homelessness strategies. They noted the approach towards rough sleeping is support rather than enforcement and is very different from a few years ago. The support is integrated with financial hardship and health assistance with the aim of preventing homelessness and rough sleeping. Finding accommodation for rough sleepers was a success story of Covid. There is now less need to sleep rough but it is acknowledged that mental health and substance misuse can make life very difficult. The council has just been offered a fourth student block to provide accommodation for rough sleepers which might indicate that developers are building too much of this type of accommodation.

DECISIONS

Cabinet

- 1. Approved the plan for the creation of the new Homelessness and Rough Sleeping Strategy 2023-2028, as outlined in section 5.2 of this report.**
- 2. Approved the option to update the operational elements of The Street Homelessness & Rough Sleeping Partnership Strategy by the end of the 2021/22 financial year, as outlined in section 6 of this report.**

104. (SEHRT) Improvements to Rudmore, Portsbridge and Spur Road roundabouts (AI 7)

Fernando Lopes, Principal Engineer, introduced the report.

Members noted that the council had submitted a bid for £2m to improve bus reliability on routes coming from outside the city in order to provide a network of direct bus priority routes. As well as making bus travel easier and safer it will also benefit cyclists and pedestrians. The proposals will hopefully reduce congestion at the roundabouts which are key junctions in the city. Members thanked the team for their work and looked forward to seeing the next steps.

The Cabinet noted the report.

105. LTP Safer Routes to School (AI 8)

Joanna Hamment, Senior Road Safety Officer, introduced the report.

Members welcomed the report and agreed that changing behaviour is needed to improve safety. Several members had witnessed inappropriate driving and parking near schools. They noted that primary school children, because of their height, were more at risk of being affected by air pollution from vehicle emissions, and also that children are at risk even when they are in cars. It is important to work with parents and reinforce messages. Officers explained that "give way" markings could be introduced in Burrfields Road (Admiral Lord

Nelson School) once all proposed measures have been thoroughly investigated.

DECISIONS

Cabinet approved the spend from the Local Transport Plan 3 - Safer Routes to School budget to be spent at the following locations:

- **Burrfields Road (£30,000)**
- **New Road (£60,000)**
- **Multiple locations - visibility and awareness treatments (£60,000)**

106. Decision to Opt into the National Scheme for Auditor Appointments Managed by Public Sector Audit Appointments (AI 9)

Chris Ward, Director of Finance & Resources (S151 Officer), introduced the report.

Members commended opting into the National Scheme for Auditor Appointments as it saves money and provides the services of skilled auditors. They suggested writing to the Local Government Association, who had devised the scheme.

DECISIONS

Cabinet agreed that the Council accepts Public Sector Audit Appointments' (PSAA) invitation to opt into the sector-led option for the appointment of external auditors to principal local government and police bodies for five financial years from 01 April 2023.

107. Treasury Management Mid-Year Review 2021/22 (AI 10)

Chris Ward, Director of Finance & Resources (S151 Officer), introduced the report.

Members commended the prudent measures outlined in the report, particularly in view of the current period of uncertainty.

DECISIONS

Cabinet agreed to note

- 1. That the Council's Treasury Management activities have remained within the Treasury Management Policy 2021/22 in the period up to 30 September 2021.**
- 2. That the actual Treasury Management indicators as at 30 September 2021 set out in Appendix A be noted.**
- 3. That the report goes to Full Council on 7 December 2021.**

108. Revenue Budget Monitoring 2021/22 (Second Quarter) to end September 2021 (AI 11)

Chris Ward, Director of Finance & Resources (S151 Officer), introduced the report, noting that Covid still has a significant impact on the Council's finances.

Councillor Vernon-Jackson reminded members that portfolio holders were responsible for addressing overspends in their portfolios.

DECISIONS

Cabinet agreed that

1. The General Fund Forecast Outturn for 2021/22 (as at 30th September 2021) of an overall net overspend of £1,029,500 be noted; this is analysed as follows

FORECAST OUTTURN 2021/22		£000
Forecast Net Overspend (before transfers to/from) Reserves		15,165.9
Less Expenditure funded from Corporate Contingency:		
	Covid-19 Costs	(10,637.0)
	Windfall Costs	(1,968.8)
Less Transfers From Portfolio / Cabinet Reserve:		
	Overspendings (in accordance with approved Council resolutions)	(2,195.1)
Add Transfers to Portfolio and Other Reserves:		
	Underspendings (in accordance with approved Council resolutions)	664.5
Overall Forecast Net Overspend 2021/22		1,029.5

2. The forecast additional spending and forgone income as consequence of the Covid-19 Pandemic totalling £10.64m be noted
3. Members note that the financial consequences arising during 2021/22 from the Covid-19 pandemic will be met from the provision held within the Council's Corporate Contingency which was set aside specifically for this purpose as approved by City Council on 9th February 2021.
4. Members note that in accordance with approved policy as described in Section 8, any actual non Covid-19 overspend at year end will in the first instance be deducted from any Portfolio Reserve balance and once depleted then be deducted from the 2022/23 Cash Limit.
5. In accordance with (iv) above and the requirement that in the first instance any Portfolio overspending must be met from the Portfolio Reserve, that £1,354,400 has been withdrawn from the Cabinet Portfolio Reserve to fund current forecast overspendings, leaving a nil balance.
6. Directors, in consultation with the appropriate Cabinet Member, consider options that seek to minimise any forecast non Covid-19 overspending presently being reported and prepare strategies

outlining how any consequent reduction to the 2022/23 Portfolio cash limit will be managed to avoid further overspending during 2022/23.

The meeting concluded at 12:36 pm

Councillor Gerald Vernon-Jackson CBE
Leader of the Council

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RECORD OF DECISIONS of the meeting of the Cabinet held on Tuesday, 8 February 2022 at 1 pm at the Guildhall, Portsmouth

Present

Councillor Gerald Vernon-Jackson CBE
Dave Ashmore
Chris Attwell
Kimberly Barrett
Ben Dowling
Jason Fazackarley
Hugh Mason
Darren Sanders
Lynne Stagg

6. Apologies for Absence (AI 1)

Apologies for absence were received from Councillor Suzy Horton.

Members agreed to consider agenda item 9 (PCC Budget & Council Tax 2022/23 & Medium Term Budget Forecast 2023/24 to 2025/26) first as the Director of Finance & Resources had another commitment but for ease of reference the minutes will be kept in the original order.

7. Declarations of Interests (AI 2)

Councillor Vernon-Jackson declared an interest in agenda items 8 (Dunsbury Park Tax Site Specific Agreement) and as he is a director of the Freeport and 10 (Oversight and decision making for council companies) as he is a director of Portico. He would leave the meeting for these two items.

8. Record of Previous Decision Meeting held on 11 January 2022 (AI 3)

The record of decisions from the previous Cabinet meeting held on 11 January 2022 was approved as a correct record.

Councillor Vernon-Jackson noted that the time of the Cabinet meetings had been changed to 1 pm accommodate the leaders of the main opposition groups.

9. Vaccinations as a condition of deployment (VCOD) for wider health & care settings (AI 4)

Andy Biddle, Director of Adult Care, introduced the report. Since it had been written the Secretary of State for Health & Social Care had made a statement he was taking steps to revoke the intention to make vaccination compulsory for all health and care staff who have direct contact with people. The council has halted HR procedures in line with guidance in two letters received last week from the Department of Health & Social Care. Theoretically VCOD could still come into force from 1 April 2022, depending on how Parliament votes, which is creating uncertainty. Staff have been told HR procedures have been paused and will be updated when more information is known.

Three items in the statement have not yet been clarified. They indicate there would be discussions with NHS employers and the CQC about the importance of vaccination and whether it would become a condition of employment but it has not been moved formally yet. Mr Biddle will update members if this happens but at the moment VCOD is not going ahead on 1 April.

In response to questions from members, who were aware of staffing difficulties in the sector, Mr Biddle said that so far one member of staff had been affected by VCOD for care home staff; others had been redeployed so that they do not go into care homes. No council staff have been lost yet due to the proposed 1 April mandate. It is not known how many staff have been affected amongst independent providers.

The Cabinet noted the report.

10. Update on Planning Development Management and increase in capacity (AI 5)

Ian Maguire, Assistant Director of Planning and Economic Growth, introduced the report.

Members noted planning applications had been affected by the nitrates issue, Covid and staffing changes. Various initiatives had been tried; however, the backlog of planning applications is improving slightly.

DECISIONS

Cabinet

- 1. Recommended that the report is referred to Council for noting.**
- 2. Approved the creation of a 'bank' of external planning staff utilising flexible contracting to support the capacity of the Development Management team.**
- 3. Approved the use of Corporate Contingency to fund a bank of external planning staff to 31 March 2023. This is anticipated to be around £45,000.**

11. Updated Nutrient Neutral Mitigation Strategy (AI 6)

Ian Maguire, Assistant Director of Planning and Economic Growth, introduced the report.

Members said it was important to note the context of the report in that the city is not a major producer of nitrate pollution as it mainly comes from farm land but it is affected by it and is obliged to be nitrate neutral. There was some concern that the government may later say the measures described in the report are not necessary and the council will have spent £3m. However, they are needed in the meantime so development can proceed.

DECISIONS

Cabinet

- 1. Approved the decision to enter into a proposed agreement with the Hampshire and Isle of Wight Wildlife Trust to provide nitrogen offsetting mitigation for minor third party and PCC development at up front expenditure of £3.75m.**

2. **Noted the details of the updates and approved the Updated Interim Nutrient Neutral Mitigation Strategy as guidance for applicants (See Appendix 1).**
3. **Noted the progress of the work of Partnership for South Hampshire (PfSH) and government bodies on a wider strategic solution to the nitrate pollution issue affecting house building in the Solent catchment.**
4. **Delegated authority to the Assistant Director of Planning and Economic Growth to make any necessary minor amendments to the Updated Interim Nutrient Neutral Mitigation Strategy following the finalisation of the agreement with the Hampshire and Isle of Wight Wildlife Trust, in consultation with the Cabinet Member for Planning Policy and City Development (if required).**

12. LTP East West Active Travel Corridor Phase 3 (AI 7)

Andy Bullock, Active Travel Officer, and Michelle Love, Safer Travel Manager, introduced the report.

Members noted the Travel Corridor was part of the much bigger Local Transport Plan 4 whose aim is to improve active travel, air quality, health outcomes and the safety of cyclists and pedestrians, and to reduce health inequalities. Members welcomed the corridor as currently many cycle paths are narrow and there is low car ownership in the area. They thanked officers for their engagement with residents.

In response to questions from members about including the Horatia House and Leamington House replacements in plans, Mr Bullock said officers are taking a proactive approach in the area, such as improving the safety of the Middle Street junction, but may have to look for further for funding in Phase 4. They will liaise with colleagues as applications come forward.

DECISIONS

Cabinet

1. **Approved the proposed East West Active Travel (EWATC) Phase 3 walking and cycling improvements including, in order of priority:**
 - i. **2-way cycleway along Winston Churchill Avenue north of carriageway**
 - ii. **New 'Floating Bus Stop' on northern side of Winston Churchill Avenue**
 - iii. **2-way cycleway along Winston Churchill Avenue south of carriageway**
 - iv. **Upgrade of Winston Churchill Avenue pedestrian crossing to form toucan crossing**
 - v. **Middle Street pedestrian/cyclist priority at junction**
 - vi. **St James's Road turning head and disabled parking bay redesign**
 - vii. **Wellington Street quieter route**
2. **Noted that the Cabinet Member for Traffic and Transportation will be requested as necessary to review and approve minor amendments to the proposed designs and timescales due to any unanticipated issues raised or changes in costs.**

Councillor Vernon-Jackson left the meeting at 1.35 pm due to his interest in the next two items. Councillor Dowling took the chair.

13. Dunsbury Park Tax Site Specific Agreement for Solent Freeport (AI 8)

Mark Pembleton, Economic Growth Manager, introduced the report, highlighting the number of jobs that could be created: around 26,000 over the 25 years of the Freeport and 53,000 in the supply chain.

Members thanked the team for their work as the agreement will have enormous economic benefits. Portsmouth is an industrial city and has been at the forefront of high technology. The benefits of the agreement will attract advanced industry.

DECISIONS

Cabinet approved a delegation to the Director of Regeneration in consultation with the Monitoring Officer and S.151 officer to negotiate, agree and execute the Site Specific Agreement for Dunsbury Park for and on behalf of the council.

14. PCC Budget & Council Tax 2022/23 & Medium Term Budget Forecast 2023/24 to 2025/26 (AI 9)

Chris Ward, Director of Finance & Resources (S151 Officer), introduced the report.

Members thanked officers for their hard work. Making savings is always difficult but there are very few proposals in the budget that will harm the public. Spending will be invested in projects that will benefit residents such as a new pool in the south east of the city, special needs education, expanding the food waste recycling scheme and retention of the community wardens. Proposals forecast that no savings will be required in 2023/24, which has not been the case for several years.

DECISIONS

Cabinet recommended to Council that the recommendations set out in section 3 of the report be approved.

15. Oversight and decision making for council companies (AI 10)

David Williams, Chief Executive, introduced the report.

Councillor Dowling explained members had examined the process of how the council dealt with companies it owns and there was cross-party agreement to have a clear understandable democratic structure with which the public can engage. It was felt full Cabinet would meet these requirements.

DECISIONS

Cabinet

- 1. Agreed to abolish the constituted shareholder committee reverting the discharge of PCC company shareholder functions (executive functions) to full Cabinet.**

- 2. Agreed that distinct and separate shareholder delegation(s) be provided for each PCC company to be agreed in each separate company paper going forward.**
- 3. Agreed that where the Cabinet has delegated the shareholder functions each company has an obligation to report to Governance & Audit & Standards on a proportionate basis.**

The meeting concluded at 1:45 pm

Councillor Gerald Vernon-Jackson CBE
Leader of the Council

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Agenda Item 4



Title of meeting: Cabinet
City Council

Date of meeting: Tuesday 8 March 2022

Subject: Capital Strategy 2022/23 - 2031/32

Report by: Director of Finance & Resources

Wards affected: All

Key decision: Yes

Full Council decision: Yes

1. Executive Summary

- 1.1. The Council's ten year capital strategy was first approved in March 2020. The Capital Strategy is dynamic and is therefore updated annually as capital investment plans mature.
- 1.2. The Capital Strategy sets out the overarching capital aspirations and how both capital expenditure and investment decisions are made, whilst taking into consideration risks and rewards. There are 2 parts to the Capital Strategy.

Part I - Capital Strategy

- 1.3. The Chartered Institute of Public Finance and Accountancy (CIPFA) describes the capital strategy as "the long-term strategy for investment in assets and for obtaining the resources required for that investment". When a capital scheme is approved by Members, it is at that point in time that a decision is made how to finance the scheme. If the scheme generates either sufficient income or savings, it can be financed from borrowing so long as either the income or savings can be predicted with a high degree of certainty to adequately service the debt.
- 1.4. At the time of scheme approval, should the Council have surplus cash, it may choose to fund capital expenditure financed by borrowing from its surplus cash in the short-term, and delay going out to the market to physically borrow the required cash for the capital scheme until a later date. Prior to any borrowing a full business case and financial appraisal is prepared that can satisfactorily demonstrate with good certainty that cost savings / additional income or value uplift of the development which will accrue directly to the Council will at least cover the cost of that borrowing on a sustained basis over the lifetime of the borrowing undertaken.

- 1.5. Whether to take long term borrowing, or use surplus cash in the short-term and delay a decision to take longer term borrowing forms part of the Treasury Management Policy and is not considered here.

Part II - Borrowing and Investing

- 1.6. Part II considers the implications of the Council's future capital expenditure plans on borrowing and investing.

Making Provision for the Repayment of Debt

- 1.7. Repayment of borrowing must be provided for upon completion of General Fund schemes financed by borrowing, it is the Council's policy to provide for the repayment of the debt over the asset's useful economic life not exceeding 50 years. This is known as the **Minimum Revenue Provision (MRP)** and is based on an annuity method of calculation. This methodology results in a lower MRP for new assets in the early years presenting the council with the opportunity to build income streams and build savings over this period. However, MRP will increase year on year, but not necessarily in real terms after inflation is taken into account.

Timing of Borrowing

- 1.8. When the Council has surplus cash, instead of investing that surplus cash through the Treasury Management Policy it can use it in the short term as a source of finance for capital expenditure. The resulting loss of interest earned on investments can be more cost effective than borrowing the required funds straight away. However, this delays taking external borrowing rather than avoiding the need to borrow completely.

Investments in Property

- 1.9. According to the CIPFA Treasury Management Code, **Investment in Commercial Properties Acquired through the Capital Programme** are also regarded as investments in addition to **Investments of Surplus Cash**.
 - The Government issued revised statutory guidance on local government investments early in 2018 coming into effect from 1st April 2018. The guidance requires Councils not to borrow purely for financial gain either within, or outside its area. Prior to this guidance coming into effect, as 31 March 2018, the Council had spent £117.3m on acquiring commercial properties outside the Portsmouth economic area solely to generate income to support the services that the Council provides. The Council has since spent a further £41.6m on acquiring commercial properties outside the Portsmouth economic area to create a balanced commercial property portfolio. There are no further commercial property acquisitions outside the Portsmouth economic area in the Capital Programme, although there is a scheme to refurbish one of the investment properties.

- 1.10. To ensure that the Council does not become over reliant on Investment income, a number of indicators are calculated in accordance with government guidance. These are included in the Appendix of Part II.

Skills and Knowledge of Staff

- 1.11. Treasury Management and Capital accounting requirements are complex and heavily regulated. As a consequence, staff are provided with adequate training so that they have sufficient **skills and knowledge**, assisted by Link Asset Services, to undertake the treasury management function in house.

Treasury Management Reporting

- 1.12. The Council's strategy for borrowing and investing surplus cash is contained in its Treasury Management Policy elsewhere on the agenda. All **Treasury Management Policies** are considered by the Cabinet and approved by the City Council on an annual basis. All reports on treasury management including monitoring reports are scrutinised by the Governance and Audit and Standards Committee.

2. Purpose of report

- 2.1. The purpose of this report is to:

- enable the City Council to adopt a long term Capital Strategy from 2022/23 onwards
- inform members and the wider community of the Council's Capital Strategy
- ensure that Members are aware of the overall strategy, governance procedures and risk appetite
- highlight the inter-relationship between business planning the Capital Strategy, Capital Programme, the Revenue budget, the Medium Term Financial Strategy and Treasury Management

Simple Business Planning Model



Link Asset Services

- ensure the council has sufficient liquidity to meet the cashflow arising from the capital programme

3. Recommendations

- 3.1. That Part I of the Capital Strategy (Capital Expenditure and Aspirations) be approved including:
- a) The Short / Medium / Long-term Aspirations set out in Appendix 1.
- 3.2. That Part II of the Capital Strategy (Borrowing and Investing) be approved including:
- a) The Minimum Revenue Provision (MRP) for Debt Repayment Policy (Part II, (paragraph 2.5)
 - b) The investment indicators in Part II - Appendix 2 (Part II, paragraph 3.5)
 - c) That the Director of Finance and Resources (Section 151 Officer) will bring a report to the next Cabinet and City Council if (Part II, paragraph 3.5):
 - (i) The Council's gross General Fund (GF) debt exceeds 500% of GF net service expenditure or;
 - (ii) Overall investment income from investment properties and long term treasury management investments exceeds 7.5% of GF net service expenditure.

4. Background

- 4.1. In March 2021, the City Council approved the 10 year Capital Strategy starting in 2021/22
- 4.2. The Capital Strategy establishes the approach to both capital expenditure and investment decisions.
- 4.3. This report outlines the Council's Capital Strategy and aspirations for the next 10 years, starting from 2022/23. The Capital Strategy is dynamic and will be updated annually as capital investment plans mature. The Capital Programme and "new starts" (including the Housing Investment Capital Programme) is approved each year by Full Council, in accordance with the Capital Strategy.
- 4.4. The Capital Strategy fulfils the requirements of the revised Prudential Code for Capital Finance in Local Authorities 2017.

5. Reasons for recommendations

- 5.1. Adopting a Capital Strategy will enable a longer term view to be taken of capital expenditure, borrowing and investment. The Capital Strategy is also intended to facilitate integration between the Council's aspirations, its Capital Programme and its Treasury Management Strategy.

6. Integrated impact assessment

- 6.1. This Capital Strategy identifies capital schemes that may be included in future capital programmes. Sums are not earmarked for capital schemes until they are included in the capital programme. 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.

7. Legal implications

- 7.1. The Section 151 Officer is required by the Local Government Act 1972 and by the Accounts and Audit Regulations 2011 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

8.1. All financial considerations are contained within the body of the report and the attached appendix.

.....
Signed by: Director of Finance and Resources (Section 151 Officer)

Appendices:

Part I Capital Strategy

Sub Appendices:

Appendix 1 Capital Aspirations

Part II Borrowing and Investment including Investment Indicators

Sub Appendices:

Appendix 2 Investment Indicators

Glossary

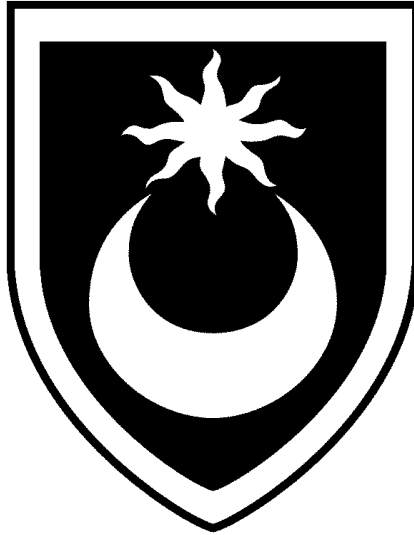
Background list of documents: Section 100D of the Local Government Act 1972

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
1 Information pertaining to the Capital Strategy	Financial Services

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

.....
Signed by:



Portsmouth
CITY COUNCIL

CAPITAL STRATEGY

2022/23- 2031/32

**“Portsmouth People Value Collaboration,
Community, Equality, Respect and Innovation”**

Part I Capital Expenditure and Aspirations

CONTENTS

- 1. Definition, Purpose & Scope**
- 2. Portsmouth Vision & Corporate Plan – “Strategic Fit”**
- 3. Key Capital expenditure Principles**
- 4. Capital Resources**
- 5. Short & Medium Term Capital expenditure Needs & Priorities**
- 6. Long Term Capital expenditure Aspirations**
- 7. Summary**
- 8. Appendices**

1. Definition, Purpose & Scope

Definition

a. Capital expenditure is the expenditure that is incurred primarily on buying, constructing or improving physical assets, such as:

- Buildings (including schools, houses, libraries and museums)
- Land for development, roads, playing fields; and
- Vehicles, plant and machinery (including street lighting and road signs).

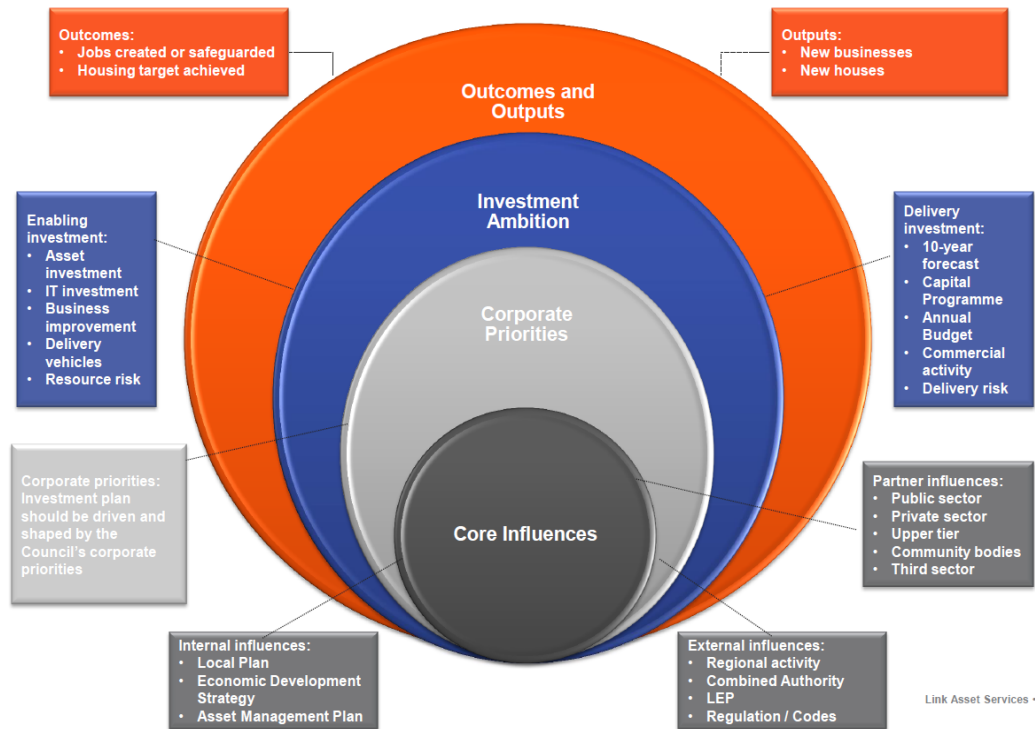
Capital expenditure also includes grants and advances made to the public or private sector for capital purposes, such as advances to Registered Social Landlords to provide adaptations to houses meet the needs of vulnerable people

b. The Capital Strategy is a high level plan that sets out the Council's approach to Capital expenditure over the short, medium and long term.

c. The Capital Strategy takes both a "bottom up" and "top down" approach to the identification of the Council's Capital expenditure requirements. It takes a 10 year time horizon and considers:

- What are the short term **needs** of the existing capital assets of the City Council, which of them will be required for future service delivery and what capital expenditure will be needed to sustain them both now and in the future ("Bottom Up" approach)
- What are the Council's medium term **priorities** for service delivery and what capital expenditure will be needed to help deliver those priorities ("Top Down" and "Bottom Up" approach)
- What are the Council's long term **aspirations** for the City of Portsmouth and what capital expenditure will be needed to deliver those aspirations ("Top Down" approach)

Capital Strategy



Purpose

- d. The purpose of the Capital Strategy is to set out a plan and a supporting financial framework to assist in the delivery of the Council's needs, priorities & aspirations. That plan describes what will be achieved, by when with key milestones and how it could be funded.
- e. The Capital Strategy is intended to be a robust vehicle with sufficient guiding principles to achieve the Council's stated vision and priorities but flexible enough to be able to respond to the emerging local priorities that will inevitably arise.
- f. The Capital Strategy is not intended to be static, it is a dynamic plan that will change and evolve continually over time. The Capital Strategy needs to be flexible to respond to emerging national and local priorities. In particular, the nature of the Central Government Capital Financing system is such that many national priorities for Capital expenditure will be cascaded and "drip fed" to Local Authorities over time and will be accompanied by the external funding to support them. These will be incorporated into the Council's Capital expenditure Plans as they arise. The Strategy will however, be robust and will include local priorities and aspirations that the Council aims to fund from the Council's own capital resources
- g. Unless there is a compelling case in the wider public interest, any capital receipts received from assets previously appropriated between the General Fund and the Housing Revenue Account be used in any way to relieve the Council (HRA or General Fund) of its associated ongoing debt burden. Such uses will include:
 - i. A voluntary contribution to the repayment of debt (i.e. Voluntary Minimum Revenue Provision)
 - ii. The funding of (or contribution to) a capital scheme that will generate long term income streams that exceed the ongoing debt burden

- iii. The funding of a capital scheme that will reduce expenditure or avoid costs at a level that exceeds the ongoing debt burden
 - iv. Any combination of the above
- h. Following the December 2017 edition of the CIPFA Prudential Code for Capital Finance in Local Authorities' regulations guidance, there is also a requirement for full Council to approve an annual Capital Strategy linking with the Council's asset management plans and its Treasury Management Strategy. Being aligned with one another, they will generate and create value for the Council by optimising the Council's liquidity; having a framework in place to prioritise capital expenditure and safeguarding against risk of either project overspend or non-delivery and by limiting the uncertainty of its returns.

Scope

- i. The City Council's Capital Strategy encompasses all areas of the Council's activities including some of the traditionally more autonomous service areas such as Housing Revenue Account and the Commercial Port.
- j. The body that approves the budget for PCC is the Full Council. The responsibility for decision-making and ongoing monitoring in respect of capital expenditure, investment and borrowing, including prudential indicators, remains with the Full Council.
- k. New Capital Expenditure will be targeted towards those schemes that meet the Council's statutory responsibilities and that are most likely to drive cost reduction for the Council, innovation and clean economic growth and productivity for the City.
- l. The top 3 most important service areas for residents at present are, in order of popularity:
 - i. Collecting bins and keeping the city clean
 - ii. Ensuring older people and vulnerable adults are looked after and supported to live independently
 - iii. Supporting education, early years and children with special educational needs
- m. Additionally, for future investment of the Council's capital budget, the three most popular project areas selected by respondents are, in order of popularity:
 - i. Building new homes in the city, including flats offering special care for elderly residents
 - ii. Investing in greening projects across the city
 - iii. Creating better facilities for sustainable transport such as cycling and walking

2. Portsmouth Vision & Corporate Plan – “Strategic Fit

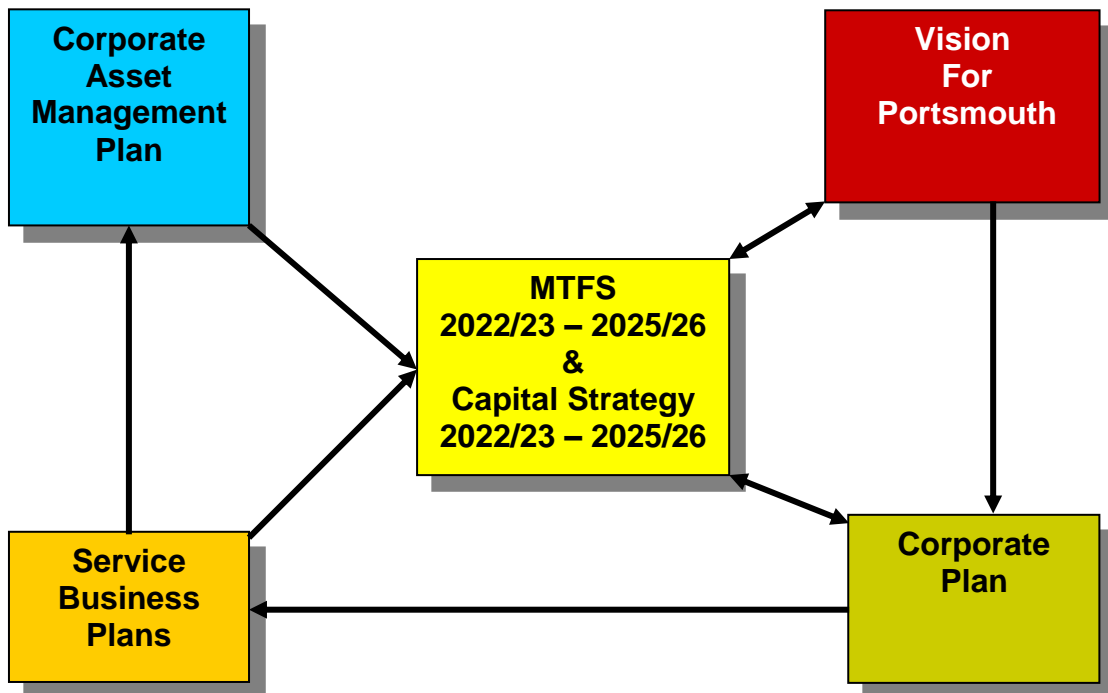
a. The Vision for Portsmouth is:

“Portsmouth people value collaboration, community, equality, respect and innovation”.

In order to deliver this vision, the City’s priorities are to:

- A healthy and happy city
 - A city rich in culture and creativity
 - A city with a thriving economy
 - A city of lifelong learning
 - A green city
 - A city with easy travel
- b. The Medium Term Financial Strategy (MTFS) and the Capital Strategy (CS) set out the Revenue Spending plans and the Capital expenditure plans respectively that deliver the longer term aspirational Vision for Portsmouth and the medium term Priorities for the City Council. Both of these strategies set out the financial frameworks that exist to support the achievement of the vision and priorities.
- c. Whilst there is a technical distinction between Revenue and Capital, the focus of attention for the Council is not whether it is Capital or Revenue, but whether the desired outcome is achieved. In this respect, the strategy for capital expenditure is of equal importance to the strategy for revenue spending.
- d. Whilst the MTFS and CS are designed to support the delivery of the day to day revenue and ongoing capital expenditure needs, priorities and aspirations of the Council, those needs, priorities and aspirations are also constrained by the revenue and capital resources available. These strategies therefore introduce criteria based processes to assist the Council in making informed spending decisions that will optimise the outcomes from the resources available.
- e. The MTFS and CS are driven by the Vision for Portsmouth and the Corporate Plan both directly in terms of medium to longer term priorities and ambitions of the Council and via Service Business Plans and the Corporate Asset Management Plan in terms of the short and medium term needs and priorities of the Council. This is illustrated pictorially below:

STRATEGIC FIT



- f. The Corporate Asset Management Plan and Service Business Plans are the more immediate “needs analysis” and “bottom up” drivers that feed the MTFS and Capital Strategy. Service Business Plans set out all spending plans of the service in order to deliver priority outcomes. Service Business Plans also feed the Corporate Asset Management Plan (CAMP) which seeks to align the Council's asset base with our corporate plans and objectives. The CAMP identifies current and future needs and priorities of services and seeks to provide a series of actions to ensure the Council has the right assets, in the right condition and in the right location
- g. A core feature of this Capital Strategy is to assist in the delivery of the Vision and the Corporate Plan. There is a presumption that Capital expenditure will be targeted towards income generation and economic growth whilst ensuring the Council's statutory obligations are also met. The emphasis is therefore on cost reduction, innovation and clean economic growth and productivity for the City.

3. Key Capital Expenditure Principles

- a. In order to determine which current, or future assets, should be either maintained or invested in the following principles will be adopted when consideration is given to capital expenditure decisions:

b.

Principle 1 – Contribution to Council Plan / Priorities

For the Council's non-commercial activities, Capital expenditure will be made where there is a clear and demonstrable contribution to the priorities contained within the Corporate Plan or the aspirations contained within the Portsmouth Vision.

For the Council's commercial activities (such as the Port and Investment Property Portfolio), Capital expenditure will be based on the commercial principles of achieving security of the investment with a specified rate of return and payback through surpluses over a reasonable time period.

Principle 2 - Statutory Obligations

There must be clarity about the details of immediate obligations and the extent to which the current statutory obligation is being met.

Principle 3 – Financial Appraisal

The City Council will only embark on new capital expenditure where that capital expenditure is fully funded and the source of funding in terms of both timing and value can be relied upon with a high degree of confidence. The timing and accessibility of funds to PCC must be considered.

Prior to any Capital expenditure decision being made, the whole life cost of the proposal will be estimated and the Council will satisfy itself that those costs can be accommodated with the council's overall budget. Capital Expenditure must also take into consideration the impact on both existing revenue and capital budgets and future forecasts. This will include both the maintenance and any lifecycle replacement of components required over the estimated useful life of the asset.

Principle 4 – Option Appraisal

Any new capital expenditure decision is to follow a full and proper options appraisal that considers the following for each reasonable alternative:

- Suitability – the extent to which each option makes a contribution to the needs, priorities and aspirations of the Council as defined within the CAMP, Corporate Plan and Vision for Portsmouth
- Feasibility – the capital cost and whole lifecycle cost plus the practical ease of implementing the scheme
- Acceptability – the extent to which the scheme is acceptable to Members of the City Council and the residents of Portsmouth.

Principle 5 - Risk

The Capital expenditure should not place the Council in a position where the risks associated with the Capital expenditure exceed the benefits of undertaking that investment. Neither, should the Council enter into any Capital expenditure where the risks associated with that investment cannot be managed effectively. Such risks may include (but will not be exclusive to) having insufficient resources generally or project management resources in particular to be able to effectively deliver a capital scheme.

Principle 6 – Approved Schemes in Progress (overspends)

The first consideration before any new Capital Expenditure is to ensure that the existing approved capital programme is fully and properly funded. Except in exceptional circumstances, the first call on available capital resources will be to fund any overspendings on approved schemes which are contractually committed. An approved scheme that is in progress will only be cancelled when the Value for Money of that scheme becomes unviable. (i.e. the additional costs and risks outweigh the potential future benefits)

4. Capital Resources

The financial framework governing the allocation of Capital Resources 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.

Allocation of corporate capital resources (i.e. non passported sources of finance) available to the City Council for new capital schemes comprise the following:

- 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
- Other Corporate Capital Grants & Contributions e.g. Community Infrastructure Levy
- Any Revenue Contributions to Capital
- 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

Unless there is a compelling case in the wider public interest, any capital receipts received from assets previously appropriated between the General Fund and the Housing Revenue Account be used in any way to relieve the Council (HRA or General Fund) of its associated ongoing debt burden. Such uses will include:

- A voluntary contribution to the repayment of debt (i.e. Voluntary Minimum Revenue Provision)
- The funding of (or contribution to) a capital scheme that will generate long term income streams that exceed the ongoing debt burden
- The funding of a capital scheme that will reduce expenditure or avoid costs at a level that exceeds the ongoing debt burden
- Any combination of the above

5. Short & Medium Term Capital Expenditure Needs & Priorities

- a. The short and medium term Capital expenditure needs of the Council will be driven by the Corporate Plan and be identified in Service Business Plans and the Corporate Asset Management Plan (CAMP).
- b. The CAMP is a consolidation of all existing Capital expenditure needs and priorities drawing on Service Asset Management Plans and other Corporate Priorities. It is both a “bottom up approach” (i.e. needs led) drawing upon changing demographics, changing demand and changing expectations of residents as well as a “top down” approach (i.e. priority led) based on the future direction of the Council set out in the Corporate Plan.
- c. In summary, the CAMP will identify:
 - The assets needed to deliver current and future services
 - The condition and sufficiency of those assets
 - The capital expenditure required to maintain and / or adapt those assets to ensure that they are “fit for purpose”
 - Unsuitable and surplus assets that are not required for the delivery of the Council’s services and could either be:
 - Re-used for another purpose
 - Re-developed or “mothballed” for future re-development
 - Transferred for Community or other Public Use
 - Disposed of via sale.
- d. The City Council has a wide range of service responsibilities, both statutory and non-statutory. In determining the needs and priorities for new Capital expenditure, a balanced approach will be taken to ensure that the needs and priorities of all service areas are considered including taking into account, the capital intensive nature of some services.
- e. The Capital Strategy is dynamic and whilst the priorities and aspirations of the Council will remain broadly constant, the Capital expenditure to achieve those priorities may change. The Capital expenditure plans of the Council will be updated continuously and added to the Council’s Capital Programme following the proper approvals in accordance with the Council’s Constitution and Financial Rules. The Capital Planning process is described as part of the Financial Framework supporting the Delivery of the Capital Strategy in Section 7.

6. Long Term Capital Expenditure Aspirations

- a. It is recommended that the City Council endorses the short to medium and long-term aspirations of the Capital Strategy, as set out in Appendix 1.
- b. The longer term aspirations that the Council has for the City are ambitious and rely on the Council applying the resources at its disposal in ways which deliver the greatest impact. Those resources include Capital Resources which will be targeted at Capital expenditure that has the greatest prospect of delivering the Council's aspirations.
- c. The Council has developed a wide range of longer term Capital expenditure proposals aimed at meeting the "Vision for Portsmouth", some of which have partial funding, but the majority of which, are currently unfunded. Section 7 (Appendix 1) of this Strategy sets out the way in which these unfunded Capital expenditure plans could be achieved.
- d. The Council's key longer term Capital expenditure plans and aspirations aimed at delivering the Vision for Portsmouth are set out in Appendix 1.

7. Summary

- a. This strategy sets out the key capital expenditure priorities over the short, medium and longer term.
- b. Whilst the capital resources available are currently insufficient to meet all the capital expenditure Priorities of the Council, the financial framework set out in this strategy will provide the best opportunity for maximising resources and the best opportunity for applying those resources to that Capital expenditure which will make the greatest contribution to the Council's needs, priorities and aspirations.
- c. Inevitably plans to achieve the Council's objectives over the short, medium and long term will change as will the capital resources available. This strategy has been designed to be flexible enough to accommodate any such changes whilst being robust enough to enable the Council's core objectives to be achieved.

APPENDIX 1

Capital Aspirations (Short / Medium / Long-term) 2022/23 Onwards

Corporate Plan	Nature of Capital Investment	Total Capital Cost £'000s	Borrowing Requirements £'000s	Other Funding £'000s	Expected Outcome
A City of lifelong learning	Additional School Places - SEND	30,000	20,000	10,000	Investing in school buildings to create additional places and provide learning environments that meet the needs of all children, including for Tipner Infrastructure
A City of lifelong learning	Maintenance of School Buildings (rolling programme)	10,000		10,000	Maintain and improve PCC Assets
A City of lifelong learning	Improving IT Infrastructure for Education and Children's Social Care	1,500		1,500	Maintain and improve PCC Assets
A healthy and happy City	Maintenance of Children, Families and Education Portfolio Buildings	2,000	2,000		Maintain and improve PCC Assets
A healthy and happy City	Carer's adaptations	3,000	3,000		Improve the number of children who can be cared for in homes in the city.
A City with a thriving economy and a green City	Cruise Expansion	30,000	30,000		Income generation for both the Council and the City
A City with a thriving economy and a green City	North Quay and Associated Development	30,000		30,000	Income generation for both the Council and the City
A green City	Shore Power	51,000	12,750	38,250	Maintain and improve PCC Assets, whilst protecting income for both the Council and the City
A green City	Living Walls	1,000		1,000	To facilitate improvements to the city's environment
A City with a thriving economy	Crane Replacement - 40 Tonne	350	350		Maintain and improve PCC Assets
A City with a thriving economy	Berth 5 Linkspan Replacement	15,000	3,750	11,250	Protect income to both the Council and the City
A City with a thriving economy	Berth 3 Linkspan Replacement	20,000	5,000	15,000	Protect income to both the Council and the City
A City with a thriving economy and a green City	Freight Gate Automation	2,000	500	1,500	Maintain and improve PCC Assets
A City with a thriving economy and a green City	Freight Inspection Point	500	125	375	Maintain and improve PCC Assets
A City with a thriving economy and a green City	Switch Room 1	750	188	563	Maintain and improve PCC Assets
A City with a thriving economy and a green City	Check-In Booths Automation	2,000	500	1,500	Maintain and improve PCC Assets

Corporate Plan	Nature of Capital Investment	Total Capital Cost £'000s	Borrowing Requirements £'000s	Other Funding £'000s	Expected Outcome
A healthy and happy City	Development of new burial site for faith Group	500		500	Dedicated burial space for different faith groups
A healthy and happy City - supporting people to live active, healthy lives	Sports and Leisure Facility improvements (mainly Mountbatten Centre)	5,000	5,000		To ensure that the Mountbatten Centre remains fit for purpose and that it can respond to the latest needs in line with the next re-procurement. Improved physical participation and mental and physical health
A healthy and happy City - supporting people to live active, healthy lives	Replace Farlington Pavilion (7-10 years) plus match funding	5,000	2,500	2,500	Replace Pavilion
A healthy and happy City - supporting people to live active, healthy lives	Replace Langstone Pavilion	1,000	1,000		Replace Pavilion
A healthy and happy City - supporting people to live active, healthy lives	Invest in Young People's Play (£1m in alternate years)	5,000	5,000		Replace equipment over a period of years to spread life expectancy and to include works that are not necessarily fixed equipment in fenced sites
A healthy and happy City - supporting people to live active, healthy lives	Invest in Public Open Spaces	1,000	1,000		build outcomes of Covid 19 and invest in public open spaces to increase their value as public assets further-increasing maintenance and green features to cope with demand and meet public expectation
A healthy and happy City - supporting people to live active, healthy lives	Horsea Island Country Park- post Handover plan	200		200	Provision of country park experience for residents
A City rich in Culture & Creativity	Japanese garden	125		125	complete refurbishment of garden
A healthy and happy City - supporting people to live active, healthy lives	Conversion of west chapel at Kingston Cemetery	500	250	250	Office accommodation and toilets
A healthy and happy City - supporting people to live active, healthy lives	Milton and South Kingston lodge refurbishment	1,000	500	500	Increase life & usage of assets

Corporate Plan	Nature of Capital Investment	Total Capital Cost £'000s	Borrowing Requirements £'000s	Other Funding £'000s	Expected Outcome
A healthy and happy City - supporting people to live active, healthy lives	Seafront & Old Portsmouth Refurbishment	500		500	maintain / improve customer experience whilst increasing the life of assets
A City rich in Culture & Creativity and A City of Lifelong Learning	Refurbishment of Southsea Library	250	125	125	Maintain/Improve customer experience
A City rich in Culture & Creativity and A City of Lifelong Learning	IT Investment in Library service	250		250	Maintain/Improve customer experience
A City rich in Culture & Creativity	Guildhall Renaissance Project	1,700	1,700		(Self-funding)quality cultural/leisure provision for residents
A City rich in Culture & Creativity	Refurbishment of the Rose Gardens	125		125	Refurbishment of gardens
A City rich in Culture & Creativity	Central Library -enhancements for long term protection of Conan Doyle Archive and creation of additional space	450		450	Enclosure of balcony and levelling to enable development of space for cultural and wellbeing activity and the protection of archive collection.
A City rich in Culture & Creativity	Upgrade of Library Facilities	350		350	Link between Beddow Library and Community Centre plus structural and internal works
A City rich in Culture & Creativity	Maintenance & Upgrade of Museum facilities	1,330		1,330	Replace heating system and update building appearance to enhance visitor experience
A City rich in Culture & Creativity	Secure facility for Museum collection	1,100		1,100	Repair existing or identify alternative repository for the City's Museum collection
A healthy and happy City - supporting people to live active, healthy lives	Seafront Lighting Enhancements	100		100	Lighting improvements to seafront including Pyramids and Castle Moat
A City rich in Culture & Creativity	Repair and Maintenance of Historical Theatres	200		200	Medium Term Identified works to building completed

Corporate Plan	Nature of Capital Investment	Total Capital Cost £'000s	Borrowing Requirements £'000s	Other Funding £'000s	Expected Outcome
A City rich in Culture & Creativity	Southsea Castle- repairs to underground tunnels	275		275	Enhance visitor experience
A healthy and happy City	Expansion and development of supported living and respite accommodation within the city.	5,000-10,000	5,000-10,000		Increased range of accommodation within the city, to enable people to live independently within their communities.
A healthy and happy City	Expansion of use of Assistive Technology.	500-1,000	500-1,000		Increased range of services available within the city to promote and sustain independence.
A healthy and happy City	Property Maintenance; implementing maintenance programs to ensure ASC buildings remain as safe and secure assets within the city	250-500	250-500		Ensure properties remain operational, able to service the residents of the city
A healthy and happy City	Maximising use of enhancements and developments in technology to support the delivery of direct care services.	250-500	250-500		Ensuring the provision of care services are run efficiently and effectively as possible to deliver high quality services to residents.
A healthy and happy City	Maximising use of enhancements and developments in technology to support the efficient and effective delivery of services (e.g. mobile assessment tools, e-forms, e-information, support & sign-posting for clients, reporting tools, etc.)	500-1,500	500-1,500		Ensuring that the service maximises the opportunities from enhancements & developments in technology to ensure services are delivered efficiently and effectively for the benefit of the citizens of Portsmouth.
A healthy and happy City	Redevelopment of Former Horatia and Leamington House Sites	142,000	118,000	24,000	Increase supply of affordable housing
A City with a thriving economy	Tipner Infrastructure	200,000		200,000	Provision of circa 3,500 homes and 1,000,000 sq. ft of marine employment space
A healthy and happy City	Cosham Masterplan	192,000	57,600	134,400	Provision of a community hub including circa 800 homes
A City with easy travel	Local Transport Scheme (rolling programme)	6,000		6,000	Improving road safety across Portsmouth

Corporate Plan	Nature of Capital Investment	Total Capital Cost £'000s	Borrowing Requirements £'000s	Other Funding £'000s	Expected Outcome
A City with easy travel	Design & Build 2000 Space Multi Story Car Park at the existing Park & Ride site	32,000		32,000	A city where all residents and visitors have opportunities to enhance their health and well-being and to be involved in building happier and healthier local communities
A green City	Environmental Initiatives	9,170		9,170	To facilitate improvements to the city's environment
A healthy and happy City	PCC Estate Landlords Repairs & Maintenance (rolling programme)	10,400		10,400	Maintain and improve PCC Assets
A healthy and happy City	Sea Defences - Enhancements - Future Phases	10,000		10,000	To enhance the sea defences
A City with a thriving economy	Regeneration of Former Tricorn Site	125,000	62,500	62,500	The delivery of Additional Residential accommodation, employment and public realm improvements in the City Centre
A City with a thriving economy	Regeneration of Sainsbury's Site	200,000	180,000	20,000	The delivery of Additional Residential accommodation, employment and public realm improvements in the City Centre
A healthy and happy City	Regeneration of Fratton Bridge Centre	38,600	31,530	7,070	Purchase of Fratton Bridge Centre, redevelopment of unit to mixed use including residential and commercial
A healthy and happy City	Housing development - Strouden Court	24,000	16,000	8,000	Housing developments at Strouden Court
A healthy and happy City	Housing development - Cabbagefield Row	30,000	20,000	10,000	Housing developments at Cabbagefield Row
A green City	Digital Strategy	1,750		1,750	Working to ensure we have a modern, flexible, highly skilled, supported and motivated workforce to provide services that meet the needs of our residents
	Total Investment	1,252,476 - 1,259,477	587,368 - 594,369	665,108	

KEY SHORT / MEDIUM / LONG TERM CAPITAL INVESTMENT NEEDS & PRIORITIES - 2022/23 ONWARDS

Corporate Plan	Nature of Capital Investment	Source of Funding			Expected Outcome
		Total Capital Cost £'000s	Borrowing Requirements £'000s	Other Funding £'000s	
A City of lifelong learning	Additional School Places - SEND	30,000	20,000	10,000	Investing in school buildings to create additional places and provide learning environments that meet the needs of all children, including for Tipner Infrastructure
A City of lifelong learning	Maintenance of School Buildings (rolling programme)	10,000		10,000	Maintain and improve PCC Assets
A City of lifelong learning	Improving IT Infrastructure for Education and Children's Social Care	1,500		1,500	Maintain and improve PCC Assets
A healthy and happy City	Maintenance of Children, Families and Education Portfolio Buildings	2,000	2,000		Maintain and improve PCC Assets
A healthy and happy City	Carer's adaptations	3,000	3,000		Improve the number of children who can be cared for in homes in the city.
A City with a thriving economy and a green City	Cruise Expansion	30,000	30,000		Income generation for both the Council and the City
A City with a thriving economy and a green City	North Quay and Associated Development	30,000		30,000	Income generation for both the Council and the City
A green City	Shore Power	51,000	12,750	38,250	Maintain and improve PCC Assets, whilst protecting income for both the Council and the City
A green City	Living Walls	1,000		1,000	To facilitate improvements to the city's environment
A City with a thriving economy	Crane Replacement - 40 Tonne	350	350		Maintain and improve PCC Assets
A City with a thriving economy	Berth 5 Linkspan Replacement	15,000	3,750	11,250	Protect income to both the Council and the City
A City with a thriving economy	Berth 3 Linkspan Replacement	20,000	5,000	15,000	Protect income to both the Council and the City
A City with a thriving economy and a green City	Freight Gate Automation	2,000	500	1,500	Maintain and improve PCC Assets
A City with a thriving economy and a green City	Freight Inspection Point	500	125	375	Maintain and improve PCC Assets
A City with a thriving economy and a green City	Switch Room 1	750	188	563	Maintain and improve PCC Assets
A City with a thriving economy and a green City	Check-In Booths Automation	2,000	500	1,500	Maintain and improve PCC Assets
A healthy and happy City	Development of new burial site for faith Group	500		500	Dedicated burial space for different faith groups
A healthy and happy City - supporting people to live active, healthy lives	Sports and Leisure Facility improvements (mainly Mountbatten Centre)	5,000	5,000		To ensure that the Mountbatten Centre remains fit for purpose and that it can respond to the latest needs in line with the next re-procurement. Improved physical participation and mental and physical health
A healthy and happy City - supporting people to live active, healthy lives	Replace Farlington Pavilion (7-10 years) plus match funding	5,000	2,500	2,500	Replace Pavilion
A healthy and happy City - supporting people to live active, healthy lives	Replace Langstone Pavilion	1,000	1,000		Replace Pavilion
A healthy and happy City - supporting people to live active, healthy lives	Invest in Young People's Play (£1m in alternate years)	5,000	5,000		Replace equipment over a period of years to spread life expectancy and to include works that are not necessarily fixed equipment in fenced sites
A healthy and happy City - supporting people to live active, healthy lives	Invest in Public Open Spaces	1,000	1,000		build outcomes of Covid 19 and invest in public open spaces to increase their value as public assets further- increasing maintenance and green features to cope with demand and meet public expectation
A healthy and happy City - supporting people to live active, healthy lives	Horsea Island Country Park- post Handover plan	200		200	Provision of country park experience for residents
A City rich in Culture & Creativity	Japanese garden	125		125	complete refurbishment of garden
A healthy and happy City - supporting people to live active, healthy lives	Conversion of west chapel at Kingston Cemetery	500	250	250	Office accommodation and toilets
A healthy and happy City - supporting people to live active, healthy lives	Milton and South Kingston lodge refurbishment	1,000	500	500	Increase life & usage of assets
A healthy and happy City - supporting people to live active, healthy lives	Seafront & Old Portsmouth refurbishment & improvement (to include St Georges beach huts, Round Tower, Nelsons Column area, Hotwalls seawards side lighting, paving and resurfacing)	500		500	maintain / improve customer experience whilst increasing the life of assets
A City rich in Culture & Creativity and A City of Lifelong Learning	Refurbishment of Southsea Library	250	125	125	Maintain/Improve customer experience
A City rich in Culture & Creativity and A City of Lifelong Learning	IT Investment in Library service	250		250	Maintain/Improve customer experience
A City rich in Culture & Creativity	Guildhall Renaissance Project	1,700	1,700		(Self funding)quality cultural/leisure provision for residents
A City rich in Culture & Creativity	Refurbishment of the Rose Gardens	125		125	Refurbishment of gardens
A City rich in Culture & Creativity	Central Library -enhancements for long term protection of Conan Doyle Archive and creation of additional space	450		450	Enclosure of balcony and levelling to enable development of space for cultural and wellbeing activity and the protection of archive collection.
A City rich in Culture & Creativity	Upgrade of Library Facilities	350		350	Link between Beddow Library and Community Centre plus structural and internal works
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A healthy and happy City	Expansion of use of Assistive Technology.	500-1,000	500-1,000		Increased range of services available within the city to promote and sustain independence.
A healthy and happy City	Property Maintenance; implementing maintenance programs to ensure ASC buildings remain as safe and secure assets within the city	250-500	250-500		Ensure properties remain operational, able to service the residents of the city
A healthy and happy City	Maximising use of enhancements and developments in technology to support the delivery of direct care services.	250-500	250-500		Ensuring the provision of care services are run efficiently and effectively as possible to deliver high quality services to residents.
A healthy and happy City	Maximising use of enhancements and developments in technology to support the efficient and effective delivery of services (e.g. mobile assessment tools, e-forms, e-information, support & sign-posting for clients, reporting tools, etc.)	500-1,500	500-1,500		Ensuring that the service maximises the opportunities from enhancements & developments in technology to ensure services are delivered efficiently and effectively for the benefit of the citizens of Portsmouth.
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A green City	Environmental Initiatives	9,170		9,170	To facilitate improvements to the city's environment
A healthy and happy City	PCC Estate Landlords Repairs & Maintenance (rolling programme)	10,400		10,400	Maintain and improve PCC Assets
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A City with a thriving economy	Regeneration of Former Tricorn Site	125,000	62,500	62,500	The delivery of Additional Residential accommodation, employment and public realm improvements in the City Centre
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A healthy and happy City	Housing development - Strouden Court	24,000	16,000	8,000	Housing developments at Strouden Court
A healthy and happy City	Housing development - Cabbagefield Row	30,000	20,000	10,000	Housing developments at Cabbagefield Row
A green City	Digital Strategy	1,750		1,750	Working to ensure we have a modern, flexible, highly skilled, supported and motivated workforce to provide services that meet the needs of our residents
	Total Investment	1,293,476 - 1,300,476	623,968 - 630,968	665,108	

PART II Borrowing and Investing

A key activity is to know when and how much to borrow when the Council requires more cash and investing when the Council has surplus cash. In this way, it manages the Council's cashflows. This activity is known as treasury management.

1 Net Debt

Borrowings increase when capital schemes are financed from borrowing and decrease when debt is repaid.

The Council's reserves and working capital are invested until the money is required to finance expenditure.

The Council's forecast net debt, ie. its borrowings less its investments are summarised in the table below. This forecast is based on the Council using its reserves to finance capital expenditure in the medium term, rather than undertaking new external borrowing for as long as possible. This is beneficial to the Council's revenue budget as the interest on borrowings normally exceeds the return on the Council's investments. However, this position cannot be maintained in the long term with the Council's net debt increasing year on year, and it is expected that the Council will have to undertake further external borrowing or sell investment properties in 2023/24.

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m	£m	£m
Borrowings	762	757	830	869	862	858
Less Investments	(301)	(145)	(50)	(50)	(50)	(50)
Net Debt	461	612	780	819	812	808

2 Borrowing

In the past, the principal source of borrowing has been the Public Works Loan Board, (PWLB) which is operated by HM Treasury. The PWLB can still be used to replace existing debt or to reschedule debt. However, a recent change in the PWLB's lending terms requires Local Authorities to confirm that they do not plan to purchase investment assets primarily for yield. There is currently further investment planned within the commercial property acquisition fund contained within the capital programme and as a consequence the Council does not currently comply with these revised lending conditions. Consequently the Council will need to use alternative sources of borrowing to fund new capital expenditure or cancel its plans to invest in commercial properties primarily for yield in order to retain access to the PWLB as a source of borrowing .

There are now alternative sources of borrowing available including public listed bonds and private placements. A public listed bond could be cheaper than the PWLB but would require a minimum sum of £100m to be borrowed and the Council would need to obtain a credit rating. A private placement would have a similar cost to the PWLB but would require a minimum sum of £30m to be borrowed and would be subject to a credit assessment by prospective lenders.

This Capital Strategy identifies capital aspirations that may be included in future capital programmes. Prior to any borrowing, a full business case and financial appraisal is prepared

that can satisfactorily demonstrate with good certainty that cost savings / additional income or value uplift of the development which will directly accrue the Council, will at least cover the cost of that borrowing on a sustained basis over the lifetime of the borrowing undertaken.

Outstanding long-term debt is reviewed regularly with a view to early redemption and rescheduling; although premiums would be payable to the lender and consequently early redemption and rescheduling are rarely financially beneficial to the Council.

2.1 Affordability of Borrowing

To ensure future budgets remain affordable, except for debt repaid using capital receipts, the Council needs to be aware that capital expenditure financed from prudential borrowing incurs both **interest costs** and a **Minimum Revenue Provision (MRP)** for the repayment of debt.

Following the decision by the PWLB on 25 November 2020 to decrease their margin over gilt yields by 100 bps to 80 basis points on loans lent to local authorities, interest costs on new borrowing will be significantly lower. At the same time the Chancellor denied access to the PWLB for any local authority that has the purchase of assets primarily for yield, such as commercial properties, in its three-year capital programme.

The Council has a policy of calculating MRP on an annuity basis. This means that MRP will start at a relatively low level but require increasing amounts of MRP to be set aside year on year, especially for assets with long useful economic lives. This creates a period of relatively low MRP during the early years when either income can be generated, or savings can accrue. The distribution of MRP over the life of a capital scheme is determined by the prevailing interest rate. The lower the interest rate, the higher the MRP is in the early years. Therefore, although the interest costs on new borrowing will be lower, MRP in the early years will be higher.

The Council reviewed how it provided for the repayment of its debt. It was felt that the previous methods used in the past have resulted in over provisions of MRP from 2008/09 to 2015/16 amounting to £22.6m. The Director of Finance and Resources (Section 151 Officer) has been releasing the over provision of MRP back into General Fund balances at a rate of around £2m per annum under delegated authority. It is estimated that all the over provision will have been released back into General Fund balances by 2026/27.

It is estimated that MRP will amount to £11.1m in 2022/23.

The inclusion of further schemes in the capital programme financed by prudential borrowing will further increase the MRP.

2.3 Key Risks

There are risks with borrowing more than the Council can afford. To mitigate these risks, the Chartered Institute of Public Finance and Accountancy (CIPFA) has produced the Prudential Code for Capital Finance in Local Authorities, which is a statutory code governing local authority borrowing. The Prudential Code requires the Council to establish various indicators over a minimum of 3 years to demonstrate that its capital programme is both affordable and prudent. The Council publishes its Prudential Indicators, over a 5-year period, within its capital programme and the Council then reports its position against the prudential indicators at the end of each financial year.

To ensure that the borrowing required to finance the capital programme is affordable, the Council:

- estimates the ratio of its financing costs to its net revenue stream

To ensure that the Council's capital programme is prudent, the Council:

- publishes a capital programme which includes estimates of its underlying need to borrow as measured by its capital financing requirement
- is required to approve an Authorised Limit for external debt and an Operational Boundary when it approves its capital programme.

The **Authorised Limit** for external debt, as set by the City Council, is the maximum amount of debt which the authority may legally have outstanding at any time. The authorised limit includes headroom to enable the Council to undertake borrowing to take advantage of unexpected movements in interest rates and to accommodate any short-term debt or unusual cash movements that could arise during the year

Whilst the Authorised Limit cannot be breached, the **Operational Boundary** is based on the probable external debt during the year. It is not a limit but acts as a warning mechanism to prevent the authorised limit (above) being breached.

2.4 Sensitivity Analysis

The Council's gross debt on 31st March 2021 was as follows:

	£m	£m
Fixed Rate Borrowing	644	
Finance Leases	1	
Private Finance Initiative (PFI) Schemes	56	
Sub Total - Fixed Rate Debt		701
Lenders Option Borrowers Option (LOBO) Loan	11	
Retail Price Index (RPI) linked loan	66	
Sub Total - Variable Rate Debt		77
Total Gross Borrowing		778

90% of the Council's borrowing has a fixed interest rate, but the Council does have two variable rate loans.

- The lender of the LOBO loan has an option to increase the interest rate every two years. The lenders next option is on 19 March 2023. If the lender does increase the interest rate the Council, then has the option to repay the loan.
- The Council has £66m outstanding on a loan which links the instalments payable by the Council to the RPI. The Council has leased the Isle of Wight Ferry Terminal in White Heart Road to Wightlink on an RPI linked rent that mirrors the instalments payable on this loan mitigating the consequences of increases in RPI.

2.5 Minimum Revenue Provision (MRP) for Debt Repayment

Early in 2018 the Government issued revised statutory guidance on MRP requiring the repayment of all General Fund prudential borrowing to be provided for within 50 years.

The following MRP policies (applied to calculating the MRP) are set out in the table below and are fully compliant with this policy. It is recommended the City Council approves the Annual Minimum Revenue Provision (MRP) for Debt Repayment Policies set out in the table below (Recommendation 3.2a).

Borrowing	MRP Methodology
<u>General Fund Borrowing:</u>	
Supported borrowing other than finance leases and service concessions including private finance initiative schemes #	50-year annuity
Finance leases and service concessions including private finance initiative schemes *	MRP equals the principal repayments made to lessors and PFI operators
Prudential borrowing excluding borrowing to fund long term debtors (including finance leases), investment properties and equity shares purchased in pursuit of policy objectives	Annuity over life of asset
Prudential borrowing to fund long term debtors	The repayments of principal are set aside to repay the borrowing that financed the original advance
Prudential borrowing to fund finance leases	The principal element of the rent receivable be set aside to repay the borrowing that financed these assets
Prudential borrowing to fund investment properties with an expected holding period of under 50 years	The repayment of unsupported borrowing will be provided for by setting aside the capital receipt when the property is disposed of unless the carrying (market) value of the property falls below that part of the purchase price financed from unsupported borrowing. If this happens MRP will be made for the shortfall over the residual life of the property
Prudential borrowing to fund investment properties with an expected holding period of over 50 years	Annuity over life of asset
Prudential borrowing to fund equity shares purchased in pursuit of policy objectives	25-year annuity
<u>Housing Revenue Account (HRA)</u>	No MRP debt will be provided until 2024/25. From 2025/26 it will be provided again for the HRA Self Financing Payment in equal instalments over 30 years. MRP is not provided for other HRA debt.

The Council applied the last of its supported borrowing 2011/12

* If transactions that take the legal form of finance leases but in substance amount to borrowing, the MRP policy relating to self - financed borrowing will be adopted. An example of when this could happen would be when the Council grants a head lease to an institution in return for an upfront premium and leases the asset back from the same institution in return for a rent.

The Council had a review of its MRP policy in 2016/17. Consequently, it highlighted that the previous methods used in the past have resulted in over provisions of MRP from 2008/09 to 2015/16 of £22.6m. The Director of Finance and Resources (Section 151 Officer) will release the over provision of MRP back into General Fund balances over a prudent period by reducing the MRP in future years under delegated authority.

3 Investment of Surplus Cash

All council cash investments have been in accordance with the council's Treasury Management Policy.

The Council is forecast to have a significant amount of core surplus cash for the foreseeable future.

3.1 Due Diligence

The Council initially identifies suitable investments using credit ratings from Fitch, Moody's, and Standard and Poor. Where possible, credit ratings are compared to insurance premiums against a counter party defaulting. Insurance premiums against a counter party defaulting can be compared to a widely used index of the market (ITRAAX). If the market has concerns about a borrower, it should be reflected in a higher insurance premium. Although credit ratings are supported by an in-depth analysis of the borrower, insurance premiums provide a more up to date indicator of a borrower's credit worthiness. Prior to making investments, any news relating to the borrower is also considered.

Other sources of information that is relevant to particular sectors is also considered either as a substitute for credit ratings and insurance premiums in sectors where these are not available or to supplement credit ratings and insurance premiums. Examples of this are the governance and viability ratings assigned to larger registered social landlords (RSLs) by the Homes and Communities Agency (HCA), and data sets published by the Building Societies Association

For further detail on the Council's investment criteria, see the Treasury Management Policy.

3.2 Investment in Commercial Properties Acquired Through the Capital Programme

According to the CIPFA Treasury Management Code, investment properties acquired through the capital programme are regarded as investments in addition to investments of surplus cash.

3.3 Statutory Guidance

The Government issued revised statutory guidance on local government investments early in 2018 coming into effect from 1st April 2018. The guidance requires Councils not to borrow purely for financial gain.

The Government's revised statutory guidance also requires local authorities to present a range of indicators to allow members and other interested parties to understand the total exposure from borrowing and investment decisions. It is recommended that the indicators contained in the Appendix be approved. The Government's statutory guidance requires the Council to consider the long-term sustainability risk implicit in becoming too dependent on commercial income or in taking out too much debt relative to net service expenditure. In particular, the Government's statutory guidance requires the City Council to set limits that cannot be exceeded for gross debt compared to net service expenditure, and for commercial income as a percentage of net service expenditure. It is recommended that if these limits are exceeded, the Director of Finance and Resources (Section 151 Officer) bring a report to the Cabinet and City Council.

3.4 Activity in the Investment Property Market

Prior to this guidance coming into effect, as 31 March 2018, the Council had spent £117.3m on acquiring commercial properties outside the Portsmouth economic area solely to generate income to support the services that the Council provides. The Council has since spent a further £41.6m on acquiring commercial properties outside the Portsmouth economic area to create a balanced commercial property portfolio. There are no further commercial property acquisitions outside the Portsmouth economic area in the Capital Programme, although there is a scheme to refurbish one of the investment properties.

All acquisitions were supported by a business case and full financial appraisal approved by the Director of Property and the Section 151 Officer in consultation with the Leader of the City Council.

The detailed business case and financial appraisal included building surveys, environmental surveys, and valuations in accordance with the Red Book. In addition, properties are revalued on an annual basis.

The Commercial Property Portfolio is managed by an in-house team who are qualified members of the Royal Institute of Chartered Surveyors.

3.5 Investment Indicators

Gross General Fund (GF) Debt to GF Net Service Expenditure

The Council's GF borrowing is forecast to be 3 times its GF net service expenditure in 2022/23. It is recommended that GF borrowing be limited to 5 times GF net service expenditure in 2022/23. This will allow further borrowing to be undertaken if it is financially advantageous.

Income from Investment Properties to General Fund (GF) Net Service Expenditure

The Council will depend on income from investment properties to fund 4.5% of its estimated GF net service expenditure in 2022/23. To ensure that the Council does not become over dependent on income it is recommended that no more than 7.5% of GF net service expenditure will be funded from investment income.

Interest Cover

The Council's investment property portfolio has been financed from borrowing. There is therefore a risk that income from investment properties may be insufficient to pay the interest incurred on the associated debt. However, the net income from the investment property portfolio exceeds the cost of the associated interest 2.3 times.

Loan to Value Ratio

The Council's investment property portfolio has only recently been acquired, but the market value of the properties is thought to be sufficient to repay the borrowing that financed their acquisition.

Forecast Income Returns

The investment property portfolio is expected to make a net return of 2.6% against the value of the properties in 2022/23. There is a dip in the net income from the investment property portfolio in 2022/23 due to one of the properties being refurbished.

Gross and Net Income from Investment Properties

The investment property portfolio is expected to generate a retained income of £4.0m in 2022/23.

External Operating Costs

External operating costs are driven by lease events such as rent reviews and lease renewals. Some years have more lease events than others.

4. Skills and Knowledge

The issues covered by this report are in their nature complex, so all the Council's senior finance staff are chartered accountants. Where the Council does not have the necessary in-house skills and services, it employs Link Asset Services to provide interest rate and economic forecasts, and counter party information.

The Finance Manager (Technical and Financial Planning) who manages the treasury function also holds the Association of Corporate Treasurers Certificate in Treasury Management. The Finance Manager (Technical & Financial Planning) is assisted by the Treasury Manager who is a qualified Chartered Certified Accountant and holds the Association of Corporate Treasurers Certificate in Treasury Management.

On 31 March 2021 £52,210,000 of the Council's investments of surplus cash were being managed externally consisting of £44,510,000 invested in instant access money market funds and £7,700,000 invested in corporate bonds that were being externally managed.

The City Council is also a member of Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management Network which provides training events throughout the year. Some training is also provided by Link Asset Services. Additional training for investment staff is provided as required.

Councillors are offered training by an external consultant to provide them with an overview of treasury management after the local government elections.

5. Treasury Management Reporting

Treasury management has been defined by the Chartered Institute of Public Finance and Accountancy (CIPFA) as "the management of an organisations borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks". Put simply, the Council's approach to cash flow includes:

- borrowing when the Council requires more cash
- Investing when the Council has surplus cash

In addition to the Capital strategy, the Council also has a Treasury Management Strategy. The Treasury Management Strategy contains:

- the Treasury Management Indicators that set the boundaries within which treasury management activities will be undertaken and
- an Annual Investment Strategy that specifies how surplus cash will be invested

To demonstrate good governance, all treasury management reports are taken to the Governance and Audit and Standards Committee and all Treasury management reports requiring policy decisions are taken to the Cabinet and the City Council.

Report	Reporting of Compliance & Performance in Previous Period	Policy Changes	Audience
Treasury Management Policy		Yes	G&A&S Committee Cabinet City Council
Treasury Management Quarter 1 Monitoring	Yes		G&A&S Committee
Treasury Management Mid-Year Review	Yes	Yes	G&A&S Committee Cabinet City Council
Treasury Management Quarter 3 Monitoring	Yes		G&A&S Committee
Treasury Management Outturn	Yes		G&A&S Committee

6. Revisions to the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code and Prudential Code

CIPFA published revised codes on 20th December 2021 and has stated that formal adoption is not required until the 2023/24 financial year. This Council must have regard to these codes of practice when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and related reports during the financial year, which are taken to Full Council for approval.

The revised codes will have the following implications:

- a requirement for the Council to adopt a new debt liability benchmark treasury indicator to support the financing risk management of the Council's underlying need to borrow. This is currently measured by the capital financing requirement which is a measure of the Council's gross underlying need to borrow. The new debt liability benchmark is a measure of the Council's net underlying need to borrow, ie. its underlying need to borrow, less its treasury management investments which could be liquidated as an alternative to undertaking new borrowing;
- clarify what CIPFA expects a local authority to borrow for and what they do not view as appropriate. This will include the requirement to set a proportionate approach to commercial and service capital investment;
- address environmental, social and governance (ESG) issues within the Capital Strategy;
- require implementation of a policy to review commercial property, with a view to divest where appropriate, eg. if the Council needed to borrow and the cost of borrowing exceeded the return on commercial properties;
- create new Investment Practices to manage risks associated with non-treasury investment (like the current Treasury Management Practices);
- ensure that any long-term treasury investment is supported by a business model;
- a requirement to effectively manage liquidity and longer-term cash flow requirements;
- a requirement to address ESG policy within the treasury management credit risk framework;
- a requirement for a knowledge and skills register for individuals involved in the treasury management function - to be proportionate to the size and complexity of the treasury management conducted by each council;
- a new requirement to clarify reporting requirements for service and commercial investment, (especially where supported by borrowing).

In addition, all investments and investment income will have to be attributed to one of the following three purposes: -

Treasury management

Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

Service delivery

Investments held primarily and directly for the delivery of public services including housing, regeneration, and local infrastructure. Dunsbury Park, Portsmouth Retail Park, Portico and Ravelin would be included in this category. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".

Commercial return

Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to a council's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return.

Members will be updated on how all these changes will impact our current approach and any changes required will be formally adopted within the 2023/24 Capital Strategy and Treasury Management Policy.

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INVESTMENT INDICATORS

Gross General Fund (GF) Debt to GF Net Service Expenditure

This provides an indication of the Council's financial strength and its ability to repay its debts. Statutory government guidance requires a limit to be placed on the number of times gross debt can exceed net service expenditure.						
	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Forecast	299%	295%	259%	236%	220%	203%
Recommended Limit	400%	500%	550%	550%	550%	550%

Forecast Investment Income to General Fund Net Service Expenditure

This provides an indication of how dependent the Council is on commercial income and other long term investments to fund its services.						
	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Investment Properties	4.7%	4.5%	4.8%	4.9%	4.6%	4.5%
Long Term Treasury Management Investments	0.7%	0.5%	0.2%	0.1%	0.0%	0.0%
Overall Investment Income	5.4%	5.0%	5.0%	5.0%	4.6%	4.5%

Limit on Investment Income to General Fund Net Service Expenditure

Statutory government guidance requires a limit to be placed on the Council's dependence on commercial income and other long term income to fund its services						
	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Investment Properties	7.0%	6.7%	7.2%	7.3%	7.0%	6.8%
Long Term Treasury Management Investments	1.1%	0.8%	0.3%	0.2%	0.2%	0.2%
Overall Investment Income	8.1%	7.5%	7.5%	7.5%	7.2%	7.0%

Interest Cover

This provides a measure of the risk that net income from investment properties will be insufficient to pay the interest on the debt that financed their acquisition

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Investment Properties	258%	234%	264%	276%	278%	285%

Loan to Value Ratio

This indicator shows whether the market value of the investment properties is likely to be sufficient to repay the debt that financed them.

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Investment Properties	1.0	1.0	1.0	1.0	1.0	1.0

Forecast Income Returns

This is a measure of the achievement of the portfolio of properties.

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Investment Properties	2.98%	2.58%	3.28%	3.54%	3.56%	3.71%
Long Term Treasury Management Investments	1.17%	1.78%	2.65%	3.90%	4.00%	n/a

Gross and Net Income from Investment Properties

This indicator shows how much of the gross income is being retained by the Council.

	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s	2026/27 Estimate £'000s
Gross Income	8,197,824	7,779,079	8,935,260	9,329,417	9,362,053	9,590,507
Net Income	4,674,339	4,056,657	5,153,579	5,552,132	5,589,165	5,822,015

External Operating Costs

This indicator shows the trend in operating costs over time, as the portfolio expands.

	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s	2026/27 Estimate £'000s
Investment Properties	349,000	400,333	400,333	400,333	400,333	400,333

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Agenda Item 5

Title of meeting:	Governance and Audit and Standards Committee Cabinet City Council
Date of meeting:	04 March 2022 (Governance and Audit and Standards Committee) 08 March 2022 (Cabinet) 15 March 2022 (City Council)
Subject:	Treasury Management Policy 2022/23
Report by:	Chris Ward, Director of Finance and Resources (Section 151 Officer)
Wards affected:	All
Key decision:	Yes
Full Council decision:	Yes

1. **Executive Summary of the Treasury Management Policy Statement**

1.1. Treasury Management Policy

The attached Treasury Management Policy sets out the Council's policies on borrowing and investing surplus cash for 2022/23.

The Prudential Code produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) requires the City Council to approve a Capital Strategy (reported elsewhere on the Cabinet Agenda for 8 March 2022) providing an overview of the Council's plans for capital expenditure, its borrowing, and its investments.

The Treasury Management Policy also sets several treasury management indicators that will establish the boundaries within which treasury management activities will be undertaken. These are contained in paragraph 4.7 and appendix 5.1 of the Treasury Management Policy attached.

1.2. Annual Investment Strategy

The Treasury Management Policy includes the strategy for the investment of surplus cash, known as the Annual Investment Strategy, which establishes the types of investment, investment counter parties and investment durations that the Council will operate within.

2. Purpose of report

- 2.1. The purpose of this report is to obtain the Council's approval of the updated Treasury Management Policy Statement (attached) which includes the Annual Investment Strategy.

3. Recommendations

- 3.1. That the upper limit for principal sums invested for longer than 365 days contained in paragraph 4.7 of the attached Treasury Management Policy Statement be approved;
- 3.2. That the upper and lower limits on the maturity structure of borrowing contained in appendix 5.1 of the attached Treasury Management Policy Statement be approved;
- 3.3. That the attached Treasury Management Policy Statement including the Treasury Management Strategy and Annual Investment Strategy for 2022/23 be approved;
- 3.4. That the following change compared to the previous Annual Investment Strategy be noted:
 - (i) that the UK Infrastructure Bank be added to the approved sources of borrowing as set out in paragraph 3.9 of the Treasury Management Policy Statement;
- 3.5. As set out in paragraph 1.4 of the Treasury Management Policy Statement, the Director of Finance and Resources (Section 151 Officer) and officers nominated by him have delegated authority to:
 - (i) invest surplus funds in accordance with the approved Annual Investment Strategy;
 - (ii) borrow to finance short term cash deficits and capital payments from any reputable source within the authorised limit for external debt of £963m approved by the City Council on 9 February 2021;
 - (iii) reschedule debt to even the maturity profile or to achieve revenue savings;
 - (iv) to buy and sell foreign currency, and to purchase hedging instruments including forward purchases, forward options, and foreign exchange rate swaps to mitigate the foreign exchange risks associated with some contracts that are either priced in foreign currencies or where the price is indexed against foreign currency exchange rates;
- 3.6. That the Director of Finance and Resources (Section 151 Officer) has the power to delegate treasury management operations to relevant staff;

3.7. That the Chief Executive, the Leader of the City Council and the Chair of the Governance and Audit and Standards Committee be informed of any variances from the Treasury Management Policy when they become apparent, and that the Leader of the City Council be consulted on remedial action (paragraph 1.2.2 of Treasury Management Policy Statement).

4. Background

4.1. 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
- Hedging foreign exchange rate risks

4.2. The key risks associated with the Council's treasury management operations are:

- Credit risk - i.e. that the Council is not repaid, with due interest in full, on the day repayment is due;
- Liquidity risk - i.e. that cash will not be available when it is needed, or that the ineffective management of liquidity creates additional, unbudgeted costs;
- 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 more than those for which the Council has budgeted;
- Exchange rate risk - the risk that fluctuations in foreign exchange rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately;
- Inflation risk, i.e. the chance that cash flows from an investment won't be worth as much in future because of changes in purchasing power due to inflation;
- 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;

- Procedures (or systems) risk - i.e. that a treasury process, human or otherwise, will fail and planned actions are not carried out through fraud, error, or corruption.

- 4.3. The total borrowings of the Council on 1 April 2022 are estimated to be £762m. The Council's investments on 1 April 2021 are estimated to be £299m. The cost of the Council's borrowings and the income derived from the Council's short-term treasury investments (i.e. excluding commercial property investments) are included within the Council's treasury management budget of £30m per annum. The Council's treasury management activities account for a significant proportion of the Council's overall budget. Therefore the Council's Treasury Management Policy aims to manage risk while optimising costs and returns. The Council will monitor and measure its treasury management position against the indicators contained in the Treasury Management Policy.
- 4.4. The City Council has adopted CIPFA's Treasury Management in the Public Services Code of Practice. The Code of Practice requires the City Council to approve a Treasury Management Strategy before the start of the financial year.
- 4.5. In addition the Government has issued statutory guidance that requires the Council to approve an Annual Investment Strategy before the start of the financial year.
- 4.6. The Treasury Management Strategy, and the Annual Investment Strategy are all contained within the attached Treasury Management Policy Statement.

5. Reasons for recommendations

- 5.1. The recommendations provide assurance that the Council's attached Treasury Management Policy Statement reflects CIPFA's Treasury Management Code of Practice and have regard to statutory guidance issued by the Government. These are designed to:
- Enable the Council to borrow funds as part of managing its cash flow or to fund capital expenditure in a way that minimises risk and costs;
 - Provide for the repayment of borrowing;
 - Ensure that the Council's investments are secure;
 - Ensure that the Council maintains sufficient liquidity;
 - Maximise the yield on investments in a way that is commensurate with maintaining the security and liquidity of the investment portfolio;

5.2 The UK Infrastructure Bank has been added to the approved sources of borrowing set out in paragraph 3.9 of the Treasury Management Policy. The UK Infrastructure Bank was launched in June 2021 and is 100% owned by the UK Government. The UK Infrastructure Bank offers loans to local authorities to finance high-value and complex economic infrastructure projects at lower rates than the Public Works Loans Board (PWLb).

5.3 There are no other changes to the Treasury Management Policy.

6. Integrated impact assessment

6.1. The contents of this report do not significantly impact Portsmouth's communities (other than through the finances of the City Council), or equality and diversity.

7. Legal implications

7.1. The Section 151 Officer is required by the Local Government Act 1972 and by the Accounts and Audit Regulations 2011 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

8.1. All financial considerations are contained within the body of the report and the attached appendices

.....
Signed by:

Appendices: Treasury Management Policy Statement 2022/23

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:

Location:	Location
Information pertaining to the Treasury Management Strategy	Financial Services

**TREASURY
MANAGEMENT POLICY
STATEMENT FOR 2022/23
INCLUDING:**

- **TREASURY MANAGEMENT STRATEGY**
- **ANNUAL INVESTMENT STRATEGY**

**Portsmouth City Council
Director of Finance and Resources (Section 151
Officer)**

INDEX

Para	Contents	Page
1	INTRODUCTION	3
1.1	Background	3
1.2	Reporting Requirements	4
1.3	Treasury Management Strategy for 2022/23	5
1.4	Treasury Management Staff	5
1.5	Treasury Management Consultants	5
2	THE CAPITAL PRUDENTIAL INDICATORS 2020/21 - 2024/25	7
2.1	Capital Expenditure	7
2.2	The Council's Borrowing Need (the Capital Financing Requirement)	7
2.3	Core Funds and Expected Investment Balances	8
3	BORROWING	10
3.1	Current Borrowing Position	10
3.2	Treasury Indicators: Limits to Borrowing Activity	11
3.3	Prospects for Interest Rates	12
3.4	Bond yields / Public Works Loans Board (PWLB) Rates	12
3.5	Investment and Borrowing Rates	13
3.6	Borrowing Strategy and Risk Appetite	13
3.7	Policy on Borrowing in Advance of Need	14
3.8	Debt Rescheduling	14
3.9	Approved Sources of Long and Short Term Borrowing	14
3.10	Apportionment of Borrowing Costs to the Housing Revenue Account (HRA)	15
4	ANNUAL INVESTMENT STRATEGY	16
4.1	Investment Policy - Management of Risk	16
4.2	Creditworthiness Policy	17
4.3	Other Limits	21
4.4	Environmental, Social and Governance Factors	21
4.5	Investment Strategy and Risk Appetite Statement	22
4.6	Investment Return Expectations	23
4.7	Investment Treasury Indicator and Limit	23
4.8	End of Year Investment Report	23
5	APPENDICES	24
5.1	Maturity Structure of Borrowing	25
5.2	Credit and Counterparty Risk Management	26
5.3	Sector and Geographic Investment Limits	30

1. INTRODUCTION

1.1 Background

- 1.1.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Council's risk appetite, providing adequate liquidity initially before considering investment return.
- 1.1.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 1.1.3 The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.
- 1.1.4 The Chartered Institute of Public Finance and Accountancy (CIPFA) defines treasury management as:
- "The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*
- 1.1.5 Whilst any commercial initiatives or loans to third parties will affect the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

1.2 Reporting requirements

1.2.1 Capital Strategy

The revised CIPFA 2017 Prudential and Treasury Management Codes require all local authorities to prepare an additional report, a capital strategy report, which will provide the following:

- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this Capital Strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital strategy requirements and governance procedures.

1.2.2 Treasury Management reporting

The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

- a. Treasury Indicators and Treasury Strategy** (this report) - The first, and most important report is forward looking and covers:
 - the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an investment strategy, (the parameters on how investments are to be managed).
- b. A Mid-year Treasury Management report** – This is primarily a progress report and will update members on the treasury management position, amending prudential and treasury management indicators as necessary, and revising any policies if required. In addition, the Governance and Audit and Standards Committee will receive quarterly update reports.
- c. An Annual Treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

1.2.3 Scrutiny

The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Governance and Audit and Standards Committee.

In addition, the Governance and Audit and Standards Committee receives quarterly treasury management monitoring reports.

The Chief Executive, the Leader of the City Council and the Chair of the Governance and Audit and Standards Committee will be informed of any variances from the Treasury Management Policy when they become apparent, and the Leader of the City Council will be consulted on remedial action.

1.3 Treasury Management Strategy for 2022/23

The strategy for 2022/23 covers:

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy including the risk appetite;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy including the risk appetite;
- creditworthiness policy; and
- the policy on use of external service providers.

1.4 Treasury Management Staff

1.4.1 The treasury management function is undertaken by the Director of Finance and Resources (Section 151 Officer). This includes (i) investing surplus funds in accordance with the approved Annual Investment Strategy; (ii) borrowing to finance short term cash deficits and capital payments from any reputable source within the authorised limit for external debt; (iii) rescheduling debt to even the maturity profile or to achieve revenue savings and; (iv) to buy and sell foreign currency and hedge against currency movements to fulfil contracts priced in or indexed against foreign currencies. The Director of Finance and Resources will have the power to delegate authority to undertake these functions to relevant officers including the Deputy Director of Finance and Section 151 Officer, the Finance Manager (Technical and Financial Planning), the Treasury Manager and various back up cash dealers drawn from the Finance Directorate. The Director of Finance and Resources (Section 151 Officer), the Deputy Director of Finance and Section 151 Officer, and the Finance Manager (Technical and Financial Planning) are all qualified Chartered Public Finance Accountants.

1.5 Treasury Management Consultants

- 1.5.1 The Council employs professional consultants to:
- Provide interest rate forecasts to inform the Council's borrowing and investment decisions;
 - Information on creditworthiness to inform investment decisions;
 - Benchmark the Council's investment performance against other local authorities.
- 1.5.2 The Council currently retains "Link Asset Services, Treasury Solutions" as its external treasury management advisors. The current contract expires on 31st January 2023. The contract will be re-let through a competitive process in accordance with the Council's procurement rules.

- 1.5.3 The Council also uses information from other sources such as the Building Societies Association and Homes England.
- 1.5.4 The Council recognises that responsibility for treasury management decisions always remains with the organisation and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including from, but not solely, our treasury advisers.
- 1.5.5 It also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.
- 1.5.6 The scope of investments within the Council's operations now includes both conventional treasury investments, (the placing of residual cash from the Council's functions), and more commercial type investments, such as investment properties, which are outside the scope of the Treasury Management Strategy. The commercial type investments require specialist advisers, and the Council uses Avison Young in relation to this activity.

2. THE CAPITAL PRUDENTIAL INDICATORS 2021/22 – 2025/26

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

2.1 Capital expenditure

The capital programme approved by the City Council on 11 February 2022 can be summarised in table A as follows:

Table A	2020/21 Actual	2021/22 Revised Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
	£m	£m	£m	£m	£m	£m	£m
Other Non - Housing Revenue Account (HRA)	117	145	248	153	78	28	7
Housing Revenue Account (HRA)	46	63	89	158	49	31	33
Total	163	208	337	311	126	59	40
Element financed from borrowing	36	48	143	177	43	-	-

2.2 The Council's borrowing need (the Capital Financing Requirement)

2.2.1 The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and therefore its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital funding resource, will increase the CFR.

2.2.2 The CFR does not increase indefinitely and is reduced by the minimum revenue provision (MRP) which is a statutory annual revenue charge that reduces the indebtedness broadly in line with each asset's life, thus the economic consumption of capital assets as they are used is charged to the Council's Revenue Budget.

2.2.3 The CFR includes any other long-term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of schemes include a borrowing facility by the PFI, or lease provider and so the Council is not required to separately borrow for these schemes. The Council currently has £62m of such schemes within the CFR.

The projected CFR is shown below:

Table B	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Capital Financing Requirement (£m)							
Investment Properties	159	159	167	170	170	170	170
Other Non - Housing Revenue Account (HRA)	468	496	569	607	623	620	618
Sub - Total	627	655	736	777	793	790	788
Housing Revenue Account (HRA)	198	208	259	385	405	402	400
Total CFR	825	863	995	1,162	1,198	1,192	1,188

2.2.4 A key aspect of the regulatory and professional guidance is that elected members are aware of the size and scope of any commercial activity in relation to the authority's overall financial position. The details above demonstrate the scope of this activity and, by approving these sums; consider the scale proportionate to the Authority's remaining activity.

2.3 Core funds and expected investment balances

2.3.1 The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

Table C Year End Resources £m	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Fund balances / reserves	306	267	248	247	244	245	245
Capital grants unapplied	50	50	50	50	50	50	50
Capital receipts	18	18	18	18	18	18	18
Provisions	10	10	10	10	10	10	10
Other	48	48	48	48	48	48	48
Total core funds	432	393	374	373	370	371	371
Working capital*	19	9	9	9	9	9	9
Over / (under) borrowing - see overleaf	(47)	(101)	(238)	(332)	(329)	(330)	(330)
Expected investments	404	301	145	50	50	50	50

*Working capital balances shown are estimated year-end; these may be higher mid-year

3 BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities.

3.1 Current borrowing position

3.1.1 The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

Table D	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
External Debt (£m)							
Debt on 1 st April	701	721	711	701	788	831	827
Expected change in Debt	20	(10)	(10)	87	43	(4)	2
Other long-term liabilities (OLTL) on 1 st April	62	57	51	46	42	38	35
Expected change in OLTL	(5)	(6)	(5)	(4)	(4)	(3)	(6)
Actual gross debt on 31 March	778	762	757	830	869	862	858
The Capital Financing Requirement	825	863	995	1,162	1,198	1,192	1,188
Over / (under) borrowing	(47)	(101)	(238)	(332)	(329)	(330)	(330)

Within the above figures the level of debt relating to commercial activities / non-financial investment is:

Table E	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
External Debt for investment properties							
Actual debt on 31 March £m	159	159	167	170	170	170	170
Percentage of total external debt %	20%	21%	22%	20%	20%	20%	20%

3.1.2 Within the range of prudential indicators, there are several key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2022/23 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

3.1.3 The Director of Finance and Resources (Section 151 Officer) reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view considers current commitments, existing plans, and proposals in the budget.

3.2 Treasury Indicators: limits to borrowing activity

3.2.1 **The operational boundary.** This is the limit, set as part of the capital programme, beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and of other cash resources (as described in Table B).

Table F	2021/22 Estimate (£m)	2022/23 Estimate (£m)	2023/24 Estimate (£m)	2024/25 Estimate (£m)	2025/26 Estimate (£m)	2026/27 Estimate (£m)
Commercial activities/ non-financial investments	159	167	170	170	170	170
Other Debt	653	782	950	990	987	989
Other long-term liabilities	51	46	42	38	35	29
Total	863	995	1,162	1,198	1,192	1,188

3.2.2 **The authorised limit for external debt.** This is a key prudential indicator, set as part of the capital programme, and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

Table G	2021/22 Estimate (£m)	2022/23 Estimate (£m)	2023/24 Estimate (£m)	2024/25 Estimate (£m)	2025/26 Estimate (£m)	2026/27 Estimate (£m)
Commercial activities/ non-financial investments	159	167	170	170	170	170
Other Debt	666	796	964	1,004	1,002	1,003
Other long-term liabilities	51	46	42	38	35	29
Total	876	1,009	1,176	1,212	1,207	1,202

3.3 Prospects for interest rates

3.3.1 The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Link provided the following forecasts on 20th December 2021. These are forecasts for certainty rates, gilt yields plus 80 bps.

Link Group Interest Rate View 20.12.21														
	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
BANK RATE	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25
3 month ave earnings	0.20	0.30	0.50	0.50	0.60	0.70	0.80	0.90	0.90	1.00	1.00	1.00	1.00	1.00
6 month ave earnings	0.40	0.50	0.60	0.60	0.70	0.80	0.90	1.00	1.00	1.10	1.10	1.10	1.10	1.10
12 month ave earnings	0.70	0.70	0.70	0.70	0.80	0.90	1.00	1.10	1.10	1.20	1.20	1.20	1.20	1.20
5 yr PWLB	1.40	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.80	1.90	1.90	1.90	2.00	2.00
10 yr PWLB	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.30
25 yr PWLB	1.80	1.90	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.50	2.50
50 yr PWLB	1.50	1.70	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.20	2.20	2.30	2.30

3.3.2 Over the last two years, the coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16th December 2021.

3.3.3 As shown in the forecast table above, the forecast for Bank Rate now includes four increases, one in December 2021 to 0.25%, then quarter 2 of 2022 to 0.50%, quarter 1 of 2023 to 0.75%, quarter 1 of 2024 to 1.00% and, finally, one in quarter 1 of 2025 to 1.25%.

3.3.4 It is not expected that Bank Rate will go up fast after the initial rate rise as the supply potential of the economy is not likely to have taken a major hit during the pandemic: it should, therefore, be able to cope well with meeting demand after supply shortages subside over the next year, without causing inflation to remain elevated in the medium-term, or to inhibit inflation from falling back towards the MPC's 2% target after the spike up to around 5%.

3.4 Bond yields / Public Works Loans Board (PWLB) rates.

3.4.1 Since the start of 2021, we have seen a lot of volatility in gilt yields, and hence rates. As the interest forecast table for PWLB certainty rates above shows, there is forecast to be a steady, but slow, rise in both Bank Rate and gilt yields during the forecast period to March 2025, though there will doubtless be a lot of unpredictable volatility during this forecast period.

3.4.2 While monetary policy in the UK will have a major impact on gilt yields, there is also a need to consider the potential impact that rising treasury yields in America could have on our gilt yields. As the US financial markets are, by far, the biggest financial markets in the world, any upward trend in treasury yields will invariably impact and influence financial markets in other countries. Inflationary pressures and erosion of surplus economic capacity look much stronger in the US compared to those in the UK, which would suggest that Fed rate increases eventually needed to suppress inflation, are likely to be faster and stronger than Bank Rate increases in the UK. This is likely to put upward pressure on treasury yields which could then spill over into putting upward pressure on UK gilt yields.

3.5 Investment and borrowing rates

- 3.5.1 **Investment returns** are expected to improve in 2022/23. However, while markets are pricing in a series of Bank Rate hikes, actual economic circumstances may see the Bank of England fall short of these elevated expectations.
- 3.5.2 **Borrowing interest rates** fell to historically very low rates because of the COVID crisis and the quantitative easing operations of the Bank of England and remain at historically low levels.
- 3.5.3 On 25.11.20, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates which had been increased by 1.0% in October 2019. The standard and certainty margins were reduced by 1.0% but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three-year capital programme. The current margins over gilt yields are as follows: -.

PWLB Standard Rate is gilt plus 100 basis points (G+100bps)

PWLB Certainty Rate is gilt plus 80 basis points (G+80bps)

PWLB HRA Standard Rate is gilt plus 100 basis points (G+100bps)

PWLB HRA Certainty Rate is gilt plus 80bps (G+80bps)

Local Infrastructure Rate is gilt plus 60bps (G+60bps)

- 3.5.4 **Borrowing for capital expenditure.** Our long-term (beyond 10 years), forecast for Bank Rate is 2.00%. As some PWLB certainty rates are currently below 2.00%, there remains value in considering long-term borrowing from the PWLB where appropriate. Temporary borrowing rates are likely, however, to remain near Bank Rate and may also prove attractive as part of a balanced debt portfolio. In addition, there are also some cheap alternative sources of long-term borrowing.
- 3.5.5 There will be a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.

3.6 Borrowing strategy and risk appetite

- 3.6.1 It is often possible to borrow money short term at lower rates than it is possible to borrow long term. This often leaves the Council with two choices:
- Borrowing at either short term or variable interest rates. This would often enable the Council to borrow relatively cheaply, but the Council would need to accept that its borrowing costs might be volatile, as it exposes the Council to the benefits and dis-benefits of interest rate movements that can give rise to budget variances. This is a major risk when interest rates are expected to increase.
 - Borrowing long term at fixed rates. This provides stable and predictable revenue costs of borrowing. Fixed interest rates avoid the risk of budget variances caused by interest rate movements but prevent the council from benefiting from falling interest rates on its borrowing. There is a risk that the Council could become locked into relatively high rates of interest if interest rates fall.

3.6.2 The Council attaches a high priority to a stable and predictable revenue cost of borrowing in the long term. This reflects the fact that debt servicing represents 17.4% of the General Fund net revenue budget and 7.6% of the HRA net revenue budget.

3.6.3 The Council's objective in relation to debt is as follows:

- To borrow as cheaply as possible for the long-term at a fixed rate

This means that the Council is not totally risk averse, and the Council may borrow either short term or at variable rates if long-term interest rates are expected to fall.

Treasury management staff will act flexibly to actively manage treasury risks within the scope of the Council's treasury management policy and strategy.

3.7 Policy on borrowing in advance of need

3.7.1 Section 12 of the Local Government Act 2003 gives a local authority the power to invest for "any purpose relevant to its functions under any enactment or for the prudent management of its financial affairs". While the speculative procedure of borrowing purely to invest at a profit is clearly unlawful, there is no legal obstacle to the temporary investment of funds borrowed for the purpose of funding capital expenditure incurred in the reasonably near future.

3.7.2 Borrowing in advance of need may enable the City Council to obtain cheaper loans than those available at the time when expenditure is incurred, although the consequent investment of funds borrowed in advance of need does expose the City Council to credit risk. The interest payable on funds borrowed in advance of need is likely to exceed the interest earned on the investment of those funds in the current economic climate. The Council may determine to borrow in advance of need in circumstances where it is reasonably expected that the total cost of borrowing over the whole life of the loan in present value terms is lower by borrowing in advance of need.

3.8 Debt rescheduling

3.8.1 Rescheduling of current borrowing in our debt portfolio is unlikely to occur as there is still a very large margin of 0.80% between the PWLB's premature redemption rates and the PWLB's new borrowing rates.

3.8.2 If rescheduling was done, it will be reported to the Cabinet / Council, at the earliest meeting following its action.

3.9 Approved Sources of Long and Short Term Borrowing

	Fixed	Variable
PWLB	●	●
Municipal bond agency	●	●
Local authorities	●	●
Banks	●	●
Pension funds	●	●
Insurance companies	●	●
UK Infrastructure Bank	●	●

	Fixed	Variable
Market (long-term)	●	●
Market (temporary)	●	●
Market (LOBOs)		●
Local Bonds	●	
Local authority bills	●	●
Overdraft		●
Internal (capital receipts & revenue balances)	n/a	n/a
Finance leases	●	●

3.10 Apportionment of Borrowing Costs to the Housing Revenue Account (HRA)

3.10.1 The Council operates two loans pools for the purposes of apportioning borrowing costs to the HRA.

3.10.2 The first loans pool consists of all the Council's loans taken out prior to 2020/21 for both General Fund and HRA purposes. The Council will continue to operate this loans pool and apportion costs according to locally established principles. The principles upon which the apportionment of borrowing costs should be based are as follows:

- The apportionment is broadly equitable between the HRA and the General Fund, and is detrimental to neither;
- The loans portfolio is managed in the best interests of the whole authority;

3.10.3 The second loans pool consists of the three £20m loans that were taken from the PWLB at the HRA Certainty Rate which was 1.0% below the PWLB General Fund Certainty Rate at the time. The borrowing costs on these loans will be charged to the HRA in their entirety.

3.10.4 From 25 November 2020 the PWLB General Fund Certainty Rate was reduced by 1.0%, thereby removing the differential between the General Fund and HRA PWLB rates. Any future borrowing will therefore be included in the first loans pool covering both the HRA and the General Fund.

4. ANNUAL INVESTMENT STRATEGY

4.1 Investment policy – management of risk

4.1.1 The Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report).

4.1.2 The Council's investment policy has regard to the following:

- DLUHC's Guidance on Local Government Investments (“the Guidance”)
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 (“the Code”)
- CIPFA Treasury Management Guidance Notes 2018

4.1.3 The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite. The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite.

4.1.4 The above guidance from the DLUHC and CIPFA place a high priority on the of risk. This authority has adopted a prudent approach to managing risk that is measured by the following means:

1. Minimum acceptable **credit criteria** are applied to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings including outlooks and credit watches.
2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.
3. **Other information sources** used will include the financial press, share price and other such information pertaining to the financial sector to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. This authority has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in appendix 5.2 under the categories of ‘specified’ and ‘non-specified’ investments.

- **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year.
 - **Non-specified investments** are those with less high credit quality, may be for periods more than one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use. Once an investment is classed as non-specified, it remains non-specified all the way through to maturity i.e. an 18-month deposit would still be non-specified even if it has only 11 months left until maturity.
- 4.1.5 **Non-specified investments limit.** The Council has determined that it will limit the maximum total exposure to non-specified investments to £200m, (see paragraph 4.3).
- 4.1.6 **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 4.2.
- 4.1.7 This authority will set a limit for its investments that are invested for **longer than 365 days**, (see paragraph 4.7).
- 4.1.8 Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 4.3).
- 4.1.9 This authority places **sector and geographical limits** on its investment portfolio to avoid the concentration of risk, (Appendix 5.3).
- 4.1.1 Because of the change in accounting standards for 2020/21 under IFRS 9, this authority will consider the implications of investment instruments, which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the Ministry of Housing, Communities and Local Government, (MHCLG), concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31 March 2023.

4.2 Creditworthiness policy

- 4.2.1 The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:
- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
 - It has sufficient liquidity in its investments. For this purpose, it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.
- 4.2.2 The Director of Finance and Resources (Section 151 Officer) will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality that the Council may use, rather than defining what types of investment instruments are to be used.

- 4.2.3 Credit rating information is supplied by Link Group, our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating Watches (notification of a likely change), rating Outlooks (notification of the longer-term bias outside the central rating view) are provided to officers almost immediately after they occur, and this information is considered before dealing. For instance, a negative rating Watch applying to a counterparty at the minimum Council criteria will be suspended from use, with all others being reviewed considering market conditions.
- 4.2.4 The criteria for providing a pool of high-quality investment counterparties, (both specified and non-specified investments) is:
- Banks 1 - good credit quality – the Council will only use banks which:
 - i. are UK banks; and/or
 - ii. are non-UK and domiciled in a country which has a double A sovereign Long-Term rating
 and have, as a minimum, the following Fitch, Moody's, and Standard & Poor's credit ratings (where rated):
 - i. Short Term - F1, P-2, or A-2
 - ii. Long Term – A-
 - Banks 2 – The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time invested.
 - Banks 3 - Secured lending to banks partly owned by the City Council.
 - Building societies. The Council will use all societies which:
 - i. Meet the ratings for Banks 1 outlined above or;
 - ii. Have assets more than £350m;
 or meet both criteria.
 - Money Market Funds (MMFs)
 - UK Government (including gilts, Treasury Bills and the DMADF)
 - Local authorities
 - Housing associations. In addition to ratings from the credit agencies, housing associations will only receive investments if they have a viability rating of V1 and a governance rating of G1 from Homes England.
 - Supranational institutions that meet the ratings for banks outlined above
 - Corporate Bonds. The Council will invest in corporate bonds which:
 - i. Meet the ratings for Banks 1 outlined above or;
 - ii. Have a credit rating of BBB+ or;
 - iii. Have a credit rating of BBB- but form part of a portfolio managed by professional fund managers
 - Universities that meet the ratings for Banks 1 outlined above

- Pooled investment vehicles including equity funds, property funds, corporate bond funds and multi asset funds
- Subsidiary companies of the City Council

A limit of £200m will be applied to the use of non-specified investments

4.2.5 Use of additional information other than credit ratings. Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria rely primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, rating Watches/Outlooks) will be applied to compare the relative security of differing investment opportunities.

4.2.6 Time limits are applied to most investment categories to limit credit risk as the longer the duration of an investment is, the more time there is for the credit quality of the counter party to deteriorate. There are no time limits applied to corporate bonds managed by a professional fund manager, pooled investment vehicles, and subsidiary companies of the Council. Corporate bonds can be sold if there is a need to disinvest and a professional fund manager will have more resources to assess credit quality. Investments in pooled investment vehicles often do not have a predetermined maturity; the Council would withdraw its investment at the appropriate time. The Council controls its subsidiary companies and therefore is able to have a considerable influence on their credit quality.

4.2.7 **Time and monetary limits applying to investments.** The time and monetary limits for institutions on the Council's counterparty list are as follows (these will cover both specified and non-specified investments):

Table H	Fitch Long term Rating (or equivalent)	Money Limit	Time Limit
Banks 1 highest quality	AA-	£26m	6yrs
Banks 1 higher quality	A+	£20m	6yrs
Banks 1 medium quality	A	£15m	6yrs
Banks 1 lower quality	A-	£10m	6yrs
Banks 2 the Council's own banker if the criteria for Banks 1 is not met	-	Minimised	Minimised
Banks 3 partly owned by the Council	-	£10m	5yrs
UK Government including DMADF	UK sovereign rating	unlimited	6yrs
Local authorities	N/A	£30m	6yrs
Housing associations higher quality	AA-	£30m	10yrs
Housing associations lower quality	A-	£20m	10yrs
Corporate bonds purchased by City Council but not meeting criteria for Banks 1 above	BBB+	£7m	365 days
Corporate bonds managed by a professional fund manager	BBB-	£0.32m per bond up to a limit of £8m	Unlimited
Pooled investment vehicles	-	£50m	Unlimited
Subsidiary companies of the Council	-	£30m	Unlimited
	Fund rating	Money Limit	Time Limit
Money Market Funds	AAA	£26m	liquid
Enhanced Money Market Funds	AA	£20m	liquid

- 4.2.8 The proposed criteria for specified and non-specified investments are shown in Appendix 5.2 for approval.
- 4.2.9 **Creditworthiness.** Significant levels of downgrades to short- and long-term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. However, as economies are beginning to reopen, there have been some instances of previous lowering of Outlooks being reversed.
- 4.2.10 **Credit Default Swap (CDS) Prices.** Although bank CDS prices (these are market indicators of credit risk) spiked upwards at the end of March / early April 2020 due to the heightened market uncertainty and ensuing liquidity crisis that affected financial markets, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their creditworthiness service to local authorities and the Council has access to this information via its Link-provided Passport portal.

4.3 Other limits

Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups, and sectors.

- a) **Non-specified investment limit.** The Council has determined that it will limit the maximum total exposure to non-specified investments to £200m.
- b) **Country limit.** The Council has determined that it will only use approved counterparties from the UK and from countries with a **minimum sovereign credit rating of double A** from Fitch or equivalent.
- c) **Other limits.** In addition:
 - limits in place above will apply to a group of companies;
 - sector and geographic limits will be monitored regularly for appropriateness.

4.4 Environmental, Social and Governance Factors

- 4.4.1 The Council will seek to move towards investments that improve the environment, bring wider social benefits, and are with organisations with good governance.
- 4.4.2 The Council will avoid investments in fossil fuel extraction unless they are making substantial investment into renewable energy technologies as part of a strategy to move to becoming a clean energy supplier.
- 4.4.3 The Council will give weight to the environmental, social and governance elements of credit ratings in making investment decisions, provided that the overall risk profile of the investment portfolio (including liquidity risk) is not compromised, and that decisions remain consistent with responsible financial management and stewardship.

4.5 Investment Strategy and Risk Appetite Statement

4.5.1 All the investment guidance available, both statutory and from the Chartered Institute of Public Finance and Accountancy (CIPFA), makes it clear that all investing must follow SLY principles - security, liquidity, yield. In accordance with the guidance issued, the Council's first priority in investing is security, followed by liquidity. After these priorities are met, the Council will seek to maximise yields. The Council will consider the environmental and social implications of its investments once SLY principles have been met.

4.5.2 The Council's objectives in relation to investment can accordingly be stated as follows:

Sums are invested with a diversified range of counter parties using the maximum range of financial instruments consistent with a low risk of the capital sum being diminished through movements in market prices.*

* Financial instruments include term deposits, certificates of deposits, corporate bonds, money market funds, structured notes, and shares in pooled investment funds

4.5.3 This means that the Council is not totally risk averse. Treasury management staff have the capability to actively manage treasury risks within the scope of the Council's treasury management policy and strategy.

4.5.4 When investing surplus cash, the Council will not necessarily limit itself to making deposits with the UK Government and local authorities but may invest in other bodies including unrated building societies, Registered Social Landlords (RSLs), universities and corporate bonds. The Council may invest surplus funds through tradable instruments such as treasury bills, gilts, certificates of deposit, corporate bonds, covered bonds and repos / reverse repos.

4.5.5 The Council will invest its surplus cash to provide sufficient liquidity to meet its cash flow needs but is mindful that the value of its investments will fall in real terms unless investment returns are at least equal to inflation. To earn investment returns more than inflation on as much of its surplus cash as possible, the Council will invest as much as it can in longer-term higher yielding investments whilst maintaining sufficient liquidity to meet its cash flow needs.

4.5.6 The Council may invest in lower risk structured investment products that follow the developed equity and other market indices where movements in prices may diminish the capital sum invested. These investments, and indeed any other investment, could also be diminished if the counter party defaults. Although the Council only invests in counter parties offering good credit quality, the credit quality of an investment counter party can decline during the life of the investment. This is particularly the case with long-term investments.

4.5.7 The Council may invest in externally managed pooled investment vehicles such as corporate bond funds, equity funds, property funds and multi asset funds, if the Council has cash for a term that is sufficient to cover cyclical movements in prices.

4.5.8 Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed:

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall, consideration will be given to locking in higher rates currently obtainable, for longer periods.

4.6 Investment return expectations.

4.6.1 As shown by the interest rate forecasts in section 3.3, it is now impossible to earn the level of interest rates commonly seen in previous decades as all short-term money market investment rates have only risen weakly since Bank Rate was cut to 0.10% in March 2020. The Bank of England did increase Bank Rate by 0.15% to 0.25% in December, and by another 0.25% to 0.50% in February. Typically, a rate hike would fully flow through to market pricing, especially for shorter durations. However, many banks are already awash with cash and have little appetite for yet more monies, especially over year-end. This may limit the extent to which the full increase in Bank Rate is reflected in the rates offered for shorter term investments. For longer term investments, the increase in the pace of monetary policy tightening, rather than any increase in the peak level, may impact longer term interest rates.

4.6.2 **Investment treasury indicator and limit** - total principal funds invested for greater than 365 days.

4.6.3 These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

4.6.4 The Council is asked to approve the following treasury indicator and limit:

Table I - Upper limit for principal sums invested for longer than 365 days			
	2023	2024	2025
	£m	£m	£m
Current investments as of 31 March more than 1 year maturing in each year	125	50	50

4.7 End of year investment report

4.7.1 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

5 APPENDICES

- 5.1 Maturity structure of borrowing**
- 5.2 Credit and counterparty risk management**
- 5.3 Sector and Geographic Investment Limits**

APPENDIX 5.1

Maturity Structure of Borrowing

Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large sums falling due for refinancing and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

Table J		
Maturity structure of fixed interest rate borrowing		
	Lower	Upper
Under 12 months	0%	10%
12 months to 2 years	0%	10%
2 years to 5 years	0%	10%
5 years to 10 years	0%	20%
10 years to 20 years	0%	30%
20 years to 30 years	0%	40%
30 years to 40 years	0%	40%
40 years to 50 years	0%	40%
Maturity structure of variable interest rate borrowing		
	Lower	Upper
Under 12 months	0%	10%
12 months to 2 years	0%	10%
2 years to 5 years	0%	10%
5 years to 10 years	0%	20%
10 years to 20 years	0%	30%
20 years to 30 years	0%	30%
30 years to 40 years	0%	30%
40 years to 50 years	0%	30%

CREDIT AND COUNTERPARTY RISK MANAGEMENT

The MHCLG issued Investment Guidance in 2018, and this forms the structure of the Council's policy below.

The key intention of the Guidance is to maintain the current requirement for councils to invest prudently, and that priority is given to security and liquidity before yield. To facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council has adopted the Code and will apply its principles to all investment activity. In accordance with the Code, the Director of Finance and Resources (Section 151 Officer) has produced its treasury management practices (TMPs).

Annual Investment Strategy - The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments that the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Council is:

Strategy Guidelines – The main strategy guidelines are contained in the body of the Treasury Strategy Statement.

Specified Investments – These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments that would not be defined as capital expenditure with:

1. The UK Government (such as the Debt Management Office deposit facility, UK treasury bills or a gilt with less than one year to maturity).
2. Bonds issued by supranational banks of less than one year's duration.
3. A local authority, housing association or university.
4. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency. This covers pooled

investment vehicles, such as money market funds, rated AA by Standard and Poor's, Moody's and / or Fitch rating agencies.

5. A body that is considered of a high credit quality (such as a bank or building society) with a minimum Short-Term rating of A-2 / P-2 / F1 as rated by Standard and Poor's, Moody's and / or Fitch rating agencies .

Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies. These criteria are contained in Table H.

Non-specified investments – are any other type of investment (i.e. not defined as specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non-specified investments would include any investments with:

	Non-Specified Investment Category	Limit £
a.	<p>Supranational bonds greater than 1 year to maturity</p> <p>(a) Multilateral development bank bonds with a AAA long-term rating - These are bonds defined as an international financial institution having as one of its objects economic developments, either generally or in any region of the world (e.g. European Reconstruction and Development Bank etc.). However the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.</p> <p>(b) A financial institution that is guaranteed by the United Kingdom Government (e.g. National Rail)</p> <p>The security of interest and principal on maturity is on a par with the Government and so very secure. These bonds usually provide returns above equivalent gilt-edged securities. Like category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.</p>	<p>£26m for up to 6 years</p> <p>£26m for up to 6 years</p>
b.	<p>Gilt edged securities with a maturity of greater than one year. These are Government bonds and so provide the highest security of interest and the repayment of principal on maturity. Like category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.</p>	<p>Unlimited investments for up to 6 years</p>
c.	<p>The Council's own banker if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible.</p>	<p>£10m for up to 1 day</p>
d.	<p>Building societies not meeting the basic security requirements under the specified investments. The operation of some building societies does not require a credit rating, although in every other respect the security of the society would match similarly sized societies with ratings. The Council may use such building societies that have a minimum asset size of £350m.</p>	<p>£6m for up to 2 years</p>
e.	<p>All banks and building societies that have a minimum long-term credit rating of A-, for deposits with a maturity of greater than one year (including forward deals more than one year from inception to repayment).</p>	<p>Up to £26m (depending on credit quality)for up to 6 years</p>

	Non-Specified Investment Category	Limit £
f.	Loan capital in a body corporate with a credit rating of at least BBB+. This will enable investments to be made in large commercial companies such as British Telecom. A short-term investment in a BBB+ rated counterparty may be less likely to default than a long-term investment with an A- rated counterparty.	£7m for 365 days
g.	Corporate bonds bought on the Council's behalf by professional fund managers who will target an average credit rating of at least BBB+ for the corporate bond fund. The average credit rating of the corporate bond fund may fall to BBB if there was a downgrade to a single issue or a broad downgrade. We would not want the fund manager to be a forced seller in this situation. If this situation arises, a strategy will be agreed with the fund manager to return the average rating of the portfolio to BBB+.	£8m for an unlimited duration
h.	Pooled investment vehicles including equity funds, property funds and multi asset funds with the potential to generate returns more than inflation and thus maintain the value of the principal invested in real terms. The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting requires movements in the market value of pooled investments to be charged to General Fund balances.	£50m for an unlimited duration
i.	Subsidiary companies of the Council. Funds could be invested to facilitate the establishment of a subsidiary company to develop housing in the greater Portsmouth area on a commercial basis.	£30m for an unlimited duration
j.	Banks partly owned by the City Council. The Council is an equity shareholder in Hampshire Community Bank (HCB). Purchasing bonds in HCB would contribute to the regeneration of Hampshire and offer interest of up to 3.5%. Investing in HCB carries greater risk than the other approved investments contained in the Council's Annual Investment Strategy, as HCB is a new entity that is in the process of developing its business, and currently has neither a banking license nor a credit rating. However, HCB will be able to offer assets as security to cover a bond. These assets would consist of loans of the highest credit quality to the small and medium enterprise (SME) sector. The loan assets offered as security would pass to the Council in the event of HCB defaulting.	£10m for 5 years

The monitoring of investment counterparties - The credit rating of counterparties will be monitored regularly. The Council receives credit rating information (changes, rating watches and rating outlooks) from Link Asset Services as and when ratings change, and counterparties are checked. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately.

SECTOR AND GEOGRAPHIC INVESTMENT LIMITS

Sector Investment Limits

AA money market funds offer security and same day access. By aggregating investments, they can also invest in financial institutions that may not be interested in the relatively small sums that the Council can invest. Although AA money market funds are well diversified in their investments, there is a risk that more than one fund could have investments with the same bank or that the Council may also have invested funds in the same bank as a money market fund. Therefore, it is proposed that the Council should aim to have no more than £80m invested in money market funds.

Most building society lending is secured against residential properties. If property prices fall there may be inadequate security to support building societies lending giving rise to a systemic risk.

As RSL's offer one principal service and their assets principally consist of residential properties, excessive investments in RSLs would also expose the Council to a systemic risk.

Excessive investments in investment products tracking equity, property or other markets could also expose the Council to a systemic risk.

To minimise systemic credit risk in any sector the following limits will be applied:

Money market funds	£80m
Building societies	£155m
Registered Social Landlords	£80m
Investments tracking the equity, property, or other markets	£70m

Geographic Investment Limits

To minimise systemic credit risk in any region, the following limits will be applied to the geographic areas where investments can be made in foreign countries.

Asia & Australia	£80m
Americas	£80m
Eurozone	£60m
Continental Europe outside the Eurozone	£60m

Agenda Item 6



THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

Title of meeting:	Cabinet & Full Council
Subject:	Carbon Budget Methodology
Date of meeting:	8 March 2022 & 15 March 2022
Report by:	Kristina Downey, Principal Strategy Adviser - Carbon Management
Wards affected:	n/a

1. Requested by

Cabinet Member for Climate Change and the Green Recovery

2. Purpose

- 2.1 To provide information to the Cabinet and Council on the approach that is being taken for the carbon management process, and the method being used to develop future carbon targets to meet the 2030 net zero targets for the Council and city.

3. Recommendation

- 3.1 It is recommended that Cabinet note the contents of this Report and that it proceeds to Full Council to further note.

4. Information Requested

- 4.1 Significant year-on-year reductions in carbon emissions will be required to meet the 2030 net zero targets.
- 4.2 The carbon management process that is being used to help achieve this is described below:
- 1) Calculate the carbon baseline. This will be a 'rolling-baseline' based on the most recent annual carbon inventory.
 - 2) Develop a forward projection of 'business-as-usual' (BaU) carbon emissions to 2030 based on national level changes (e.g., decarbonisation of the Grid, population changes etc.). The BaU represents the likely changes to emissions if we did not take any further actions to reduce carbon.
 - 3) Testing against the BaU projection, develop an alternate projection of carbon emissions to 2030 based on our proposed carbon action plans.

THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

- 4) Update and publish the carbon action plans for the Council and the city on an annual basis, including a revised baseline, changes to the BaU projection and revised alternative projection to 2030.
- 4.3 The evaluation and prioritisation of carbon reduction initiatives will be formally documented in a consistent manner against factors such as available funding, financial cost per volume of carbon saved, links to other Council strategies and plans, support, and important local co-benefits to Portsmouth including the green economy. This evaluation process will aid accountability and help to identify priority initiatives that help to address inequalities in Portsmouth.
- 4.4 This approach to evaluating and prioritising carbon reduction initiatives is inline with the national Net Zero Strategy that states local authority actions should be on a 'placed-based approach', and in-line with the Council's stated aims and priorities.
- 4.5 This process builds upon earlier initiatives to reduce carbon emission associated with Council operations and within the wider city. Examples include:
- Delivery of a number of domestic energy schemes to increase energy efficiency through the Local Energy Advice Partnership, Switched On Portsmouth, Warmer Homes, and the Emergency Boiler Replacement scheme. It is estimated that Switched On Portsmouth has reduced carbon emissions by an estimated 426 tonnes CO₂
 - Replacement of lighting in Council buildings and street lighting with energy efficient LED. LED street lighting has reduced energy demand by approximately 40%
 - Progressive replacement of existing heating systems on buildings we own with energy efficient and lower carbon systems
 - Installation of 36 electric vehicle charging points
 - Electrification of operational Council fleet vehicles
 - Upgrade of 105 city busses to a Euro VI emission standard that reduces carbon emissions
 - Supporting active travel in the city with servicing and repair clinics, training, and promotion of quieter cycle routes
 - Award-winning major retrofit of Wilmcote House, providing thermal comfort to the 107 properties saving an estimated 90% of annual heating costs and up to £1,000 per property per year in energy costs. Largest residential EnerPHiT-standard (Passivhaus equivalent) project delivered with residents *in-situ*.
- 4.6 Future carbon reduction initiatives will be dynamic and will be collated and evaluated and are likely to include:
- Installation of 2,600 roof-mounted solar panels at Portsmouth International Port, reducing their annual carbon emissions by an estimated 239 tonnes CO₂
 - Plans to install a further 62 EV charging points, with more in development

THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

- Doubling the number of trees in the city in the next 25 years
 - Installation of innovative battery storage technology at a number of sites.
- 4.7 We will also use the independent assessment undertaken by the Tyndall Centre for Climate Change Research in conjunction with Manchester University and related Setting City Area Targets and Trajectories for Emissions Reduction (SCATTER) to support the evaluation of carbon reduction initiatives.
- 4.8 We will continue to influence city-wide carbon reductions through funding applications, collaboration with partners and major employers, lobbying, leading on innovation, acting as a local knowledge hub and as a responsible and innovative landlord. This will be important to help us achieve our ambitious targets.

.....
Signed by
Paddy May
Corporate Strategy Manager

Appendices: None

Background list of documents: None

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Agenda Item 7



Title of meeting:	Cabinet & Council
Date of meeting:	8 th March 2022 & 15 th March 2022
Subject:	Health and Wellbeing Strategy
Report by:	Helen Atkinson, Director of Public Health
Wards affected:	All
Key decision:	No
Full Council decision:	Yes

1. Purpose of report

- 1.1 To present to the Cabinet the Health and Wellbeing Strategy (HWS) for 2022-2030 for approval.

2. Recommendations

2.1 The Cabinet and Council are recommended to:

- Approve the Health and Wellbeing Strategy attached at Appendix 1.

3. Background

- 3.1 There is statutory duty on local Health and Wellbeing Boards to produce a strategy for the health and wellbeing of their population, which should be adopted by the partner organisations. At the last meeting of the Health and Wellbeing Board (HWB), a document was approved with the recommendation that this is adopted by partner organisations.
- 3.2 This document was derived from work which the HWB have carried out during 2020 and 2021 looking at significant issues where Portsmouth is an outlier from the rest of the country, and where existing conditions are driving poorer outcomes for the population. The approach taken aims to focus on these areas and bring about the changes that would be necessary to create a "new normal" for Portsmouth, where outcomes were routinely better than is currently the case.

- 3.2 The HWS is part of a wider group of developing plans in the city, most notably the Blueprint for Health and Care in Portsmouth and the developing priorities for Health and Care Portsmouth:
- The priorities for Health and Care Portsmouth identify the key groups and service areas that need to be the focus of commissioning and identify where services and responses need to be in place from the earliest points of intervention through to higher level support.
 - The Blueprint sets out the aspiration for how services should be received by residents of the city, setting out a range of commitments around access, quality and ways of working - ultimately, the Blueprint is about ensuring that the outcomes and experiences for residents are never compromised because of the way organisations and institutions organise themselves.
 - The Health and Wellbeing Strategy will focus on the wider determinants in the city - what is stopping people in the city thriving, and therefore what needs to happen to enable them to thrive.
 - The city's Imagine Portsmouth 2040 sets out the long-term vision for the future of our city agreed by a wide range of representatives of residents, businesses and organisations who live and work in Portsmouth.
- 3.3 The document identifies five priority areas, based on evidence from a range of sources:
- Tackling Poverty
 - Improving Educational attainment
 - Positive Relationships
 - Housing
 - Air quality and active travel.
- 3.4 These priorities were developed in the autumn through a range of workshops and discussions, with contributions from nearly 100 stakeholders. These discussions sought to identify where the HWB could add value by coming together and acting collectively as a system, and also by thinking about how - as anchor institutions - organisations that are members of the board can also leverage their roles as employers, communicators, purchasers alongside their roles as service providers to increase impact.
- 3.5 The draft document that emerged following the workshops was approved for consultation in November 2021. Nearly 500 people and organisations that submitted responses to the consultation during December 2021 and January 2022. This showed clear support for the priorities and challenges that the board identified, and on this basis, the HWB approved the strategy attached as Appendix A.

3.6 It was recommended by the HWB that the strategy should also be formally adopted by the Cabinet.

4. Reasons for recommendations

4.1 The current HWS was agreed in 2018 and covers the period 2018 to 2021. A refreshed HWS is therefore required to meet the statutory duty on the local authority and CCG to develop a HWS.

4.2 The document attached at Appendix A:

- builds on work carried out by members of the HWB in 2020 and 2021 to identify priorities for improvement locally;
- reflects and supports the City Vision agreed in 2021;
- supports the role of the HWB and its constituent organisations in setting the medium-to-long term priorities to improve outcomes for residents and communities in Portsmouth that will be delivered through Health and Care Portsmouth;
- has a clear framework for monitoring and evaluation;
- has been broadly supported through wider consultation.

5. Integrated impact assessment

5.1 A preliminary Integrated Impact Assessment has been undertaken, and concludes that as a high level strategy, there is considerable opportunity for positive impacts in respect of a number of areas where we currently see inequality, and in relation to environmental issues including air quality. Detailed impact assessments will be undertaken on particular policies and initiatives as they emerge.

6. Legal implications

6.1 Section 116A of the Local Government and Public Involvement in Health Act 2007 (as amended) ("the 2007 Act") places a statutory duty upon local authorities and their partner CCGs to develop a joint health and wellbeing strategy (JHWS).

6.2 Section 116B of the 2007 Act requires local authorities and CCGs to have regard to relevant JSNAs and JHWSs when carrying out their functions.

6.3 The 2007 Act places a duty upon the HWB to have regard to the statutory guidance published by the Secretary of State when preparing JHWSs

6.4 That statutory guidance highlights that HWBs must give consideration to the Public Sector Equality Duty under the Equality Act 2010 throughout the JHWS process.

7. Director of Finance's comments

- 7.1 There are no direct financial implications arising from the recommendations contained within this report.
- 7.2 Future schemes and initiatives will require financial appraisal on case by case basis in order to support decision making. Before any schemes or initiatives will be able to proceed, specific funding sources would need to be identified and in place.

.....
Signed by: Helen Atkinson, Director of Public Health

Appendices:

Appendix A - Health and Wellbeing Strategy 2022-2030

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:

HEALTH AND WELLBEING STRATEGY 2022 – 2030

HEALTH

We want Portsmouth to be a healthy and happy city, in which each person has the education, care and support they need for their physical and mental health.

Contents

Foreword	04
Introduction	06
Background	10
A Covid year: what's happened and what's changed?	11
Developing the strategy.....	12
ONS Health Index	14
ONS Health Index	15
Priorities: five 'causes of the causes'	19
Tackling Poverty	20
Educational Attainment	23
Positive Relationships in Safer Communities.....	26
Housing.....	29
Active Travel and Air Quality.....	33
Delivery, monitoring progress and measuring success	36
Consultation responses	39
References	41

Page
111



HEALTH AND WELLBEING STRATEGY

FOREWORD

Foreword

There is a statutory duty on local Health and Wellbeing Boards to produce a strategy for the Health and Wellbeing of their populations. The strategy should inform work that is done to improve health and wellbeing in local areas.

Portsmouth's previous strategy (2018–2021) focused on the health and wellbeing relationships to wider work in the city, and expressed some immediate delivery priorities in the context of the wider system. In this refreshed strategy, we have taken a different approach where we have really tried to understand what about Portsmouth are the significant impacts on health and wellbeing, and what we can do as a system to bring about some key changes.

Using a strong evidence base, we have identified five issues which we are describing as the "causes of the causes" – the underlying factors in our city that lead to some of the issues which in turn influence health and wellbeing. Rather than look at individual services and responses, we are looking at how we create the conditions for good health and wellbeing in Portsmouth. The themes we have identified are:

- Poverty
- Educational Attainment
- Positive Relationships
- Active Travel and Air Quality
- Housing

This work will be significant in preventing health and wellbeing challenges emerging in the city and supporting improvement for those experiencing challenges now. It also helps us identify how we need to shape our health and wellbeing services in response to the wider context for Portsmouth.

This document is really important for us working together as a local health and care system, as it sets out some critical issues for us as a city, and where we need to be driving improvements for our population. It will guide us in working together to address the most significant issues and ensuring that people who live here can thrive.

The strategy will be a critical piece of documentation for:

- Underpinning commissioning decisions: setting a framework for commissioning plans across the NHS, local authority and other agencies in the city
- Influencing decisions: providing a source of evidence and direction for policy and decision making in a wide range of areas across the city, such as development, community safety and education.
- Holding leaders of organisations across the city to account for improving outcomes: the strategy will be reviewed each year and provide a basis for conversations about where we are improving outcomes, and where more needs to be done.

We have some significant challenges to address, but we are confident that by working together we can really make a difference over the next three years.



*Councillor Jason
Fazackarley*

Dr Linda Collie

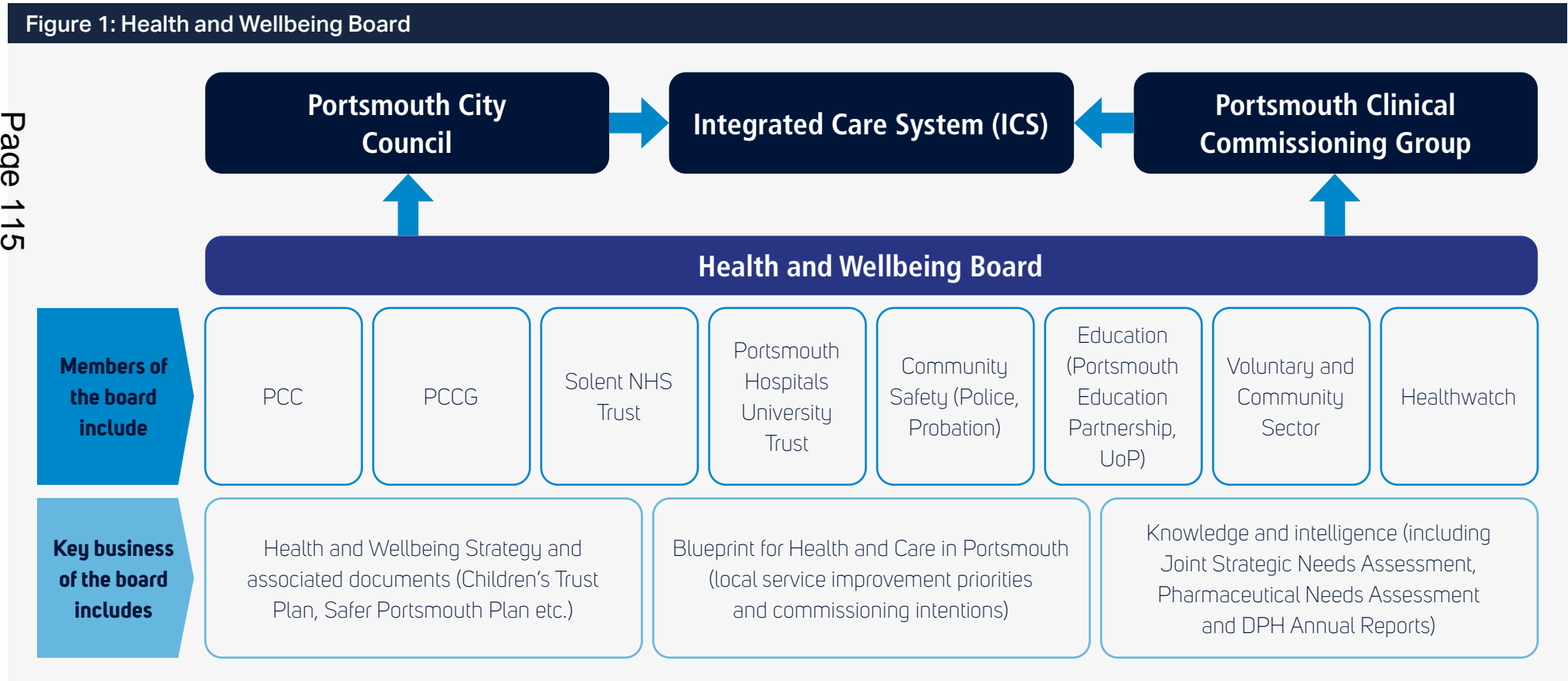
*Joint Chairs of the Health
and Wellbeing Board*



HEALTH AND WELLBEING STRATEGY

INTRODUCTION

Portsmouth's Health and Wellbeing Board (HWB) is the key strategic partnership bringing together the organisations working together to improve health and wellbeing in the city, as set out in the diagram below.



Our HWB brings together a wide range of partners including commissioners and providers of public sector services covering health and care services for all ages, community safety and education. It has a statutory duty to produce a Health and Wellbeing Strategy (HWS). Partners on the board agreed in early 2020 that this strategy was an opportunity to use the broader membership of Portsmouth's HWB to focus on the longer-term; to understand the underpinning 'causes of the causes' of a range of poor outcomes in the city; and to work with our communities to achieve a step-change in the wellbeing of our residents.

*Imagine Portsmouth*¹ saw the city agree a new long-term vision for the city that aligned well with the board's aspirations.

This HWS represents the HWB's agreed priorities for how to achieve our contribution to that vision:

"We want Portsmouth to be a healthy and happy city, in which each person has the education, care and support they need for their physical and mental health"

As a system represented by the HWB, we will focus on the causes of the causes to drive real change. The

work builds on the strong foundations of our integrated partnerships and plans that are already in place. Some of this work that links closely to the priorities chosen by the board is included in the strategy and will be part of the early delivery towards our long-term goals. But there is so much more that is already happening that cannot be reflected in a short document such as this.

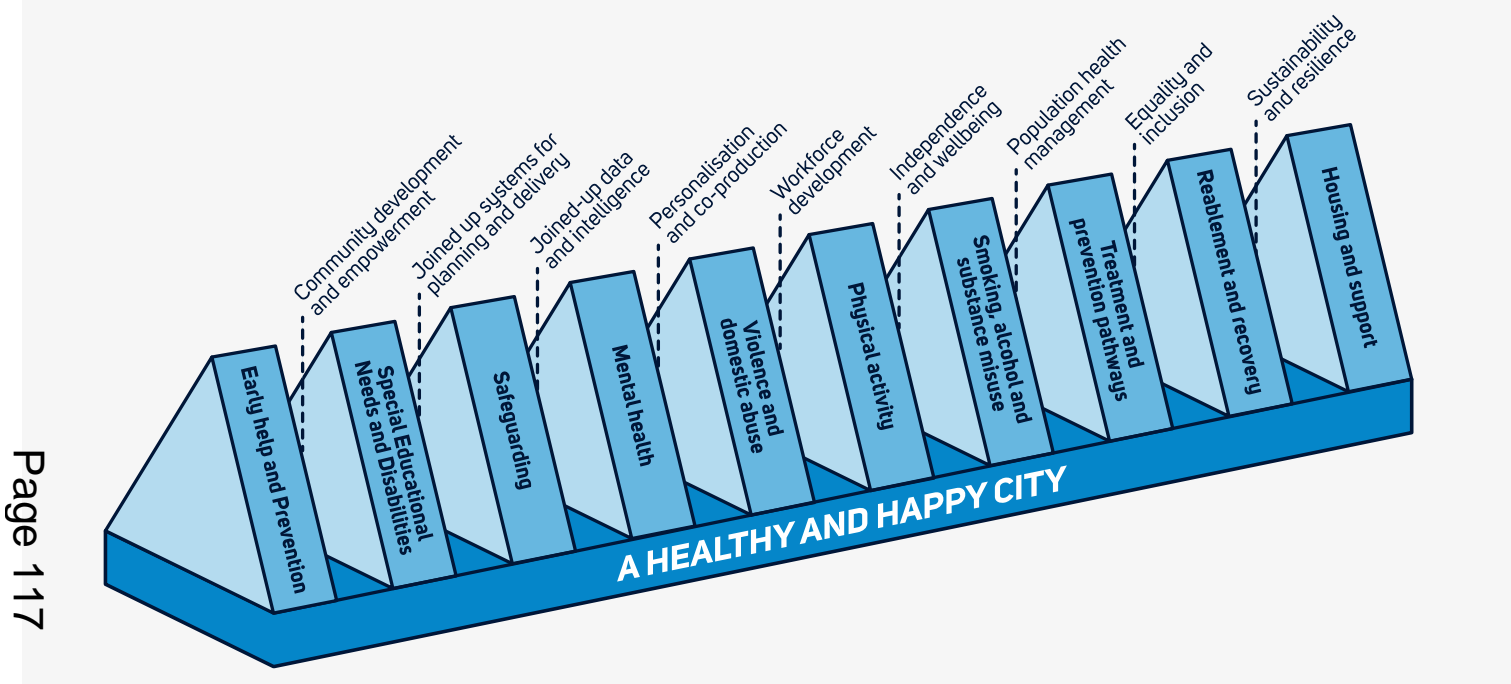
As a system, we collectively aim to meet the needs of all our communities through a combination of universal and targeted services and approaches. For many issues that partners work on, there is a smaller number in greatest need or facing the most significant challenges, and then growing numbers with increasingly less intensive support needs. This is illustrated by the 'triangles' in figure 2 (page 9), with small numbers (and high need) at the top of the triangle, and larger numbers with lower needs towards the base. Our collective ability to meet the different needs at each level is constrained by the total available resource and capacity.

Our aim through this strategy is to achieve better outcomes for more people by shrinking those triangles. The approach set out in this strategy is to do this by growing the base, addressing the cross-cutting issues to create a healthier and happier city in which fewer people need support at each level of the triangles.

The focus of commissioning and delivery of public services is often targeted towards those in greatest need or facing

¹ [Imagine Portsmouth: our vision for Portsmouth's future](#)

Figure 2



Page 117

the most significant issues, and delivered in partnership by a range of stakeholders. These strong local partnerships will continue to deliver, supported and enabled where appropriate by the Health and Wellbeing Board.

Our collective efforts are already underpinned by ways of working that ensure we are doing the right things, in the right way, at the right time and place and for the right people. In figure 2 these are shown as the spaces between the triangles, reflecting the fact that the more effectively we do these things together, the further our collective resource can go in supporting delivery. These

things will be crucial in supporting all aspects of this strategy (not just the 'triangles' they sit between). In turn, the strategy and the work of the Board will promote these approaches and address barriers to joint work.

We believe this strategy will support the efforts of local individuals, organisations and partnerships by addressing long-standing challenges that contribute to poor outcomes across the wide range of challenges faced by partners in the city. Achieving this will be a collective effort. Everyone can play their part as individuals and communities by making positive and healthy choices.

HEALTH AND WELLBEING STRATEGY

BACKGROUND

A Covid year: what's happened and what's changed?

In Portsmouth, over 400 people have died from Covid-19 and over 50,000 people have tested positive for the illness at least once since the start of the pandemic². Beyond this, we have seen more people move into unemployment, more children become eligible for free school meals and more people need some support from public services. We have also seen communities come together, willingly following rules to suppress the spread of virus and protect the most vulnerable; volunteering time and money to help each other; and rediscovering their local environments.

Page 119
It has been a time when social change has accelerated, so some things have already changed and are unlikely ever return to how they once were. In other areas, the pandemic has triggered change and we do not yet know what the ramifications will be, or how significant.

Social movements including Black Lives Matter and protests against ongoing violence against women and girls have raised awareness of issues that impact on people's feeling of safety in their community. Many people are experiencing new pressures in their lives, including financial pressures. Unemployment has increased, and job opportunities, particularly for the young, have reduced.



Importantly, for many people, there is optimism about the future. Trust in institutions such as the NHS and local authorities is high. Volunteering activity has increased. People are more connected with local environments and open spaces, with restrictions leading to short-term reductions in traffic volumes and improvements in air quality. However willingness to use public transport has declined.

2 [GOV.UK Coronavirus \(COVID-19\) in the UK](https://www.gov.uk/coronavirus) 25 January 2022

Developing the strategy

This strategy is an opportunity to build on the way partners in the city have worked in partnership to address the pandemic, and to continue engaging with our communities to develop solutions together. Around 100 stakeholders have contributed through workshops to develop each of the priority themes. As well as the specific issues set out under each priority, three cross-cutting issues have emerged that will be explored further as this strategy evolves:



St Mary's Health Campus



Father Bob White and Councillor Suzy Horton at HIVE Portsmouth



HIVE Portsmouth volunteers at the Portsmouth vaccination site

Community Development

Working with local people, groups and organisations in a way that recognises and nurtures the strengths of individuals, families and communities, and helps to build independence and self-reliance, is a vital alternative to reliance on traditional services.

The work with stakeholders to develop each of the priorities in the strategy reiterated this key message and it will underpin our approaches throughout the strategy. This builds on the commitment to working differently embodied in HIVE Portsmouth that played such an essential role in the city's pandemic response.

Health, Equality and Diversity

Covid-19 has shone harsh light on some of the health and wider inequalities that persist in our society. It has become increasingly clear that the pandemic has had a disproportionate impact on many who already face disadvantage and discrimination.

The impact of the virus has been particularly detrimental on people living in areas of high deprivation, on people from Black, Asian and minority ethnic communities (BAME) and on older people, those with a learning disability and others with protected characteristics.

The pandemic has shown the importance of reorientating our efforts to address the broad outcomes that drive good health, recognising that the distribution of income and wealth matter in reducing health inequality. We have



begun to address this through our use of the ONS Health Index (described in the next chapter) as a measure of progress, aiming to support a longer-term focus to our policy and investment decisions aimed at improving the health and wellbeing of our residents and communities.

Deprivation is just one of the persistent inequalities that limit individuals' and communities' opportunity to fulfil their potential. The efforts of partners in delivering this strategy will reflect our commitment to equality, diversity and inclusion, ensuring we deliver fair and equitable services to all of our communities.

Sustainability and Resilience

The link between sustainability, climate change and health is recognised globally. At its most basic level, a sustainable city requires a healthy population; one that is resilient to the challenges of future climate change and one that is able to respond positively to the changes needed to enable sustainable communities, particularly as we move into post-pandemic socio-economic recovery.

The climate crisis is a health crisis, and we recognise the need to promote equality, health and quality of life in order to achieve a sustainable future. Covid-19 has enabled us to fundamentally re-assess what is needed to tackle the scale of change and transformation required, reinforcing that support for vulnerable people and communities is vital, and that we need to shift as a system from a focus on efficiency to one of resilience.

HEALTH AND WELLBEING STRATEGY

ONS Health Index

In 2018, then Chief Medical Officer, Dame Sally Davies, proposed a Health Index “that reflects the multi-faceted determinants of the population’s health”. The Office of National Statistics (ONS) launched the draft Health Index in December 2020³), with an updated version due to be published in March 2022.

It provides “a single headline indicator of health that is transparent in its construction, can be compared over time, can be compared at different geographical levels, and can be broken down into the effects that drive changes”.

The Health Index aligns with the World Health Organization’s definition of health⁴, that health

“is a state of complete physical, mental and social wellbeing, and not merely the absence of disease or infirmity”.

In developing our strategy we have used the Health Index⁵ as a tool to identify areas to focus on, and will continue to use it in order to measure progress over time.

The index is broken down into three domains, each with a number of sub-domains:

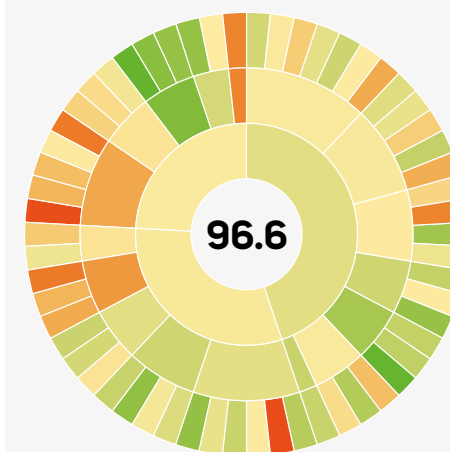
- **healthy people** – health outcomes, ensuring representation of the population as a whole
- **healthy lives** – health-related behaviours and personal circumstances
- **healthy places** – wider determinants of health, environmental factors

These are weighted equally, as are the sub-domains within each domain, with individual indicators then weighted using a transparent and robust methodology to achieve a balanced overall score⁶. The Index is scaled to a base of 100 for England in 2015. Values above 100 indicate better health than England in 2015, below 100 indicates worse health.

Figure 3 shows Portsmouth’s overall score and its ranking against best and worst performing areas. See next page for breakdown and pages 41 to 42 for a tabulated version.

Figure 3: Portsmouth’s ranking in the ONS Health Index

Portsmouth compared against England Average



Ranking for area

Place	Score	Rank
Wokingham	110.1	1
Bolton	96.8	109
Leicester	96.8	110
Barnsley	96.7	111
Dudley	96.7	112
Peterborough	96.7	113
Portsmouth	96.6	114
Stockton-on-Tees	96.3	115
Sefton	96.2	116
Blackpool	86.4	149

3 Developing the Health Index for England: 2015 to 2018 – Office for National Statistics
 4 Constitution – World Health Organization
 5 Health Index Explorer – Office for National Statistics
 6 Methods used to develop the Health Index for England: 2015 to 2018 – Office for National Statistics

Figure 4: Portsmouth's scores in the ONS Health Index, broken down by domain sub-domain and indicator, compared to England average

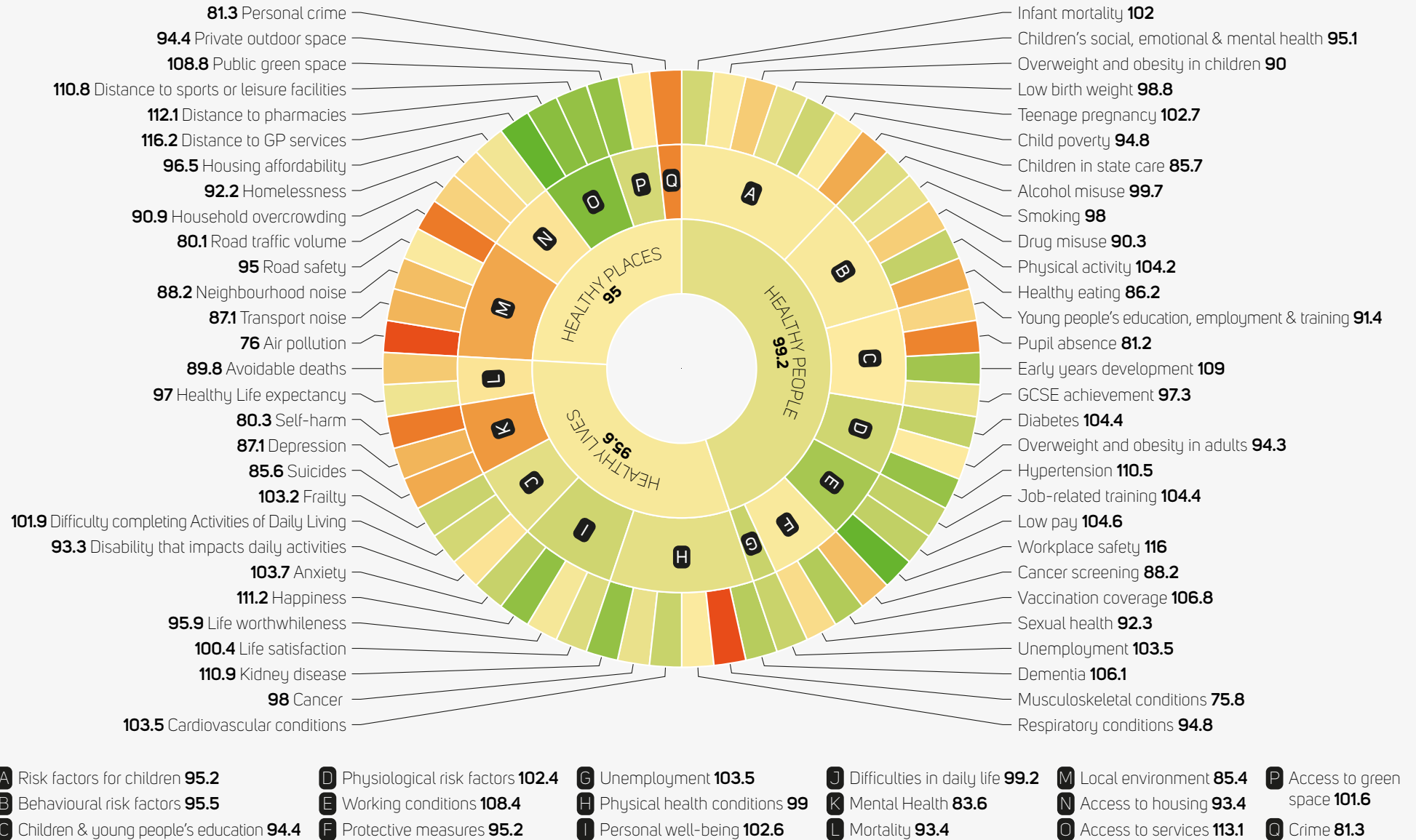


Figure 5: Portsmouth's ONS Health Index score relative to England, 2015 – 2018

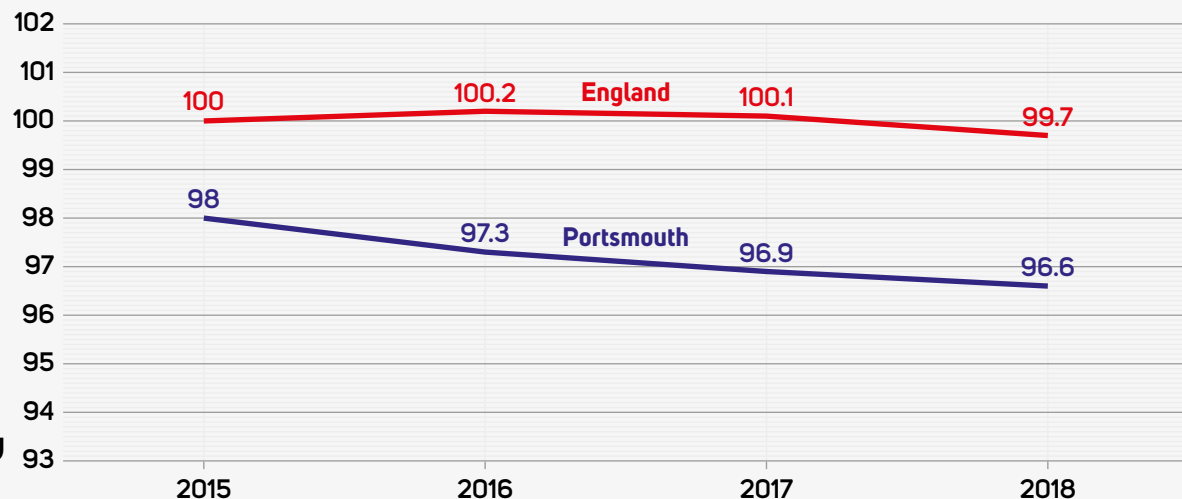
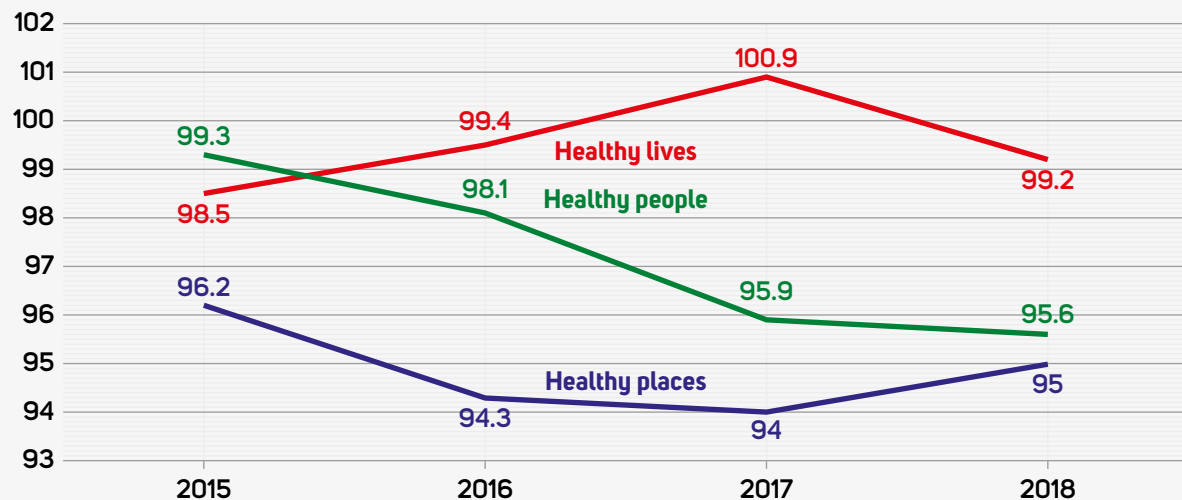


Figure 6: Portsmouth's ONS Health Index sub-domain scores, 2015 – 2018

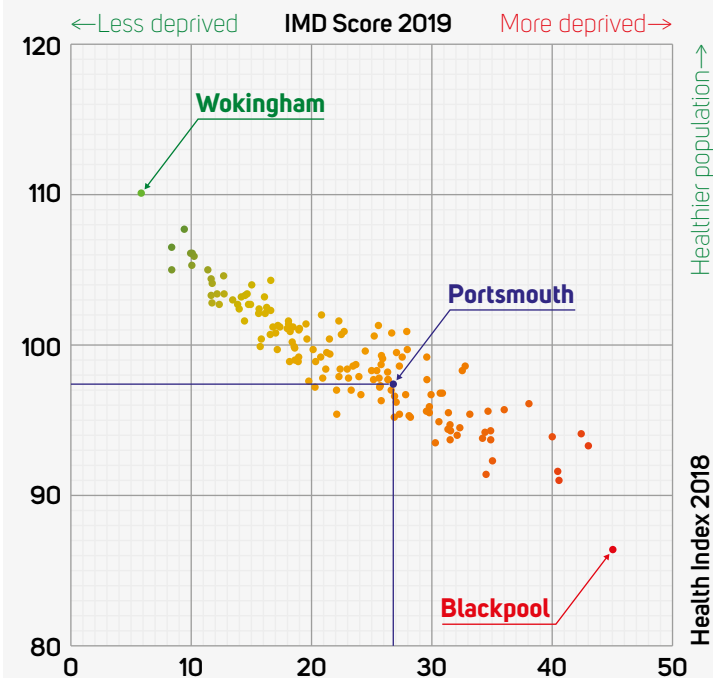


Data for Portsmouth in 2018 showed that health was worse than the England average in 2015, and that the city's relative position has worsened in the years since.

Portsmouth's position has worsened in relation to health outcomes and wider determinants, and improved in relation to health-related behaviours.

Portsmouth is not an outlier in terms of its overall score. It sits within a pattern in which more deprived areas have less healthy populations, as shown in figure 7.

Figure 7: IMD score against Health Index 2018



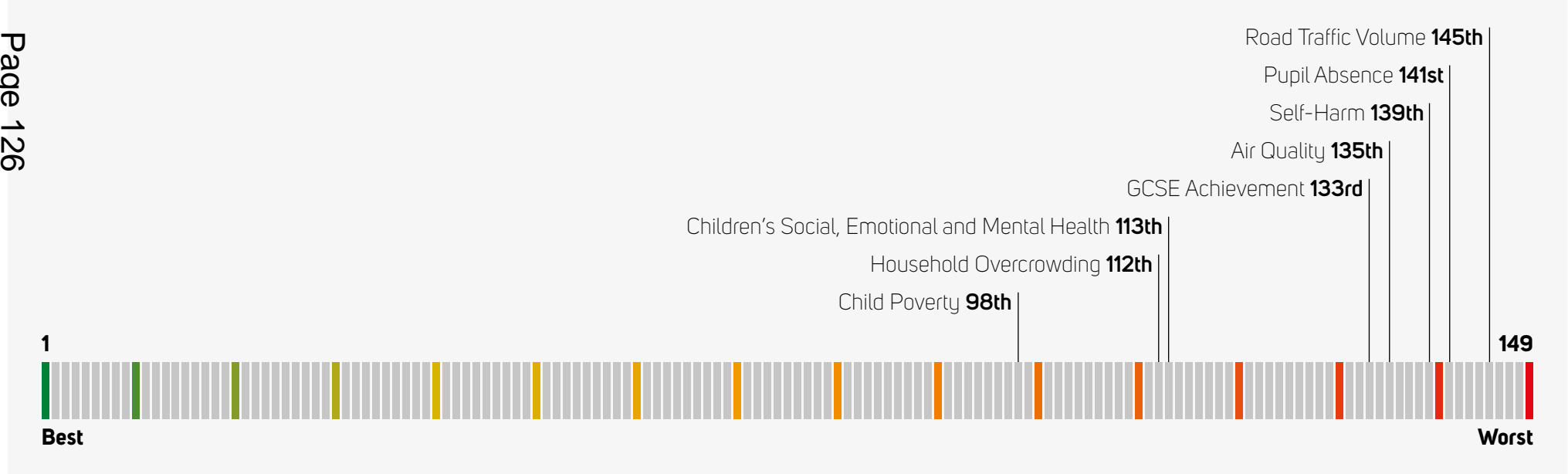
Exploring sub-domains within the Health Index suggested a number of areas where outcomes are much worse in Portsmouth than in England. These helped to inform the selection of priorities, alongside other outcome data and local intelligence. For example, out of 149 local authorities, where 1 is the best, Portsmouth ranks 98th for child poverty, 112th for household income,

113th for children’s social, emotional and mental health, 133rd for GCSE achievement, 135th for air quality, 139th for self-harm, 141st for pupil absence, and 145th for road traffic volume.

Many of these areas will have been significantly impacted by Covid-19 and existing disparities are likely to have been exacerbated.

Figure 8: ONS Health Index indicators where Portsmouth scores badly

Page 126



HEALTH AND WELLBEING STRATEGY

PRIORITIES: FIVE 'CAUSES OF THE CAUSES'

Tackling Poverty

The causes of the causes – why tackling poverty underpins outcomes across the Health and Wellbeing Strategy

The Marmot Review⁷, published in 2010, raised the profile of wider determinants of health by emphasising the strong and persistent link between social inequalities and disparities in health outcomes. Variation in the experience of wider determinants (i.e. social inequalities) is considered the fundamental cause (the 'causes of the causes') of health outcomes. As such, health inequalities are likely to persist through changes in disease patterns and behavioural risks so long as social inequalities persist. In addition, both the Marmot Review and the Dame Carol Black Review⁸ highlighted the huge economic costs of failing to act on the wider determinants of health.

This priority represents a shared commitment across local public services that we will seek to help people to escape poverty, and take action to mitigate the effects of poverty.

We will do this by providing good quality employment to tackle in-work poverty, so that every employee:

- Receives a real living wage
- Has the security of sufficient working hours to meet their needs

- Can work flexibly, to ensure those with additional needs or caring responsibilities can maintain employment
- Can progress into and through work, with training and support, to fulfil their potential and increase their earning power

If all organisations represented on the HWB became an Accredited Living Wage employer, this would extend the Real Living Wage to all directly employed staff and to all staff working on contracts in private firms and the voluntary sector as these contracts come up for renewal and play an important part of the city's recovery from the pandemic. Social value provides additional benefits which can aid the recovery of local communities through employment, re-training and community support. Existing and emerging Living Wage Places are showing the impact that large employers and anchor institutions can have in attempting to make the Living Wage the norm in their place and lift people out of low pay.⁹

7 [Fair Society Healthy Lives \(The Marmot Review\) – Institute of Health Equity](#)

8 [Review of drugs part two: prevention, treatment, and recovery – GOV.UK](#)

9 [Building Back Better with Living Wage Places – Living Wage Foundation](#)

Key activity in short term

Short term activity will focus on three key areas:

1 Providing immediate support to people in financial hardship

- Developing a range of local welfare provision to assist those in urgent or long-term financial hardship.
- Helping people to maximise their income through:
 - Ensuring they receive everything they are entitled to
 - Reducing expenditure
 - Dealing with unmanageable debt.

Promoting financial capability and inclusion.

Between 2015 and 2020, Portsmouth experienced steadily increasing levels of child poverty¹⁰ and uptake of foodbank support. Foodbank demand more than doubled in the early months of the pandemic and remained above pre-pandemic levels until July 2021¹¹.

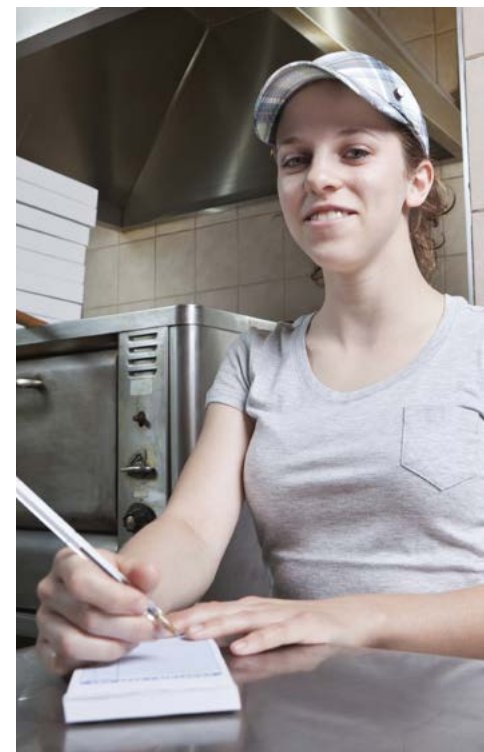
Long term issues of poverty and inequality in the city have been exacerbated by the impact of the pandemic on health, social networks and the economy. Increasing numbers of people will require assistance to cope with short term income shocks or longer and deeper periods of poverty.

2 Helping people access the right employability support at the right time

- Ensuring people know where to find help and advice, to prepare for or find work.
- Providing additional support for those who may have greater barriers to work, such as people with a learning disability.
- Increase access to digital upskilling opportunities.

Unemployment levels rose steeply at the start of the pandemic, from 4,842 people looking for work and in receipt of an out of work benefit in March 2020, to 10,691 people in May 2020, before reducing to 9,326 in May 2021¹².

Action is required to help those furthest from employment, and support those seeking to re-train as employment opportunities change.



10 Children in low income families: local area statistics 2014 to 2020 – GOV.UK

11 Data provided by Portsmouth Foodbank, King's Church, September 2021

12 Department for Work and Pensions, Alternative Claimant Count

3 Supporting a community-level response to local needs

- Enabling communities to access resources, advice and support to meet their own needs.
- Offering support and coordination to make best use of the resources available.
- Facilitating the development of new services and activities to meet the needs of people in financial hardship.

The local response to the pandemic demonstrated the capacity of local communities to support one another, with the support of HIVE Portsmouth and its partners.

Pressure on public services, and the withdrawal of additional financial support to help people cope with the impact of the pandemic, means that the skills, knowledge and capacity in the community to support people in financial hardship will be increasingly important.



Related partnerships, priorities and plans

This theme will be led for the HWB by the Director of Public Health. Tackling poverty underpins many of the people-focussed strategies for the city, and is specifically identified in the fuel poverty aspects of the Energy and Water at Home Strategy 2020 – 25, the Children's Public Health Strategy 2021 – 23, and the Homelessness Strategy 2018 – 23.

Educational Attainment

The causes of the causes – why educational attainment underpins outcomes across the Health and Wellbeing Strategy

The education that people receive is an important preparation for the rest of their lives, equipping them with many of the things they need to go on and lead successful lives. Attainment can be an important factor in the opportunities people can take up in later life, and in turn, these opportunities can be important determining factors for physical, mental and emotional health.

In many key measures of educational attainment, Portsmouth is ranked lower than other cities. There is a paradox that the city is strong in terms of Ofsted judgements, with 92% of inspected schools and 96% of early years settings assessed to be good or better, but the city has weak outcomes in terms of educational outcomes, particularly at the end of Key Stage 2 when children finish their primary school years and Key Stage 4 when they finish secondary schooling.

Efforts to improve attainment in the city are being led by the Portsmouth Education Partnership, who have identified a range of priorities to drive these improvements. Chief among these is the development of strong leadership and ambition at all levels within individual schools to improve effectiveness and

outcomes for children and young people, supported by peer review, national professional qualifications and subject networks for middle leaders. Others include the implementation of a digital learning strategy for the city that supports learning both at school and home, and efforts to improve pupil outcomes in literacy with a high priority on early language development.

Portsmouth prides itself on being an inclusive city. We received a very positive Local Area Inspection report from Ofsted/CQC in 2019 on the response for children with special educational needs and disabilities (SEND), and yet relative to other places we see poor outcomes for disadvantaged pupils, pupils on SEN support and children who are looked after.

Other areas that have been identified are about ensuring that children are ready to learn. This includes ensuring that they have good emotional health and wellbeing and that they are attending school regularly. There is also a focus on making sure that young people coming to the end of their compulsory education are still engaged, by considering the prevention and re-engagement offer



required to stop them falling out of any form of education, employment or training.

Whilst lots of this work needs to be done within schools and by teachers and the education community, there is a need for much wider, whole-system working to ensure that children and their families are supported to value education and participate in it so that they achieve their best possible outcomes. There are lots of complex reasons why people might be struggling to support their children in education. They may have had a difficult or traumatic experience of the system themselves. They simply might not realise the importance for learning of ensuring that their children have good diets, plenty of physical activity and enough sleep. Or for reasons beyond their own control, they might be unable to provide those things.

This priority represents a shared commitment across local public services that we will seek to support schools in providing the best educational experiences that they can for the children of Portsmouth, and that we will also support those children and their families to get the most out of their learning.

Key activity in short term

Short term activity will focus on three key areas:

1 Supporting families in pregnancy and the early years to give children the best start

- Implement the Best Start in Life Action Plan, focusing on improving early identification of vulnerable women and families
- Develop an Early Years and Childcare Service led programme to encourage families to access free and low-cost activities across the city, with a clear link to development of language and learning skills.





2 Developing a citywide culture of aspiration and expectation, including consistent messages about what is needed to support children in their education

- Develop and implement a "Portsmouth Deal" with parents
- Proactively support access to opportunity and experiences for young people to help them see the possibilities that exist for them, building on the citywide Aspirations Week
- Develop access to careers advice and support for young people including the Apprenticeship Hub and My Future in Portsmouth

3 Develop models to promote school attendance and inclusion

- Continue to drive restorative and relational practices in schools and other services to address barriers to inclusion
- Continue to look at the service offer for families, children and young people that promotes positive engagement, including the holiday activities and food offer, youth and play provision

Related partnerships, priorities and plans

This theme will be led by the Director of Children's Services, the statutory lead for children in the city.

The Portsmouth Education Partnership is the key body overseeing issues relating to educational attainment, but there are relationships to other strategies relating to children in the city, including the SEND strategy, the strategy for children's social, emotional and mental health, and the strategy for children's health.

Positive Relationships in Safer Communities

The causes of the causes – why positive relationships underpin outcomes across the Health and Wellbeing Strategy

Connectedness with each other, family and community underpins many positive outcomes. We call this social capital. Evidence shows that communities with high levels of social connectedness have longer and happier lives and are less dependent on public services.¹³

Relational capital – the positive relationships we have with those around us – underpins social capital.

Our approach is to enable people to develop their own relational capital to help address many of the biggest challenges we face, and this will underpin many areas covered by this strategy. For example, we know that people who experience trauma – in childhood and

adulthood – struggle to develop and maintain positive relationships and connectedness due to what is known as 'blocked trust'. Restorative approaches¹⁴, including listening to people's stories about how the way services are run affect them, are a key part of addressing this.

Restorative skills need to be embedded across the board, in our services and our communities. The work of Portsmouth Mediation Service, including with tenants and landlords, in education settings and with the community, show the value of applying relational approaches upstream – supporting the strategy's overall aim to enable people to thrive.

¹³ Relationships in the 21st century. The forgotten foundation of mental health wellbeing – Mental Health Foundation

¹⁴ Restorative and relational practice is a way of being that equips us for building relationships, strengthening communities, resolving conflict and repairing harm. It is less what we do and more who we become. Restorative practice is applicable in every setting where there are people – the living room, the board room, the team room, the classroom, the conference room and the court room. [Restorative practice – Portsmouth Safeguarding Children Board](#)

Key activity in short term

This priority represents a shared commitment across local public services that we will seek to support and enable individuals to grow their 'relational capital'. We will do this by:

1 Adopting restorative approaches that aim to repair relationships where appropriate to support our most vulnerable

There are groups of residents who are particularly disconnected from their families and communities, for whom low levels of social and/or relational capital is both a causal and contributory factor to making them vulnerable and heavily reliant on public services:

There are an estimated 400 adults experiencing multiple disadvantage (insecure housing, mental ill-health, violence and substance misuse) who we will support through our 'Changing Futures' programme

- Portsmouth has over 300 care leavers, many of whom experience long-term impacts from family separation, including isolation. We will revise and enhance the care leaver offer, focussing on enabling young people to develop supportive networks through into adulthood
- Up to 100 children and young people who are criminally exploited and/or involved in serious violence and repeat offending. Through the safeguarding partnership we will identify these and other young people at risk and disrupt unhealthy and unsafe relationships with exploiters. We will see to engage

young people in positive relationships with peers, education and those who care for them

- Domestic abuse remains a major issue in the city. In addition to victim support and work on healthy relationships, we will increase our focus on enabling perpetrators of domestic abuse to change their behaviour
- We will focus on 'High Intensity Users' of acute hospital services, particularly substance misuse and mental health services, to meet their needs more effectively in the community
- We will identify very isolated older people and build their connectedness to their community

2 Giving front-line staff the permission and the power to find the right solutions for clients regardless of which agency they approach

- Services will be commissioned and delivered in a joined-up way to ensure they are responsive to local needs
- Front-line staff will be empowered and equipped with the skills to meet clients' needs in ways that respect their needs, responsibilities and relationships

3 Engaging residents in community-based work to build social and relational capital in all areas of the city

Strong connected communities have better outcomes for citizens and often meet local need far more effectively than public services. 'Restorative practice' provides a framework for building relationships, building communities and reducing harm, hurt and conflict, and we will embed it further by:

Page 136 Funding Voluntary and Community Sector support to facilitate restorative conversations in the community to reduce conflict

Promoting restorative approaches through the 'Portsmouth Deal with Parents' led by the Parent Board

- Addressing domestic abuse in all its forms by challenging cultural norms, promoting healthy relationships and changing the behaviour of perpetrators
- Implementing the PACE (Play, Acceptance, Curiosity and Empathy) model of relational practice with traumatised children



Related partnerships, priorities and plans

This theme will be led for the HWB by the Portsmouth District Police Commander. It builds on, and supports, key partnership plans that are already in place in the city, including:

- Restorative Portsmouth: a vision for a city where the principles of restorative approaches are embedded in everyday life.
- The Safer Portsmouth Plan 2021 – 22 which sets out priorities based on a comprehensive Strategic Assessment of crime, ASB, Re-offending and Substance Misuse
- Portsmouth's Domestic Abuse Strategy
- The Children's Trust Plan 'Spine' – a Deal with Parents and Restorative Practice. Also includes the Portsmouth Youth Justice Plan under the Portsmouth Safeguarding Strategy

Housing

The causes of the causes – why housing underpins outcomes across the Health and Wellbeing Strategy

Portsmouth is a great place to live for most, but for an increasing number of people it is a challenge to do in a safe and healthy way due to issues related to their accommodation.

Unfortunately, more and more people sleep on the streets of this great city and many others, and the pandemic raised the profile of this issue. The reasons that people sleep on the streets are varied and complex, defying traditional service responses. Every person who sleeps rough has a different story. What unites them is the human cost of doing so – those who sleep rough die on average 30 years younger than the rest of the population.

The city should be rightly proud of the investment and support it has given to help people get off the streets and receiving the right housing support. Funding that became available as part of the pandemic response created a step change, but rough sleeping remains. The government have now set a target to end rough sleeping by 2027. However there are many more people who are homeless, as defined by legislation, than those who are simply seen to be sleeping on the streets. This includes

single people, couples and families who do not have a settled place to call their own, 'sofa surfers', and many who are in temporary accommodation without security of tenure. These situations can lead to serious impacts on people including stress, anxiety, poor diet and hygiene, risk from abuse and exploitation.

There has been a consistent growth since 2014 in people approaching the council for help as homeless, with over 2,000 homeless approaches to the council in 2020/21, 94% of whom were born in the city or with a long-term connection to it. Pandemic-related restrictions such as the eviction ban show no signs of easing the situation. Ensuring adequate and suitable homes in the city is a critical issue.

The nature of tenure is also an importance influence on people's experience of their housing. There are around 90,000 homes in the city and nearly 59% of these are owner occupied; 22% are rented in the private sector; 11% are rented from the Council and 8% are rented from other social landlords. The proportion of homes that are rented privately is increasing.

Priorities: five 'causes of the causes' – Housing

For many it is the right type of housing for them, either as something temporary, or as a place with long-term financial commitments, but as an overall sector, it could work better for those who rent, are landlords, or are neighbours. For some people they do not have the security they are looking for. Landlords, the majority of whom are small or accidental landlords, also need help and support to make the overall system work. We need to think about how we support landlords to provide safe, warm and healthy homes; and also how we support them to work in tenancy situations which might be challenging.

Many of the housing issues that impact on health are relevant for those who are owner occupiers as well as renting properties. Nearly half (compared to a fifth for England) of Portsmouth's housing is terraced and over a hundred years old. Some of these properties are in poor condition and present challenges for modern living, in particular for those with disability or mobility issues. For some people, homes that were once suitable might no longer work for them, but the overall housing system

does not function in a way that gives them many other options.

The age and condition of some of the city's housing is also relevant as energy prices soar, because some older properties are inefficient in energy terms, resulting in high fuel bills which can lead to fuel poverty. There is a real prospect that some households will be faced with choices between eating, paying the electricity and gas bills or paying their rent. Thermal comfort is an important element to health, not only because people should be able to be warm, but because homes that are cold or damp contribute to other conditions, particularly respiratory illnesses.

This priority represents a shared commitment across local public services that we will seek to help people into safe and secure homes that are suitable for their circumstances and support providers of housing so that they can play their part in this too.

Key activity in short term

Short term activity will focus on three key areas:

1 Implementing the Homelessness and Rough Sleeping Strategy to provide support for those vulnerable people in greatest need of housing

- Working together as a city to take an “Accommodation First not Accommodation Only” approach to support and safeguard anyone at risk of sleeping on the streets of Portsmouth, including developing the homeless healthcare offer

Page 139 Working with vulnerable people to develop personal housing plans that make it possible for them to find and sustain housing

Building on the learning from the pandemic response to street sleeping to create long term, sustainable support



Patey Court

2 Work to develop models of housing that suit people at different stages in their lives and reflect their needs

- Ensuring people know where to find housing help and advice
 - Developing solutions for people in need of homes that meet their needs, including through running a custom-build pilot scheme
 - Building on success in creating supported housing by developing options for older and vulnerable people, including those with dementia, learning disabilities or mental health challenges
- Continuing to develop the offer around home adaptation and assistive technology to ensure that people can be safe and independent in their homes for as long as possible
- Continuing to develop the Switched On Portsmouth offer to help people reduce energy and water costs in their homes

3 Develop stronger models of support for landlords and tenants to support long term, successful tenancies

- Building on the 'Rent it Right' model and the collaborative approach between the local authority and private landlords to develop opportunities to provide good quality, affordable accommodation across the city
- Putting learning into practice to inform how we commission and contract support provision to help people sustain accommodation
- Working to support the effective functioning of the private rented sector, looking at mediation models and access to landlord support

Related partnerships, priorities and plans

The HWB lead for this theme will be the Chief Executive of Portsmouth City Council. Key to developing the theme of housing in the city will be the Local Plan, which will identify opportunities for creation of more homes in the city and ensure that these are constructed to a suitable standard. There are also strong relationships to the Rough Sleeping and Homelessness Strategy and the Private Rented Sector Strategy. The provision of appropriate housing options is a critical element of the city strategy for the development of Adult Social Care. There is a relationship to the city's engagement with the Government's One Public Estate Programme and a range of funded programmes related to homelessness.

Active Travel and Air Quality

Air pollution and health

Air pollution is the greatest environmental risk to public health in the UK¹⁵, and it is known to have disproportionate effects on vulnerable groups. Air quality disproportionately affects the very old, the very young, and those with chronic conditions. It also has greater impact on those who live, work or go to school in more deprived areas.

The combined effect of long-term exposure to air pollution in the UK in 2013, from both NO₂ and particulate matter (PM), has an effect equivalent to 18,000 to 36,000 deaths at typical ages, associated with a loss of 328,000 – 416,000 life years¹⁶. NO₂, particularly at high concentrations, is a respiratory irritant that can cause inflammation of the airways. There is currently no clear evidence of a threshold concentration of NO₂ in ambient air below which there are no harmful effects for humans.

Data from the Public Health Outcomes Framework (PHOF)¹⁷ indicates that in 2019, 5.6% of all premature deaths in Portsmouth could be attributed to air pollution

(specifically long term exposure to particulate matter), compared to 5.1% of all early deaths in England, and 5.2% in the South East. The burden of disease attributed to poor air quality in Portsmouth is therefore estimated to be greater than the regional and national average.

As well as the link between concentrations of particulate matter and premature deaths, the impact of high concentrations of NO₂ on health outcomes can be inferred from incidence of respiratory disease. The number of deaths from respiratory diseases in Portsmouth is highest in Charles Dickens ward, which contains the two air quality exceedance locations that have been introduced through the Portsmouth charging Clean Air Zone (CAZ), and has high levels of deprivation.

Active travel and health

Active travel, such as walking, scooting or cycling directly contributes to physical, mental and neurological health benefits such as reducing the risk of all-cause mortality, reducing symptoms of depression and improved quality

¹⁵ Air Quality, A Briefing for Directors of Public Health – Defra and Public Health England

¹⁶ Associations of long-term average concentrations of nitrogen dioxide with mortality (2018): COMEAP summary – GOV.UK

¹⁷ [Public Health Profiles \[air\]](#) – Public Health England



of life¹⁸. Despite the benefits of active travel, in 2019 less than 5% of trips made in Portsmouth were cycled and only 18% of the total kilometres travelled within the city were walked¹⁹. This is reflected in the wider picture of low levels of physical activity in the city with 23% of adults being physically inactive²⁰ and in the prevalence of overweight and obesity amongst adults and children in the city which is above the regional and national averages²¹.

Identifying and addressing the challenges

Whilst there is a wealth of evidence to demonstrate the importance of reducing air pollution and encouraging active travel as well as a desire to take positive steps towards change, there are several common barriers to delivering improvements in these areas that this strategy will help to address.

1 Knowledge sharing and collaboration

Improvements in air quality and increased uptake of active travel cannot be achieved by any one organisation in isolation, and so we must work together to deliver improvements. We will:

- Empower existing partnerships to drive forward the air quality agenda in Portsmouth, including identifying additional opportunities for working collaboratively to improve air quality and encourage greater uptake of active travel
- Enable communities to access resources, advice and support to meet their own needs

18 [Cycling and walking for individual and population health benefits – Public Health England](#)

19 [Environmental Insights Explorer – Google](#)

20 [Public Health Profiles \[physical\] – Public Health England](#)

21 [Public Health Profiles \[overweight\] – Public Health England](#)

2 Building capability and opportunity of access

Uptake of active travel or reduction in air pollution is often easiest for those who feel they have a vested interest or who have resources to invest in committing to change. This strategy will consider issues of equity and equality by:

- Promoting inclusion in active travel improvement measures across the city and for different social and demographic groups

Page 143
Leading by example by ensuring our services reduce air pollution and promote active travel
Providing additional support for those who may have greater barriers to taking up active travel or reducing emissions

3 Improving infrastructure

A key barrier to reducing the reliance on motorised vehicles or switching to active travel modes is safety or the perception of safety. Portsmouth continues to be ranked as one of the most dangerous places in England to cycle, and concerns about personal safety are often cited as a barrier to walking. The provision of high quality, safe infrastructure is essential for achieving our strategic aims. The HWB will therefore:

- Promote the use of planning, licensing and transport policies to deliver strategic aims for increasing active travel and reducing air pollution
- Support proposals that will deliver improvements in active travel and air quality
- Work collectively to influence local and national policy to meet our strategic objectives

Related partnerships, priorities and plans

The HWB lead for this theme will be the Chief Executive of Portsmouth Hospitals University NHS Trust

There are many linked plans to this theme, and these include local NHS Green Plans, the Local Air Quality Plan and Air Quality Strategy, the Local Transport Plan, Local Cycling and Walking Infrastructure Plan, the Local Plan and the Economic Development and Regeneration Strategy.

HEALTH AND WELLBEING STRATEGY

DELIVERY, MONITORING PROGRESS AND MEASURING SUCCESS

Delivery, monitoring progress and measuring success

The issues this strategy addresses are each underpinned by a complex combination of risks and protective factors. Each will be impacted by a range of local activity and external influences e.g. changes in national policy. The role of the HWB in overseeing the strategy is to provide transparency about what is being done, whether progress is being made, and the impact this is having, and to find new ways to galvanise local organisations and communities to action.

Each priority has a named board-level sponsor, supported by an appropriate officer lead/leads. They will be responsible for providing an annual update to the HWB, on a rolling basis, that will give a narrative overview of system-wide efforts to address the issue, highlighting how partners are working together to achieve measurable change in these complex areas that underpin positive outcomes across the system. While the sponsor and lead will coordinate this reporting and convene groups where required, the strategy requires all organisations to be actively identifying where and how they can support this work through their own plans and strategies.

Wherever possible we will build on the strong local partnerships already in place in Portsmouth. This will also be an opportunity to bring new partners from the HWB and the wider system into those discussions, or to seek strategic-level buy-in from organisations where additional activity is required. For example, this could lead to a new 'Memorandum of Understanding' that sets out the commitment each organisation is making to a topic.



This could then be extended to other organisations and sectors in the city, creating models that enable everyone to have their contribution to creating a healthy and happy city recognised. In addition, all partners on the HWB will have the opportunity to present an update on their organisation's progress as an 'anchor institution' in addressing the key place-based health and wellbeing challenges.

Delivery, monitoring progress and measuring success

Partners and sectors represented on the board will all need to engage in developing new ways to achieve real change on the priorities set out in this strategy but much of the change we want to see will rely on the efforts of local people. We will explore the potential for a 'Principles-focussed evaluation' approach as part of our wider engagement with local communities around delivery of the strategy's priorities. This would require restating the priorities as a set of principles to create a sense of ownership of action that stems from these. The evaluation would then focus on assessing where these principles have or have not been lived out in HWB members' relationships and actions.

Over the longer-term, the ONS Health Index provides an objective framework for assessing the impact over time of the HWB's focus on the 'causes of the causes'. While there is a lag between activity and updated data, it gives

a good baseline of our population's health before the pandemic and will allow the board to assess:

- If we are making a measurable difference over time on the priorities the board identifies
- If that is having an effect on the overall health of the local population, over time and in comparison to other areas

This will be enhanced by tracking progress and trends against key measures used by HWB partners such as:

- Long-term indicators taken from the Public Health Outcomes Framework and other established frameworks
- Insights from regular city-wide resident surveys using the City Vision's themes and aspirations.



HEALTH AND WELLBEING STRATEGY

CONSULTATION RESPONSES

Consultation responses

The HWB is grateful to the nearly 500 people and organisations that submitted responses to the consultation during December 2021 and January 2022. This showed clear support for the priorities and challenges that the board have identified with between 71% and 92% agreeing or strongly agreeing with the inclusion of each priority, and between just 3% and 6% disagreeing or strongly disagreeing with each.

Responses highlighted various work that is already underway that can be built on, and opportunities for the HWB to add value, as this strategy is implemented. These will be used by the leads for each area as they bring people together to facilitate new ways of addressing the deep-seated challenges this strategy aims to address. The suggestions for how we will know if we are making a change for the better will inform the reporting back to the board on progress in each area.

The range of suggestions of areas that need further improvement in the city highlights the scale of the challenge we face, and the role that everyone in the city has to play in that. We believe that by working together on these 'causes of the causes' of poor health and wellbeing we can make Portsmouth a healthier and happier city.

"A waiting list is no good its how we get so many stories of a soul lost."

"Not just listen to local people, really HEAR them as well."

"Promote restorative and trauma informed approached. Promote collaboration between services – no wrong front door."

"Reconnecting communities is vital in creating happiness. It fosters a safe area to live, where people can be relaxed and connected to each other. They'll want to do their best for everyone."

"Portsmouth has incredibly knowledgeable, compassionate and dedicated housing officers who work tirelessly to support tenants in local authority, social housing and private tennancies but the honest truth is rents are generally too high for low incomes or those on benefits."

"Increasing biodiversity will help improve human health as well as wildlife."



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2	Coronavirus (COVID-19) in the UK 11 November 2021	GOV.UK	https://www.coronavirus.data.gov.uk/
3	Developing the Health Index for England: 2015 to 2018	Office for National Statistics	https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/articles/developingthehealthindexforengland/2015to2018
4	Constitution	World Health Organization	https://www.who.int/about/governance/constitution
5	Health Index Explorer – Office for National Statistics	Office for National Statistics	https://healthindex.lcp.uk.com/
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7	Fair Society Healthy Lives (The Marmot Review)	Institute of Health Equity	https://www.instituteoftheequity.org/resources-reports/fair-society-healthy-lives-the-marmot-review
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	Children in low income families: local area statistics 2014 to 2020	GOV.UK	https://www.gov.uk/government/statistics/children-in-low-income-families-local-area-statistics-2014-to-2020
	Data provided by Portsmouth Foodbank, King's Church, September 2021		
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13	Relationships in the 21st century. The forgotten foundation of mental health wellbeing	Mental Health Foundation	https://www.mentalhealth.org.uk/sites/default/files/Relationships-in-21st-century-forgotten-foundation-mental-health-wellbeing-full-may-2016.pdf
14	Restorative practice –	Portsmouth Safeguarding Children Board	https://www.portsmouthscp.org.uk/7-information-for-professionals-and-volunteers/7-15-restorative-practice/
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16	Associations of long-term average concentrations of nitrogen dioxide with mortality (2018): COMEAP summary	GOV.UK	https://www.gov.uk/government/publications/nitrogen-dioxide-effects-on-mortality/associations-of-long-term-average-concentrations-of-nitrogen-dioxide-with-mortality-2018-comeap-summary
17	Public Health Profiles [air]	Public Health England	https://fingertips.phe.org.uk/search/air#page/0/gid/1/pat/6/par/E12000008/ati/102/are/E06000044
18	Cycling and walking for individual and population health benefits	Public Health England	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/757756/Cycling_and_walking_for_individual_and_population_health_benefits.pdf
19	Environmental Insights Explorer	Google	https://insights.sustainability.google/places/ChIJ6fEUGKRCdEgReTs3A-qDtKJ
20	Public Health Profiles [physical]	Public Health England	https://fingertips.phe.org.uk/search/physical#page/0/gid/1/pat/6/ati/102/are/E06000044/iid/93570/age/246/sex/4/cat/-1/ctp/-1/yrr/1/cid/4/tbm/1
21	Public Health Profiles [overweight]	Public Health England	https://fingertips.phe.org.uk/search/overweight#page/0/gid/1/pat/6/par/E12000008/ati/102/iid/20601/age/200/sex/4/cat/-1/ctp/-1/yrr/1/cid/4/tbm/1

Table 1: Portsmouth's scores in the ONS Health Index, broken down by domain sub-domain and indicator, compared to England average

Domain	Domain score	Sub-domain	Sub-domain score	Indicator	Indicator score
Healthy lives	99.2	Risk factors for children	95.2	Infant mortality	102
				Children's social, emotional and mental health	95.1
				Overweight and obesity in children	90
				Low birth weight	98.8
				Teenage pregnancy	102.7
				Child poverty	94.8
				Children in state care	85.7
		Behavioural risk factors	95.5	Alcohol misuse	99.7
				Smoking	98
				Drug misuse	90.3
				Physical activity	104.2
				Healthy eating	86.2
		Children and young people's education	94.4	Young people's education, employment and training	91.4
				Pupil absence	81.2
				Early years development	109
		Physiological risk factors	102.4	GCSE achievement	97.3
				Diabetes	104.4
				Overweight and obesity in adults	94.3
		Working conditions	108.4	Hypertension	110.5
				Job-related training	104.4
				Low pay	104.6
		Protective measures	95.2	Workplace safety	116
				Cancer screening	88.2
Vaccination coverage	106.8				
Unemployment	103.5	Sexual health	92.3		
		Unemployment	103.5		

References

Domain	Domain score	Sub-domain	Sub-domain score	Indicator	Indicator score
Healthy people	95.6	Physical health conditions	99	Dementia	106.1
				Musculoskeletal conditions	75.8
				Respiratory conditions	94.8
				Cardiovascular conditions	103.5
				Cancer	98
				Kidney disease	110.9
		Personal well-being	102.6	Life satisfaction	100.4
				Life worthwhileness	95.9
				Happiness	111.2
				Anxiety	103.7
		Difficulties in daily life	99.2	Disability that impacts daily activities	93.3
				Difficulty completing Activities of Daily Living (ADLs)	101.9
				Frailty	103.2
		Mental Health	83.6	Suicides	85.6
				Depression	87.1
				Self-harm	80.3
		Mortality	93.4	Healthy Life expectancy	97
Avoidable deaths	89.8				
Healthy places	95	Local environment	85.4	Air pollution	76
				Transport noise	87.1
				Neighbourhood noise	88.2
				Road safety	95
				Road traffic volume	80.1
		Access to housing	93.4	Household overcrowding	90.9
				Homelessness	92.2
				Housing affordability	96.5
		Access to services	113.1	Distance to GP services	116.2
				Distance to pharmacies	112.1
				Distance to sports or leisure facilities	110.8
		Access to green space	101.6	Public green space	108.8
				Private outdoor space	94.4
Crime	81.3	Personal crime	81.3		



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Agenda Item 8



Portsmouth
CITY COUNCIL

Title of meeting:	Cabinet
Date of meeting:	8 March 2022
Subject:	Developing the Telecare Service
Report by:	James Hill - Director of Housing, Neighbourhood and Building Services
Report Author:	Paul Fielding - Assistant Director - Housing Ellie O'Day - Telecare & HomeSafety Manager
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Purpose of report

1.1. To update councillors on the work undertaken to develop the telecare service into a new Safe At Home service, including the new branding, service contractors, service offer and plans to maintain a sustainable service.

2. Recommendations

2.1. That councillors recognise the developments in the Telecare service, the new service offer, and agree to the changes proposed.

2.2. Approve the financial fees for the new service, that are set on a cost recovery basis.

2.3. That officers bring back an update report before the end of 2022 on the progress of the new service, and also outline how community and voluntary groups could be used to support service users to stay safe in their own home.

3. Background

3.1. Portsmouth City Council supports those who are elderly or vulnerable in a range of different ways, and the Private Sector Housing Service provides several services to help people stay safe in their own home. Helping people to live in their home is not only financially beneficial for the individuals, but also the preferred option in most cases, enabling people to remain within their environment and community.



- 3.2. It is predicted that the number of people who are over 85 years old will grow faster than any other age group, and by 2037 that there will be approximately 1.4 million households nationally with a person who is 85 or over.
- 3.3. In Portsmouth the population is forecast to increase from 212,700 to 222,300 by 2026 of which the age group 65-84 is anticipated to increase of 10.7% and 85+ will rise by 9.1%. Therefore, helping this section of our society to live happily and safely at home is more vital than ever.
- 3.4. Whereas currently majority of older people live as a couple, by 2037 it is estimated that 66% of people who live alone will be aged 65 and over. Helping people to feel safe in their home, knowing that they are monitored in the event of something going wrong, especially if living alone, meets a vital priority of the council and the city.
- 3.5. Nobody predicted the pandemic and its requirement for people to stay at home more, and the unfortunate need for people to be isolated from their loved ones. Services provided by the council were vital in ensuring that people do not feel isolated.

4. Current Telecare service

- 4.1. Where people may be vulnerable in their home, the city council has provided a chargeable Telecare service which places technology in the home to help minimise incidents which may place somebody at risk. This may be as simple as key safes to enable access by relatives and carers, or the installation and maintenance of analogue equipment which consists of a range of detectors and sensors that will raise an alarm to support an individual in an emergency.
- 4.2. Much of this technology is linked, via the customer's phone line, to a call monitoring centre that can check with the customer if everything is alright and, if in doubt, call a relative, health worker or other support.
- 4.3. To date this service has been aimed at those who are elderly, but is open to all that need it and the demand for Telecare services has gone up as a consequence of the pandemic. In June 2019 the service had 32 new installations, whereas in June 2020 there were 55.
- 4.4. When a new customer (or their relative or social worker) contacts the service, a conversation is had to establish what sort of services and technologies would be best for them. The team of trained engineers assess the customer's need to ensure the appropriate safety equipment and technology is issued to support independent living and hospital discharge for all residents within Portsmouth. Regular assessments and monitoring of the customer enable a proactive approach to support.

- 4.5. The established in-house Telecare service currently supports approximately 1100 self-paying residents who live independently across the city, although this is a dynamic equilibrium with customers regularly leaving and joining the service.
- 4.6. It also supports a number of customers referred through Adult Social Care (currently around a quarter of our referrals are received directly from Adult Social Care) and has also provided support to those living in the city council's Sheltered Housing service. Due to the infrastructure required within these blocks, that service is undertaking a separate project for its telecare needs, but will maintain links, and these services remain an option for Sheltered Housing residents.
- 4.7. The service is a charged for service on a cost-recovery model that contributes to fixed overheads, as well as funding the direct costs of the service.
- 4.8. As a 'life-saving' critical service, Telecare services continued to be delivered by the team throughout the pandemic, with officers taking all precautions to ensure that they, and their vulnerable customers, were not put at risk. In addition, the Private sector Housing team supported vulnerable residents in the spring/summer of 2020 by making additional calls to all private customers to ensure that their equipment was working fully, and to offer the opportunity to 'check in' with somebody when many had not seen another person for weeks/months. The feedback from customers about this was really positive
- 4.9. The highest number of private customers are aged between 81-90 and just over half live in the PO4 or PO6 postcode areas. Approximately half of the private customers need the Basic Telecare Package. This requires the customer to have at least two people who live locally to respond to emergency calls both day and night.
- 4.10. However, some people do not have contacts (friends or family) who are available at night and therefore the council can step in to support. Almost four in 10 of self-funded customers pay for the 'Night Response Service.' Where the council will, if called out by the Response Centre, attend the customers home between 9pm-6am
- 4.11. The current service, equipment has been purchased from Le Grand, the Customer Management System (CMS) has been provided by Jontek, and the alarm receiving centre (ARC) has been provided, through Jontek, by Southampton City Council.

5. Need to develop the current service

- 5.1. In 2019 an initial review of the service identified opportunities to improve the service.
- 5.2. Senior leaders believed that the city council wasn't making the best use of assistive technology, and that that awareness within frontline Adult Social Care staff was limited.

- 5.3. The Housing Service and Adult Social Care, agreed the use of the Systems Thinking method to undertake a review and understand how the current system is operating. This highlighted several areas for improvement, and these were due to be Redesigned when the pandemic began.
- 5.4. The purpose of the Telecare service was found to be "**Help the customer stay safe and living independently in their own home**", supporting the delivering of the corporate priority 'Make Portsmouth a city that works together, enabling communities to thrive and people to live healthy, safe and independent lives'.
- 5.5. The service is now reviving the Check work, and this creates the opportunity to realign with outcomes of that work with the hospital discharge service, also provided by Private Sector Housing Service, which helps to provide simple physical adaptations when people leave hospital and return to their own homes.
- 5.6. In addition to the need for a redesigned service, there were some business weaknesses identified as follows:
- 5.6.1. Contractual - There was no formal contract in place between the city council and its hardware and call centre providers. Whilst this has not resulted in any service failure to date, it did present a risk which could be mitigated. In addition, it didn't guarantee that the best services were being provided to the city council.
- 5.6.2. Technical - The current technical infrastructure does not meet the needs of the service or customer. The current CMS does not support staff to work remotely. More importantly, in 2025 the traditional, Public Switched Telephone Network (PSTN) will be switched-off and replaced with a digital 'all-Internet Protocol' network. The current equipment is analogue and will therefore become obsolete after 2025.
- 5.6.3. The service as it is today presents an identified risk in terms of IT supportability, and its reliance on our network and its connections in the Civic.
- 5.6.4. Awareness of the service could be improved with Adult Social Care, NHS, Housing, HIVE Portsmouth, Emergency services and many more.
- 5.6.5. Identity - The service did not have a single, coordinated and recognisable branding which can be used to promote the service to those who are unaware of it.
- 5.6.6. Customer growth - A review of the service provided in a similar sized area shows that the number of people who may want this service could be significantly larger.
- 5.6.7. Cost recovery - The service charges have not been increased in the last four years. This has resulted in a service that is not making its full contribution to costs or allowable charged corporate overheads.

6. Project for service development

- 6.1. A project team was created (called The Independent Living Project) led by Private Sector Housing to take forward the service improvements. The project began in January 2020 with the creation of the project mandate and the establishment of the Project Board, chaired by the Assistant Director for Housing. The Board consisted of the customer and support services, and linked to colleagues within adult social care, local authority housing and wider.
- 6.2. The project continued throughout the Covid pandemic and a temporary post of Lead Project Officer was recruited in July 2021 with funding from the Better Care Fund.
- 6.3. The main desired outcomes from this project were
- 6.3.1. Core Service: Ensure contracts are legal and sustainable, and that the service provision is sustainable and reliable, and to reach out to further vulnerable residents in the city and grow relationships with both internal and external stakeholders.
 - 6.3.2. Stakeholder or customer: To provide the most effective service, with a wide range of relevant equipment, help to understand customer's needs, behaviour patterns and trends and support independent living further and help avoid or delay a decline in customers wellbeing and health.
 - 6.3.3. Organizational capability: To provide a recognizable brand with easy to access online capability. To ensure that the IT systems are suitable.
 - 6.3.4. Financial: Ensuring that the service met the budget expectations.
 - 6.3.5. Resource: Ensure that the team see benefits from smarter technology.
- 6.4. Given the specialised technical nature of the hardware, software and service required, and feedback from the soft market testing, it was determined that an outsourced contracts offered the best solution for the city council and customer.
- 6.5. Working with the city council's Procurement Team, and through the Gateway process, an invitation to tender went live on the InTend platform at the start of October 2021 for the provision of new digital equipment, CMS and ARC. Soft market testing showed that this combined approach was more likely to attract interest, and competitive bids, from the leading systems providers.
- 6.6. The procurement followed all of the city council's rules on social value with both successful suppliers gave strong examples of how they are supporting social value within their own geographic area, and scoring was weighted for quality and pricing with the highest combined scoring suppliers being successful. Legal, Finance and IT representatives have been involved throughout.



6.7. New contracts have now been awarded and will begin on 01 April 2022. The new equipment contract is for a contract term of four years and the CMS and ARC with initial contract terms five years. The difference reflects the speed with which the technology develops, and the city council needs to ensure that it can update its technology provider at appropriate intervals.

6.8. Contract measures include key performance indicators and service level agreements. Service credits which will be applied to the contract in the event of systems being unavailable (or system downtime). There are different service credits applied dependant on severity of any issue with the systems

7. Outcomes of the project

7.1. New supplier of digital equipment - Chiptech

7.1.1. Chiptech are an international company, who manufacture all of their equipment in-house, from design & build to supply.

7.1.2. They have a large range of over 250 digital devices and offer a wider variety of equipment compared with the current supplier. The fully digitalised kit allows the service to look at customer behaviour patterns and trends.

7.1.3. Efficient equipment with quicker installation time allowing us to grow our service and support more vulnerable residents in the city

7.1.4. Chiptech regularly work with Astraline (see below). They are also members of the TSA (TEC services association) an industry regulator.

7.1.5. The proposed contract is projected to cost marginally less than our current equipment supplier over the term of the four year contract.

7.2. New Customer Management Software and Alarm Receiving Centre supplier - Astraline

7.2.1. Astraline have experience with delivering a digital changeover for their existing clients (including Cambridgeshire County Council)

7.2.2. They also hold a leadership role with TSA

7.2.3. They offer a web-based software which will allow the team to work more flexibly in delivering the service. This is an important factor for the service with regard to business continuity planning.

7.2.4. The proposed contract is projected to cost more than our current supplier over the term of the five year contract. However, based on the most recent customer projection figures, it is anticipated that the service would generate sufficient income to meet its annual cash limit.

7.3. New Identity and Brand



- 7.3.1. Market research, undertaken by the city council's research and engagement team as part of the project, showed that the majority of respondents agreed that the name 'telecare' accurately represents the service (62%). However, there were those who did not understand the name. As part of the creation of a new identity, suggestions on renaming the service were considered. Also, the service did not have an independent website which outlines what the service is, how much it costs and how it can be accessed.
- 7.3.2. It was also identified that the service did not have a single, coordinated recognisable identity which could be used to promote the service to those who are unaware of it.
- 7.3.3. A publicly available survey was carried out, targeting service users, next of kin (NOKs) potential customers and health professionals, to understand what was needed from the brand, and test some design concepts for improvement.
- 7.3.4. 44% felt that the current term "Tele" was confusing and should be removed as they believed this was for 'Telecoms' or 'Television' and the terms "safe" and "home" were suggested for use in the name of the new service.
- 7.3.5. A new identity - **Safe at Home** - was developed and tested with key audiences. The colours that have been chosen are dementia friendly colours and mirror the city's recognisable blue colouring. The new equipment provider will also be branding the base units with the new Safe at Home identity.
- 7.3.6. Led by the marketing and corporate communications team, the service will target a press preview and soft launch of products in w/c 21 March, with final product catalogue available to order from 1 April. Therefore, from 1 April 2022 the Telecare, and associated services (hospital discharges etc) will all come under the Safe At Home identity and the service will go live to customers in the city.

7.4. Service for customers

- 7.4.1. Existing customers and new customers will enjoy a new service offer designed to meet the purpose to **"Help the customer stay safe and living independently in their own home"** including;
- 7.4.2. A new website is in development. When launched in April 2022, will initially offer an overview of the Safe at Home offering, along with a catalogue of the new digital equipment available - making it easier for customers to find the right equipment to help them stay independent. Improvements to the website will be rolled out throughout 2022 as work is completed.
- 7.4.3. The new digital equipment will work pro-actively rather than reactively, will carry the Safe at Home identity and will be a fully digitally enabled solution. The



new smarter way of working and technology will look at customer's behaviour patterns and trends and enable the service to grow relationships with internal and external stakeholders by supporting independent living and customer well-being, whilst remaining GDPR compliant.

7.4.4. A 'menu' of service options are being developed to be clear to the customer what services are available, and at what charge. This will help to ensure that the customer is getting the right service. Details of the service can be found in Appendix 2 with the key points of the council's service being as follows

- ✓ **24/7 monitoring:** Customers are provided with a digital device, which automatically connects to a UK based 24-hour monitoring centre if you have a fall, become unwell or need urgent assistance.
- ✓ **Response Service:** For those that require the service, Safe At Home can provide the service of a response team which, if deemed necessary as a result of a callout, will attend your property, provide help and support and, if required, contact the Emergency Services.
- ✓ **Equipment:** Digital base units are provided which can be paired with a wide range of peripherals including personal help devices with GPS location and fall detection to suit the user's needs.
- ✓ **Maintenance:** Included in the weekly price, the in-house team offers repairs and maintenance on all equipment in the event the TEC needs to be replaced or upgraded.
- ✓ **Phone line:** The new digital equipment operates over the 3G/2G cellular network at no additional charge to the customer. Hardwired options will also be available.
- ✓ **Cancel at any time:** The customer can, at any time, give notice to the Council to end the contract and rental of equipment and request removal of the equipment.

7.4.5. **Fees and charges:** All weekly fees include cover for repairs and maintenance, call outs, cancellation, and collection charges. One off fees are applied when equipment is installed.

7.5. Broader use of Safe at Home

7.5.1. In addition to the Technology Enabled Care, the Safe at Home team also offers a **Homesafety Service** for vulnerable adults and children where a range of equipment and advice can be supplied based on the customers individual needs and lifestyle to support independent living and safety in the home. This service is offered to both Portsmouth and Gosport residents.



7.5.2. The service also works closely with Adult Social Care to identify new customers who would benefit from the and supply, installation and maintenance of sensory equipment in the home.

8. Timetable for delivery

- 8.1. The developments outlined are all aimed at making the service better for current service users and attract more people to take up the service if needed.
- 8.2. Since the announcement of the award of the contracts on 5th January 2022, officers have been working with both contractors to ensure that the mobilisation period is fully utilised and that the new contracts can start when current arrangements end.
- 8.3. The new contracts for equipment, Customer Management System and Alarm Receiving Centre will commence from 1st April 2022.
- 8.4. The roll out of new digital equipment for new and existing customers (including mop-up and review) will begin on 01 April 2022 and is aimed to be completed by end of March 2023, with customers who face immediate digital switchover issues being upgraded as required. The new customer management system and alarm receiving centre will also go live from 01 April 2022.
- 8.5. The new website prototype is complete and currently being tested.
- 8.6. The service name will change from Telecare to Safe at Home from 01 April 2022, and a marketing campaign will begin to attract new customers.

9. Reasons for Recommendations

- 9.1. As outlined within the report, provision of services to help those who are elderly or vulnerable to stay safe within their own home is an additional service provided by the city council at a charge. The continuation and expansion of these services will enable more people to stay safe within their home and meet the coprortae and city priority
- 9.2. For a number of reasons outlined within section 5 of this report, a continuation of the existing service is not viable. The service needs to be made more secure and sustainable, with better ways for customers to access the service, and a clearer identify that can be promoted as widely as possible.
- 9.3. The new fee structure for the new service has been designed based upon a full cost recovery model. If the new fees are not implemented from 01 April 2022 there will be two major impacts The city council, as a local authority, has statutory powers to charge for the provision of discretionary services under section 93 of the Local Government Act 2003 and sections 1 and 3 of the Localism Act 2011. These are powers to charge on a cost recovery basis only and do not in themselves permit the city council to trade on a commercial basis i.e. for profit.



9.3.1. The service will risk running at a deficit

9.3.2. There will be significant resources required to input the new costs into Fusion over a period of time, rather than in a single upload. These resources will either come from within the existing service, and therefore slow down customer response, or result in additional costs.

10. Integrated Impact Assessment

10.1. An integrated impact assessment has been completed and is attached at Appendix 1.

11. Legal Implications

11.1. There are no direct legal implications from the recommendations contained in this report.

11.2. With regard to the new fee structure, the city council can set the level of charge for a discretionary service provided the income from charges does not exceed the costs of its provision. It is a policy consideration for the city council whether or not it wishes to recover its full cost in providing the service.

11.3. The contracts have now been awarded following the procurement process as advised in the body of the report, and Legal Services will arrange the execution of the same with the respective suppliers as appropriate.

12. Director of Finance's comments

12.1. Fees and Charges for the Telecare service are reviewed periodically to ensure that they recover the cost of running the service, this is often limited to an inflationary increase. With the implementation of the new digital service the need has arisen to fees and fee structure as the product has evolved.

12.2. Under a full cost recovery model, there is a requirement for the service to cover the direct costs of the service, whilst continuing to make a contribution towards allowable fixed overheads. The new charges, set out in Appendix 3, reflect the cost of the service, as well as the equipment that is needed.

12.3. Costs are set to ensure that based on an estimated number of Service Users the fees set allow the Council to recover the costs of running the service. There is a risk that the number of customers fall short of estimates which means not all costs of the service are recovered, or that costs increase higher than had been anticipated.

12.4. To ensure that fees and charges remain current, it is proposed that annual fees may be varied from April by the Director of Housing, Neighbourhood and Building Services and S151 officer by up to, but no more than, the Consumer Price Index

(CPI) +1%, based upon CPI in the previous December on a full cost recovery basis.

- 12.5. If proposed increases are significantly greater than general inflation, as measured by CPI, this will need a formal report to the Cabinet Member for Housing and Preventing Homelessness.

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Signed by Paul Fielding, Assistant Director **Housing, Neighbourhood and Building Services**,
on behalf of
James Hill, Director of Housing, Neighbourhood and Building Services

Appendices:

- Appendix 1: Integrated Impact Assessment
- Appendix 2: Service outline and new branding
- Appendix 3: Fee structure and policy for fee changes

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
TEC Services Association website	TSA - the voice of TEC (tsa-voice.org.uk)
Astraline website	Personal Alarm Service Astraline
Chiptech website	Chiptech UK - Your Digital Telecare Partner

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

.....
Signed by:

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Appendix 2 - Service proposition

Safe at Home will offer a range of products and services. Some products will be purchased outright (for example, key safes), but many services will be scalable to allow customers to find a level of support that meets their needs.

These will be offered at the following levels:

	Safe at Home Standalone	Safe at Home Basic	Safe at Home Plus	Safe at Home 24hr Response
Installation of equipment	✓	✓	✓	✓
24/7 monitoring service	x	✓	✓	✓
PCC Response Service	x	x	9pm - 6am	24/7
Additional equipment available	✓	✓	✓	✓
Maintenance of equipment	✓	✓	✓	✓
Phone line required	x	x	x	x
Cancel any time	✓	✓	✓	✓



Service summary

Weekly fee

The weekly charge includes the rental of digital equipment and peripherals assessed on individual needs, as well as for the monitoring centre to answer all calls 24 hours per day, 7 days a week at a press of a button. All weekly fees include cover for repairs and maintenance, call outs, cancellation and collection charges.

One off set up fee

The initial installation charge for new customers will cover the installation of all TEC equipment, the installation of a keysafe and a home safety assessment completed by in-house engineers.

24/7 monitoring

Customers are provided with a digital device, which automatically connects to a UK based 24-hour monitoring centre if you have a fall, become unwell or need urgent assistance. The highly experienced and trained team will answer your call in under 60 seconds and offer you peace of mind knowing that someone is always there to help whenever you may need it 365 days of the year.

Portsmouth City Council Response Service

For those that require the service, Safe At Home can provide the service of a response team which, if deemed necessary as a result of a callout, will attend your property, provide help and support and, if required, contact the Emergency Services. The service is delivered by both council housing and social care staff and has been developed for those who have no immediate support, giving the individual peace of mind and confidence knowing help is at hand 24 hours a day, 365 days a year.

This service is to respond to an alert raised by the customer, attend the property and deal with the call as necessary. For the safety of the customer the response team does not currently offer lifting or personal care

All packages are assessed by the Safe a Home team at referral stage.

Equipment

Digital base units are provided which can be paired with a wide range of peripherals including personal help devices with GPS location and fall detection to suit the user's needs. The supplier, Chiptech, manufactures a large range of high quality sensors and alarms as well as integrate with other manufactures to provide customers with advanced TEC solutions to suit individual requirements and promote independent living.

Maintenance

Included in the weekly price, the in-house team offers repairs and maintenance on all equipment in the event the TEC needs to be replaced or upgraded. The software will also remotely highlight important and abnormal events in the alarm unit enabling the service to monitor and react accordingly to ensure the customer is supported.

Phone line

In 2025 the traditional, Public Switched Telephone Network (PSTN) will be switched off and it will no longer be possible to buy an analogue phone line. In readiness for the shutdown off traditional telephone lines Portsmouth City Council is already embarking on the digital change over to support existing and new customers in the city. The new digital equipment operates over the 3G/2G cellular network, reporting with data communication capabilities. A multi-provisioned SIM card allows freedom of connectivity roaming on all UK networks as an additional safety measure. This enables the service to continue to support independent living with the use of TEC.

Cancel at any time

The customer can, at any time, give notice to the Council to end the contract and rental of equipment and request removal of the equipment. The contract will terminate on the date the equipment is returned or the date of disconnection.

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Appendix 3 - Fees and charges

Financial modelling has been undertaken by the Finance service, working as part of the project, to undertake the required fee structure for the new service. This is based upon a full cost recovery model

The costs taken into account are as follows:

- Staff Costs
- Equipment Costs (*phased over 5 year warranty period*)
- Transport Costs
- Ongoing Website costs
- Marketing & Promotion costs
- ARC Costs (*Alarm Response Call Centre*)
- IT SIM card monthly costs
- Misc Supplies & Services

Initial start up costs for the project totalling £80k have been allocated funded from the Better Care Fund and are excluded from the costings. Funded costs include:

- Project Lead salary costs
- Website set up costs
- Brand & Creativity set up
- Initial IT and data migration costs

The factors taken into account are as follows:

- Projection based on current customer numbers (*see below*)
- Purchase of equipment based on current levels (*see below*)
- Staffing Structure in line with current staff (*see below*)
- Engineers timings (*see below*)
- Fees & charges (*see below*)
- Model required to cover direct costs and contribution to overheads

Customer numbers

The model is based on customer numbers as follows :-

Customers	Actual 2019/20	Projected Year 1
Standalone	30	30
Telecare	504	504
Telecare Plus (9pm -6am)	398	398
Telecare 24 Hour Response	97	97
Total Telecare Customers	1,029	1,029

Current customer numbers are in line with the projected figures

Equipment Costs

Equipment Costs	Year 1
Average Equipment per Customer	£209
Projected Equipment Purchase Value	£221,839
Charged to Income & Expenditure	£44,368

Demand for equipment is assumed to continue at current levels per customer

Historically equipment costs not exceeding £30K per year have been funded using the Private Sector Housing Capital Programme and this contribution has been assumed to continue for one year following the digital launch.

Staffing Structure

Position	FTE
Team Leader	1
Safe at Home Officer	4
Administrator	2.5

Engineers timings

Duration	Preparation	Installation	Cancellation	cleaning of equipment	travel time	Total hours
Installations	0.5	1.00			0.75	2.25
Switchovers	0.5	1.00	0.25		0.75	2.50
Cancellations Digital Equipment			0.25	0.25	0.75	1.25
Cancellations Analogue Equipment			0.25		0.75	0.50

The model assumes the average timings per customer as listed above.

Fees & Charges

Main Service offered by Safe At Home team (TEC)

Fees for the services have not been increased since April 2018.

With the implementation of the new digital service the costs and fee structure have been reviewed. Under a full cost recovery model, there is a requirement for the service to cover the direct costs, whilst continuing to make a contribution towards the fixed overheads. In order for the service to continue to fulfil this requirement, the following fees are proposed.

The Safe at Home Standalone and Basic service weekly fees will be increased by a small margin to ensure they continue to breakeven.

The weekly fees for Safe at Home Plus and 24hr services have historically been substantially subsidised as they went through a pilot phase. Original pilot fees have now been reviewed and assessed and the prices will now reflect the level of support and response offered to our customers and to ensure the service continues to fulfil its requirement to fully recover its costs.

All weekly fees include cover for repairs and maintenance, call outs, cancellation and collection charges. The initial installation charge for new customers will cover the installation of all TEC equipment, the installation of a keysafe and a home safety assessment.

The requirement for additional equipment will be reviewed on an individual basis. During installation an assessment of need is carried out and any additional equipment needs are identified. This service and the equipment provided are included within the weekly rental fees stated above.

This has resulted in a fee structure as follows;

	Safe at Home Standalone	Safe at Home Basic	Safe at Home Plus	Safe at Home 24hr
Weekly fee	£4.80	£6.80	£10.00	£15.00
One off setup fee	£55	£55	£55	£55
Installation of equipment	✓	✓	✓	✓
24/7 monitoring service	*	✓	✓	✓
PCC Response Service	*	*	9pm - 6am	24/7
Additional equipment available <i>Subject to an assessment of need</i>	✓	✓	✓	✓
Repair & Maintenance of equipment <i>Including call outs</i>	✓	✓	✓	✓
Keysafe required	*	✓	✓	✓
Phone line required	*	*	*	*
Cancel any time	✓	✓	✓	✓

Name	Current Price Analogue Service	Proposed Price Digital Service
Safe at Home Standalone	£4.50	£4.80
Safe at Home Basic	£6.54	£6.80
Safe at Home Plus (9pm to 6 am)	£8.79	£10.00
Safe at Home 24hr	£10.00	£15.00

Name	Description	Price
Installation charge - Safe at Home	New customers installation charge at cost price	£55
Keysafe	Keysafe charged at cost price <i>(see options below)</i>	average £20
Service Cancellation Charge	This is included in the weekly rates	£0.00
Maintenance & Repairs	This is included in the weekly rates	£0.00

The new fees will be charged from April 2022 to March 2023. To ensure that fees and charges remain current, annual changes to fees will be determined by the Director of Housing, Neighbourhood and Building Services, and S151 officer and anticipated to be up to, but no more than CPI+1%, based upon CPI in December of the previous year.

Additional Services offered by Safe at Home Team

Fees have also been reviewed for the other services offered by the Safe at Home team. Minimal changes have been made with the proposed charges as follows :-

Keysafe installation <i>(offered as an individual homesafety service)</i>	labour <i>(charged at cost price)</i>	£30.00
Keysafes <i>Charged at Cost</i>	Combination Keysafe	£9.00
	Master lock keysafe	£20.00
	Keyguard XL Police approved keysafe	£36.00
Basic Home Safety & Security Visit <i>(includes advice & support looking at safety hazards, offers advice to make home safer)</i>	Home assessment visit to vulnerable adults and young families	£10.00
Enhanced Home Safety & Security Visit <i>(Includes installation of equipment)</i>	Home assessment visit to vulnerable adults and young families Includes installation of equipment	£20.00
Equipment	Stairgates & fireguards <i>(resident receiving income related benefit)</i>	item one - £10 additional items - £20 each
	Smoke detectors	£10
	CO2 detectors	£20
	Cupboard locks	free
	Corner cushions	
	Bath mats	
Window restrictors, etc		

These services are offered to Portsmouth residents and are targeted at vulnerable adults and young families. The home visits are offered at a subsidised cost to help support the residents. Prices have been set to recover the costs of the equipment provided.

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Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

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:

HNBS

Service, function:

Private Sector Housing

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

Telecare

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 support those who are most vulnerable to stay safely in their homes by offering technological solutions to monitor and keep people safe.

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?

Yes. A survey was undertaken of current customers and key stakeholder groups to understand how people access the service and their views on the name of the service. This has been used to develop a new name for the service (Safe At Home) and new identification and marketing that will help people to more easily understand what the service does.

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 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?

N/A

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 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?

By enabling more people to stay in their own home, rather than needing to enter a care home or similar, this service helps to keep communities together and diverse. All council, staff entering the home are trained in safeguarding and therefore able to spot every opportunity to see where a person may need support.

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

Increase in number of customers.

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 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 key driver for this service is to help residents to live independently in their own homes for as long as possible by providing them with technology to help prevent or detect a problem, such as a fall. Simply technology, such as keysafes, mean that people can stay at home and have visits from those who have been authorised to be in their home. Bed and door monitors for those who may have epilepsy or dementia also help to ensure that people stay safely within their home, and if they leave unsafely, this is reported to a person who can visit.

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

Number of customer call outs. Number of customers who are able to say in their own home longer than would otherwise be the case.

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 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 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 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?

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 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 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 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 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 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 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 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?

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 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?

Page 185

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 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?

Paul Fielding

This IIA has been approved by: Paul Fielding

Contact number:

Date:

23/02/2022

Agenda Item 9



Portsmouth
CITY COUNCIL

Title of meeting:	Cabinet
Date of meeting:	8 March 2022
Subject:	New Portsmouth Local Plan progression update
Report by:	Ian Maguire, Assistant Director of Planning & Economic Growth
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Purpose of report

- 1.1 To provide an update on the progression of the new Portsmouth Local Plan following public consultation in September/ October 2021 and to seek approval for the revisions to the Local Plan timetable set out in the Local Development Scheme (LDS).

2. Recommendations

- 2.1 To note the progression of the draft new Portsmouth Local Plan *and the summary of responses to the 'Regulation 18' consultation during September-October 2021.*
- 2.2 To approve the revised Local Plan timetable set out in the Local Development Scheme (LDS).
- 2.3 To grant delegated authority to Assistant Director Planning & Economic Growth to make minor amendments to the LDS and Development Plan Document timetables as necessary.

3. Background

- 3.1 The Council is preparing a new Local Plan for Portsmouth. This document will set out a planning strategy to meet future development needs in the city for the period to 2038. The Plan will set out details on the level of development that will need to take place in the city and where it will be located. It will contain planning policies to guide decision making on planning applications.
- 3.2 The process for producing the new Local Plan is set out in the *Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended)*. Its content and scope will be tested on its consistency with the *National Planning Policy Framework*



(NPPF) and *National Planning Practice Guidance* (NPPGs) and the justification provided by the Plan's evidence base. A public examination process will consider the soundness of the Local Plan, and it must be found sound in order to be adopted by the Council. The new Portsmouth Local Plan, once adopted, will replace the policies from existing planning policy documents.

The new Portsmouth Local Plan

- 3.3 The preparation of the new Local Plan has been informed by three Preparation Stage ('Regulation 18') public consultations: an *Issues and Options document* in August 2017 on the topics and issues to be addressed by the Plan, an *Evidence Base Update consultation* and a consultation on the *Tipner Strategic Development Area* proposals in February 2019 and a consultation on a *draft Local Plan* in September 2021.

Draft Local Plan consultation (September 2021)

- 3.4 The Regulation 18 draft Plan document was published for consultation for six weeks from 17th September to 31st October. Engagement and promotion of the Plan was through a mix of print, digital and in-person communications, including four public 'drop in' events across the city. This helped achieve a significantly higher response rate and level of interest compared to previous Local Plans consultations. Close to 500 individuals responded; 410 via the 'virtual room' (6,016 individual comments) plus 71 responses received by email. 153 people attended the drop in events. In addition the Council received 8,995 proforma emails from a petition coordinated by the Hampshire & Isle of Wight Wildlife Trust (HIWWT) and Royal Society of the Protection for Birds (RSPB) to object to development/ land reclamation at Tipner.
- 3.5 Broadly, the overall approach of the Plan and direction of most draft policies received a general level of support¹ with some notable areas of objection or uncertainty. A full summary of the responses to this consultation are contained in a report in Appendix 1.
- 3.6 The sustainable community and enabling land reclamation proposed for **Tipner** (Policy S2, Option 1) received a significant level of objection. The draft proposals for regeneration **in Portsmouth City Centre** (Policy S1) were well supported overall but with mixed views regarding preferred building height and land use in the north of the masterplan area around Victory Retail park. There was overall more objection to the level of new development proposed for the **Cosham** strategic site area (Policy S4) with concerns on the potential impact on local infrastructure. While the other site allocations were broadly supported there were some site specific issues and concerns raised: the loss of green space and impact on local traffic for the development of **St James' and Langstone Campus** (Policy S5); uncertainty about introducing a residential element to **Lakeside Business Park**; and the impact on local traffic and other infrastructure at **Fratton Park and the Pompey Centre**.

¹ A greater number of 'agree' responses than 'disagree' or 'don't know'



- 3.7 In terms of **housing density** (Policy H5) there was a clear divide in the consultation responses between the need to deliver a greater number of dwellings in key locations (through tall buildings for instance) and the notion that the city is already too densely populated and would be at risk of further negative impacts on air quality from congestion. In terms of **housing type, mix and affordability** (Policy H2) there is some uncertainty on appropriate requirements for affordable housing delivery given the need and aspiration for greater provision but known viability constraints, and the recognition that the newly introduced 'First Homes' requirement has not yet been subject to viability testing. Consultation responses strongly indicated that Portsmouth should argue exceptional circumstances to justify an alternative approach to **housing need** in place of the Government's standard method derived target (Policy H1). The approach to **housing supply** (Policy H1) was contested but with no clear overall view on a preferred strategy other than to ensure all brownfield land opportunities are fully utilised.
- 3.8 There was general overall support received for the draft approach to economic development (other than the allocation of Tipner for employment uses) (Chapter 3) infrastructure and community provision (Chapter 4), the environment (Chapter 5) Sustainable design & heritage (Chapter 6), but some uncertainty over new requirements such as new standards for sustainable design and construction assessment frameworks (Policy D2), carbon offsetting (Policy D4) and the suggested assessment tool for green infrastructure delivery (Policy G2) for applicants, suggesting that may require further clarification or assessment may be needed.
- 3.9 The proposed strategic site allocations, and the certainty regarding their deliverability over the plan period, will be critical to the progression of the new Local Plan and may influence key decisions on other policy areas, particularly for the Plan's overall spatial strategy, housing form, type (inc. affordable housing) and supply, but potentially also the deliverability of wider aspirations for greening, employment growth, community provision and lower carbon development.

Progression of the new Local Plan

- 3.10 Since the completion of the regulation 18 consultation five meetings of the Local Plan Cross Party Working Group have taken place to discuss in more detail key issues arising from the consultation response. A further three meetings are currently planned to consider further Tipner, Housing Density, Mix and Need / Supply.
- 3.11 Sessions have already been held on Tipner, The City Centre, St James and Langstone Campus, Lakeside and Cosham. The outcomes of these discussion is set out in more detail below.

Tipner

- 3.12 Six member briefings sessions were held in September - November 2021 to discuss options for the development strategy for the Tipner opportunity area. This matter was further considered by Local Plan Cross Party Working Group on the 17th of December, and a revised position is due to be considered again at a further upcoming meeting.
- 3.13 At the meeting on the 17th of December a number of potential options were represented for the redevelopment of Tipner, considering the provision of housing, employment, infrastructure provision, the environment and viability. Members asked officers to prepare further options for development utilising the existing land mass and not including land reclamation. The City Council's Strategic Developments team is currently preparing a revised scheme to bring to a future Local Plan Members Working Group Session.

City Centre

- 3.14 The City Centre has been considered at two separate Local Plan Cross Party Meetings on the 13th and 20th of January 2022.
- 3.15 For the first of the two meetings considered potential options for the city centre based on the need to meet the shortfall created by a likely discounting the land reclamation option at Tipner. A number of detailed options were presented based upon the areas identified through the city centre masterplanning work. Based on the feedback received an updated assessment of capacity within the city centre was brought for consideration at the second of the two meetings. This suggested that a range between +428 and -509 dwellings from the regulation 18 position was possible in the city centre.
- 3.16 To inform this update, a number of specific questions were posed. These included parking standards for the city centre, where members in the cross party working group discussed the merits of reduced parking provision where the impact on neighbouring areas was raised but overall it was felt that lower or zero parking provision was necessary to deliver the numbers required for the city centre. The potential for tall buildings was also discussed with members feeling they were a good solution in the City Centre especially in the portion of the centre close to Portsmouth and Southsea train Station where there were already a number of tall buildings.
- 3.17 Three options were presented for the mostly northerly area of the centre, the Herbert Street / Victory Retail Park area, with varying options for residential / employment mix. With option 2, as described in the Regulation 18 consultation, looking at a mix of the two uses being the preferred approach from the cross party working group.

St James' and Langstone Campus, Lakeside Business Park, and Cosham

- 3.18 These three Strategic Sites were taken to the Local Plan Cross Party Meeting on the 3rd of February 2022.
- 3.19 For St James and Langstone Campus site there was acceptance that St James would be dealt with through Planning Application and the discussion focused upon Langstone Campus. The Milton Neighbourhood Plan and its timescales were discussed including how it would come forward before the Portsmouth Local Plan. The concept of a land swap at Langstone Campus to move the settlement edge and increase the area of contiguous open space, as put forward in the Milton Neighbourhood plan was supported. The idea of increasing the area developed and number of potential dwellings at Langstone Campus was raised but did not receive general support from the cross party working group.
- 3.20 Lakeside Business Park was considered for its potential to accommodate different scales of residential development. There was discussion about the role of Lakeside as an employment / office destination for the City, the members were reassured that this role would continue and that 50,000sqm of employment floorspace was include in the plan for the site. The role of the Land immediately to the east of the main Lakeside office building and west of Village Hotel was discussed, with it being earmarked for further employment development. Overall members in the cross party working group were satisfied with the proposed Local Plan approach for the site.
- 3.21 Cosham was discussed in the context of changes to the expected housing supply following the regulation 18 consultation and latest update to housing background work, a potential reduction to between 366 and 546 dwellings was discussed based on land availability and examples of the types of densities that would be needed in order to achieve these levels of development were considered. It was felt that the area would benefit from a planned approach. While the opportunity for a tall landmark building within this opportunity area was discussed, there was not an appetite from the cross party working group as a whole for further densification above the higher of the two densities proposed.
- 3.22 The potential for development at the Pompey Centre was also raised, and members were directed to the policy position in the Local Plan for that site. Members were happy that the site was being considered, however questions were raised as to whether it could accommodate a greater scale or variety of development.

4. Reasons for recommendations

Updated Local Development Scheme

- 4.1 A Local Development Scheme (LDS) is required under Section 15 of the *Planning and Compulsory Purchase Act 2004* (as amended). The LDS must specify the development plans, the subject matter of those plans and the geographical areas

they cover and the timetable for the production and adoption of the plans. For the Council is this primarily the new Portsmouth Local Plan. Local planning authorities have an obligation to keep the LDS up to date and publish it on their website. Portsmouth's LDS was last updated on in July 2021 following approval by Cabinet.

The Revised Portsmouth Local Plan Timetable

- 4.2 Additional time has been necessary to present the responses to the options presented to the Regulation 18 consultation to the Members Cross Party Working Group for discussion and allow their consideration.. The outcome of the decisions on development at Tipner and the other options outlined will require a full reassessment of the potential housing supply and related policies. The work programme for the Plan has a number of dependencies that will depend an agreed spatial strategy for the quantity and location of new development in the city; background evidence and assessment work (i.e. transport, infrastructure provision, sustainably appraisal and habitat regulations assessment) and engagement with other local authorities on unmet housing need cannot be progressed or finalised ahead of this. A full review of the Local Plan timetable has therefore been undertaken; the estimated target date for the Council's Regulation 19 version of the Plan has been moved to late 2022, moving likely Submission of the Plan to late spring 2023. The timescales for the latter stages of the plan preparation (post 'Submission') will be outside of the Council's direct control.

Table 1. Updated Timetable for production

Timetable for Production of the new Portsmouth Local Plan			
Preparation ('Reg. 18')	Issues and Options consultation	✓	July 2017
	Evidence base consultation ('Local Plan update')	✓	February 2019
	Consultation on a draft Local Plan	✓	Summer 2021
Publication ('Reg. 19')	Consultation on the proposed Local Plan for submission		Late 2022
Submission ('Reg. 22')	Submission of Plan to Secretary of State		Spring 2023
Examination hearings ('Reg. 24')	Examination of the Plan by an appointed Inspector		<i>tbc</i>
Inspectors report ('Reg. 25')	Inspectors Report on whether the plan is legally compliant and sound		<i>tbc</i>
Adoption ('Reg. 26')	Formal adoption of the plan by the council		<i>tbc</i>

5. Integrated impact assessment

An equality impact assessment is not required as the recommendations do not have a disproportionate negative impact on any of the specific protected characteristics as described in the Equality Act 2010. All projects/ plans within the Local Development Scheme would be subject to their own EIA if there was a potential positive or negative impact on any of the protected characteristics

6. Legal implications

Legal comments are contained within the body of this report. The Regulations referred to in Table 1 are the Town and Country Planning (Local Planning) (England) Regulations 2012, which provide the statutory framework for the production of a local plan as envisaged by the Planning and Compulsory Purchase Act 2004.

7. Director of Finance's comments

- 7.1 There are no direct financial implications as result of approving the recommendations within this report.
- 7.2 The final production of the Local Plan will be met from the existing cash limited budget.
- 7.3 Further work is required for a revised scheme at Tipner that will be brought back to the Local Plan Members Working Group Session, the cost of this will be met from the approved capital program.

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

Appendices: Appendix 1 Draft Reg 18 consultation response summary report

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:

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New Portsmouth Local Plan
'Regulation 18' draft consultation
(September 2021)

Consultation summary and response

February 2022

Contents

i. Draft Policies Status Summary:	Error! Bookmark not defined.
1. Introduction	4
2. Draft Vision, Objectives and Key Themes	6
Vision and Objectives	6
Key Themes	7
3. Housing	8
Policy H1 Housing Need and Supply	10
H2 Housing Types, Mix and Affordability	Error! Bookmark not defined.
H3 Houses in Multiple Occupation.....	Error! Bookmark not defined.
H4 Gypsy, Travellers and Travelling Showpeople	Error! Bookmark not defined.
H5 Housing Density	Error! Bookmark not defined.
H6 Residential Space Standards	Error! Bookmark not defined.
4. Economic Development and Regeneration	28
E1 Economic Development and Regeneration.....	28
E2 Employment Land Provision.....	Error! Bookmark not defined.
E3 Culture and Tourism	Error! Bookmark not defined.
E4 Supporting Portsmouth’s Town Centres	Error! Bookmark not defined.
E5 Town Centre Strategies	Error! Bookmark not defined.
5. Community and Infrastructure	37
C1 Community and Leisure	37
C2 Open Spaces and Outdoor Recreational.....	38
C3 Sustainable Transport	42
C4 Infrastructure and Community Benefits	48
Minerals and Waste	50
6. Portsmouth’s Environment	51
G1 Biodiversity	51
G2 Green Infrastructure.....	55
G3 Water Quality (Nutrient Neutrality).....	58
G4 Contaminated Land.....	60
G6 Flood Risk and Drainage.....	61
7. Sustainable Design & Heritage	63
D1 Design	63
D2 Sustainable Design and Construction.....	67

D3	Pollution, Health & Amenity	69
D4	Lower Carbon and Carbon Neutral Development	70
D5	Heritage and Archaeology	73
D6	Heritage Enhancement.....	74
8.	Strategic Development Sites.....	76
S1	Portsmouth City Centre	76
S2	Tipner	96
S3	Fratton Park and the Pompey Centre	102
S4	Cosham.....	104
S5	St James and Langstone Campus	107
S6	Lakeside Business Park.....	109
9.	Area Allocations	110
S7	PCC Estate Renewal.....	110
S8	The Seafront	112
S9	Portsdown Hill.....	115
S10	Coastal Zone.....	Error! Bookmark not defined.
10.	Other Comments	118

i. Draft Policies Status Summary

Green	Amber	Red
Draft policy will remain largely unchanged/ minor amends only	Draft policy requires some amendments to take account of consultations comments/ decisions on options	Draft policy direction requires more substantive change

Draft Portsmouth Local Plan Chapter/ Policy		Status (Post consultation)
Portsmouth's Strategic Development Strategy		
	Vision and objectives	Green
	Key themes	Green
	Spatial Development Strategy	Green
Housing		
H1	Housing Need and Supply	Amber
H2	Housing Types, Mix and Affordability	Amber
H3	Houses in Multiple Occupation	Green
H4	Travellers and Travelling Showpeople	Amber
H5	Housing Density	Amber
H6	Residential Space Standards	Green
Economic Development and Regeneration		
E1	Economic Development and Regeneration	Green
E2	Employment Land Provision	Amber
E3	Culture and Tourism	Green
E5	Supporting Portsmouth's Town Centres	Green
E6	Town Centre Strategies	Green
Community and Infrastructure		
C1	Community and Leisure	Green
C2	Open Spaces and Outdoor Recreational	Amber
C3	Infrastructure and Community Benefits	Green
C4	Sustainable Transport	Green
n/a	Minerals and Waste	Green
Portsmouth's Environment		
G1	Biodiversity	Green
G2	Green Infrastructure	Amber
G3	Water Quality (Nutrient Neutrality)	Green
G5	Contaminated Land	Green
G6	Flood Risk and Drainage	Green
Sustainable Design & Heritage		
D1	Design	Green
D2	Sustainable Design and Construction	Green
D3	Pollution, Health & Amenity	Green
D4	Lower Carbon and Carbon Neutral Development	Amber
D5	Heritage and Archaeology	Green
D6	Heritage Enhancement	Green
Strategic Development Sites		
S1	City Centre and City Centre North	Amber
S2	Tipner	Red
S3	Fratton Park and the Pompey Centre	Green
S4	Cosham	Amber
S5	St James and Langstone Campus	Amber
S6	Lakeside Business Park	Green
Area Allocations		
S7	PCC Estate Renewal	Green
S8	The Seafront	Green
S9	Portsdown Hill	Green
S10	Coastal Zone	Green

1. Introduction

The Council is preparing a new Local Plan for Portsmouth. This document will set out a planning strategy to meet future development needs in the city for the period to 2038. The Plan will set out details on the level of development that will need to take place in the city and where it will be located. It will contain planning policies to guide decision making on planning applications.

The third preparation stage consultation ('Regulation 18') on the new Local Plan ran for six weeks from 17th September to 31st October.

Engagement and promotion of the Plan was through a mix of print, digital and in-person communications. In addition to the PCC website, a 'virtual consultation room' with multimedia functionality was set up to share the consultation documents with the public, present the main issues and the consultation questions and all supporting documents. Four public 'drop in' events were held across the city, a leaflet was sent to every household and a campaign of social media and posters were used to encourage participation. In accordance with the Statement of Community Involvement, the consultation was also advertised in the local newspaper and leaflets were available at all libraries and community centres. A phone line was also available for those who cannot engage through other methods.

The consultation resulted in thousands of comments from residents, stakeholders and interested parties, more than three times the number of responses received on the previous Local Plan consultations; 410 individual responses were submitted to the virtual room (6,016 comments), plus 71 email responses. In addition the Council received 8,995 proforma petition comments, coordinated by the Hampshire & Isle of Wight Wildlife Trust (HIWWT) and Royal Society of the Protection for Birds (RSPB) objecting to development at Tipner.

Some caution should be taken in considering the percentage of respondents who agreed/ disagreed with particular questions; not all consultees answered every question and some may have submitted a comment without answering the prior agree/ disagree question. The results are nevertheless very useful in indicating an overall view on a topic and the individual comments submitted provide valuable feedback.

2. Draft Vision, Objectives and Key Themes

Vision and Objectives

The vision for the future of the city was developed through the Imagine Portsmouth 2040 project, with input from local agencies, businesses and residents during 2019/20 and was adopted by the council in 2021.

1a. Do you agree with the use of the Imagine Portsmouth draft vision and objectives to lead the new Local Plan?	
	No. of respondents: 88
Yes	56
No	13
Not sure/don't know	14
1b. Do you agree with the proposed key themes?	
No. of respondents: 50	

1b. Do you have any further comments or suggestions about the use of the Imagine Portsmouth draft version and objectives?

While there was general support for the Imagine Portsmouth¹ vision and objectives, some found the details of the difficult to locate, too vague or complex.

There were considered to be some contradictions between the green aspirations for the city and proposals for development, such as development at Tipner. It was suggested that the Green city objective include reference to improving water quality and acknowledge biodiversity declines.

A housing focused objective was suggested given the dominant issue of the issue for planning in Portsmouth, to seek a sustainable balance for the constraints of the city and it was requested that addressing impacts of climate change (and reducing carbon footprint) should be given more prominence or made a priority objective.

Comments also wanted to see the following recognised: importance of good design, the critical importance of improving public transport to enable these aims, getting a 'good start' (youth and sure start services) and monitoring of health and well-being.

There were a number of comment relating to the spatial developing strategy for the city such as: opposing housing targets; the need to fully utilise other brownfield sites (other than Tipner); more high rise development in appropriate locations; preventing further student accommodation; and more community infrastructure instead of greater housing numbers.

Vision and Objectives - Council response

There is overall support for the vision and objectives with some concern on how these aspirations will be balanced.

Amendments can be made to include reference the issues raised, all of which fall within the overall objectives and the Local Plan's draft policies. Consideration will be given on how to best promote/ communicate the Plan's guiding vision and objectives.

Review Status: Green

¹ More information at: <https://imagineportsmouth.co.uk/>

Key Themes

The aim of the proposed 'key themes' was to highlight the major issues for the future of the city (in so far as these can be influenced by matters relating to the built environment) that could be more comprehensively achieved through integration throughout the Local Plan, rather than through a single issue policy.

2a. Do you agree with the proposed key themes?	
	No. of respondents: 80
Yes	53
No	8
Not sure/don't know	18
2b. Do you agree with the proposed key themes?	
	No. of respondents: 46

2b. Do you have any further comments or suggestions about the proposed key themes?

General support from consultees on these themes that will be fundamental for ensure high quality development and that capture the challenges that face the City.

A few respondees found them too vague or generic, lacking clear commitments, or unclear how they link to the overall vision. **Portsmouth Climate Action Board** commented that the key themes needs to be supported by agreed SMART carbon reduction targets for the city. Others thought they were ideal but unattainable for Portsmouth. The conflicts between air quality improvements and becoming a Freeport/ cruise ship destination were noted.

It was also suggested that the climate change theme should be the primary key theme, and that it could be amended to "Delivering Net Zero Carbon Emissions in Development Planning to Tackle Climate Change". Carbon capture and protection of existing carbon stores (such as wooded areas, grasslands and the Tipner West mudflats) should be included in this.

There were some alternative key theme suggestions, including: the need to support local business and the local community; supporting local people; economic growth; that environmental concerns (inc. air quality) should drive the whole Plan; to include reference to the biodiversity crisis; prioritising public transport; protecting heritage/ culture/ tradition or aesthetics; addressing flooding; protecting green space; education and youth provision; including air quality under the other themes; transport and air quality as a guiding theme; and the **RSPB and Hampshire & Isle of Wight Wildlife Trust** request that tackling the nature emergency and restoring ecological networks is a key stand-alone theme.

Key Themes - Council response

The inherent challenges of planning for sustainable development and addressing competing priorities within the constraints of the Portsmouth area are acknowledged in *Chapter 1.1. Portsmouth Profile*. All alternative/ additional key themes are very valid suggestions and have been largely covered by the specific draft policies in the Plan.

Further consideration will be given to how the key themes are presented/ strengthened and linked throughout the Plan. A definition of 'sustainable development' in the Portsmouth context and the links to wider sustainability goals could be added for clarity

Status: Green

Spatial Development Strategy

The draft Spatial Development Strategy seeks to guide the future location, pattern, and form of development in Portsmouth.

3a. Do you agree with the approach to the proposed Spatial Development Strategy for the new Local Plan?	
	No. of respondents: 80
Yes	26
No	18
Not sure/don't know	31
3b. Do you have any further comments or suggestions about the Spatial Development Strategy for the new Local Plan?	
No. of respondents: 59	

Hampshire County Council and Barton Wilmore on behalf of **PJ Livesey** and **NHS Property Services, Woodland Trust** and **House Building Federation (HBF)** broadly supports approach. The **HBF** does note that if the Council decides not to proceed with the full allocation at Tipner, it would need to consider where else housing could be met and the likely impact on the ability to address its needs for affordable housing and support the ambitious levels of economic growth outlined by both the Solent LEP and Partnership for South Hampshire. **Savills**, while supportive note that NPPF requirement for 30 year vision for large scale development, should be recognised for development at Tipner.

Comments, both positive and negative, emphasis that the need to protect green/ open space should be an overriding principle.

In terms of air quality, it was contested that the strategy proposed/ Local Plan policies would be able to address the existing levels of air pollution or improve health and well-being, citing that the requirement for Health Impact Assessment only addresses new development and the Clean Air Zone doesn't cover some of the worse affected areas.

Another key theme was the importance of transport link improvements for the success of the strategy. A more evident consideration of how those less able bodied or with SEND needs move around the city was also requested.

Comments from Stephen Morgan MP wanted to see an alternative approach to housing, believing that the Government set targets are unattainable, and seeking to meet them would produce an unsustainable pattern of development which would exacerbate existing socio-economic and environmental problems.

There were also some objections from other respondents due to either the proposed number of new homes or the additional of any new homes in the city (inc. student development), or due to the inclusion of particular proposed strategic site allocations. Particularly reference was made to negative consequences of additional homes on air pollution and pressure on green spaces and infrastructure. There were also some objections based on the perceived 'conflicts' within the spatial strategy e.g. protecting green space vs. proposing development on open space at Tipner and St James'/ Langstone campus.

Alternative suggestions received:

- Spatial strategy would ideally be led by the 15 min neighbourhood principle.
- Focus development strategy more on tall buildings given space constraints.
- More emphasis on regeneration opportunity at the seafront and specific sites (e.g. Fort Cumberland).
- Acknowledgement should be made of the allocations to enable needed sea defences (e.g. Tipner).
- Support Plan objectives through a "rail-loop" from the "Town" Station northwards to the Port and beyond to the mainland running alongside the M275 towards "Lakeside" and Cosham to join the mainline from Southampton/Bristol to Brighton.

Some respondents reported being confused by the proposed spatial strategy, including the terms and language used. A desire for further explanation and maps was expressed. It was considered that terms such as 'accessible' and 'sustainable development' should be defined in the context of the Local Plan. It was noted that some employment areas are missing/ less visible.

Spatial Development Strategy - Council response

The overall approach was largely supported, with some disagreement on 'guiding principle(s)' or objections relating to the proposed number of new homes. Minor amendments will be made for clarity, including the maps.

The proposed spatial strategy may need to be reassessed if there is any significant change to proposed strategic site allocations.

Review Status: Green (pending further assessment)

3. Housing

H1 Housing Need and Supply

Delivering housing to meet the needs of a growing city is a key requirement for the new Local Plan. Portsmouth currently has a total housing stock of 89,800 homes (as of May 2021); of these 52,882 (58.9%) are owner occupied, 19,738 (22%) are private rented, 10,080 (11.2%) are council rented and 7,100 (7.9%) are Housing Association homes.

The government's aim is to significantly boost the supply of new homes in order to address the country's growing and ageing population as well as the existing deficiency from past undersupply of suitable homes. National policy states that the minimum number of new housing to be planned for should be determined in two ways: by local housing need and using the Government's standard method, unless exceptional circumstances justify an alternative approach in-line with current and future demographic trends, and market signals.

The council has undertaken a detailed review of land within the city, in accordance with the requirements of national planning policy and guidance, to consider its potential to deliver further housing for the period 2020 – 2038. The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy H1.

4a. Are there exceptional circumstances (to justify an alternate approach) for Portsmouth that should be considered?	
	No. of respondents: 133
Yes	115
No	11
Not sure/don't know	7
4b. If answered yes to 4a., please tell us more about these exceptional circumstances	
	No. of respondents: 120

The responses received in relation to Question 4b included the physical geography of Portsea Island and the constrained availability of development land as the main constraint. They also highlighted a variety of further issues caused by the lack of space, including traffic and parking problems, lack of infrastructure, including difficulty of accessing doctors and schooling. Potential pollution issues were also highlighted. The impact of further housing on the city's open space and environment were highlighted as a drawback from significant housing provision in a small area like the city. The government's target 'ignores our special circumstances'. The City is only 15sqm with a current housing stock of 89.800; a further 17,701 would increase the stock by almost 20%.

5a. Do you agree with the suggested approach to housing supply for the plan period?	
	No. of respondents: 123
Yes	26
No	71
Not sure/don't know	26
5b. Do you have any further comments or suggestions about the suggested approach to housing supply for the plan period?	
	No. of respondents: 90

The responses to Question 5b showed that there was a wide range of opinion on the best approach to housing provision in the city. Some felt that areas such as the City Centre and Tipner could accommodate more development, whereas others felt that there was too much development proposed (on the whole more people were concerned about Tipners environmental impact, whereas more people were supportive of the City Centre and increasing development there). Both increases and decreases in tall building provision were suggested, as well as increased and decreased levels of affordable housing. A number of site specific comments on small sites were given, and a general concern was shown for ensuring that sufficient infrastructure was provided to support the proposals.

In addition a number of specific email responses were received, these reflected the points received through the general consultation, and added a number of additional specific points:

Objections to the governments housing target, and indication that PCC should look to reject it due to exceptional circumstances:

CPRE Hampshire: For Portsmouth the difference in household projections is significant, with a much lower target from using the 2018 projections, only around 379 dpa, the City Council should use this as the basis.

Milton Neighbourhood Planning Forum: The proposal to build 17,701 new dwellings is excessive and unacceptable. As the Plan acknowledges, this is a Central Government's assessment of housing need and ignores local constraints and deliverability. There are in Portsmouth "Exceptional Circumstances" including its geography: its minimal size and currently highly "densified" and urbanised character; the congestion and pollution; the high levels of existing deprivation and the lower life expectancy rates; the Conservation of Habitats imposed by Statute and International Law; the extreme paucity of open-spaces; and the whole transport inefficiency in trying to access anywhere easily whether on foot, cycle or in a vehicle.

Climate change action group: The central government housing target is not suited to the geography and population density of our city for a number of reasons; There is a lack of land to build on and recreational pressure on the small amounts of green space; The city has over 20% of its area within Flood Zones 2 or 3; The Council should not be damaging protected sites in our harbours to add land mass. Given the Tipner West 'super-peninsula' proposals make up nearly 20% of the housing target it is apparent that the Council is unable to meet the Government's standard method calculations without causing serious environmental harm, including the substantial loss of designated habitats of international importance; The critical levels of air pollution in our city, mean we can't afford to add more pollution from private cars; We already have an acute lack of dentist, GP & hospital availability.

Portsmouth Labour Group: We reject outright the government's proposed housing targets for Portsmouth and believe there is a compelling case to be made that issues of land supply and environmental constraints within our local authority area justify a smaller target being included within the local plan. As an island city, Portsmouth has unique and obvious limits to the area available for development. Where brownfield land exists it should be allocated for significant development however green spaces

should be protected. In particular, areas designated as of substantial environmental significance, such as the Portsmouth Harbour Site of Special Scientific Interest (SSSI) should not be considered for development under any circumstances. The existing issues of nitrate and air pollution in the city mean that any development which exacerbates these problems should not be allowed. In addition any additional pressure placed on traffic and transport systems must be accompanied by a step change in the provision of green public transport and active travel infrastructure to enable reduced reliance on private motor vehicles.

Stephen Morgan MP: The Local Plan commits to Portsmouth to building 17,357 dwellings between 2020 and 2038, or 964 per annum. These inflated targets are totally unsustainable and bear no relation to the reality on the ground.

Ann Terry (resident) - Sewage discharge into the Solent is a health hazard and 17k new properties will only exacerbate an appalling situation.

Agree with the governments housing target:

Homes England: We welcome the Council's Draft Development Strategy and direction of growth to strategic sites in accordance with Figure 3 of the emerging Local Plan. Given, the undersupply of housing, however, with city boundaries we recommend modifications to draft Policies S5; draft St James and Langstone Campus and H5; Density to allow greater flexibility for optimisation of limited strategic sites and brownfield supply.

Bellway Homes: The emerging Portsmouth local plan should calculate housing need in line with government guidance and the standard methodology. Despite its constrained location, there is a clear need to build more housing in Portsmouth. Providing housing at the levels identified in Policy H1 will enable the City to continue to grow in a sustainable manner and provide both market and affordable homes to families and the wider community.

Savills for PCC strategic developments: The NPPF expects strategic policy-making authorities to follow the Standard Method for assessing local housing need, and it uses a formula to identify the minimum number of homes expected to be planned for, in a way which addresses projected household growth and historic undersupply.

Southern Housing Group: Welcome the ambitious and imaginative approach the Council have taken to the challenges of developing affordable homes sufficient to meet existing housing need and projected need of 17,701. We also acknowledge the real difficulties in developing on the island of Portsmouth and in delivering the proposed 16,933 new homes set out in the draft plan.

Persimmon Homes: Whilst there are no exceptional circumstances to justify a reduction in housing need the Council should consider whether further housing growth may be necessary in order to support the economic growth aspirations for the city and wider South Hampshire area, of which Portsmouth is a major driver of growth. It will be necessary for the council to consider, whether any growth deals or

infrastructure improvements planned for the area could lead to the need for a higher housing requirement than the minimum established using the standard method.

Commentary on the approach to calculating the number:

Eastleigh Borough Council - We note that the Partnership for South Hampshire (PfSH) is currently preparing a revised development strategy to cover an additional two year period up to 2036 which will identify an additional unmet housing need of c.13,000 new homes by 2036 across the PfSH sub-region. We further note that the Regulation 18 Consultation Document references that a possible contribution of 1,000 units from other local authorities has been retained while Duty to Cooperate discussions continue and as Portsmouth's final unmet need housing figure is determined.

Southampton City Council (SCC): confirm its continued support for the development of the new Portsmouth Local Plan. Portsmouth plan to work with other authorities to deliver their housing supply with a potential contribution of 1000 homes supplied under the Duty to Cooperate, both unilaterally and through the Partnership for South Hampshire (PfSH). Whilst SCC's supply of housing sites is not yet finalised, the latest Statement of Common Ground (October 2021) indicates that Southampton is likely to have a significant unmet need and is working with other local authorities under the PfSH partnership to help accommodate any unmet need. As such, SCC would like to reiterate the importance of a coherent and interconnected approach to development across the Solent region and support the option of meeting supply through a cross-boundary distribution of housing.

Fareham Borough Council: pleased to see the ambition shown by the City Council in planning to meet its housing need. The first approach should be to exhaust all possible avenues to meeting the need. Fareham Borough Council awaits the outcome of the Partnership for South Hampshire work on cross boundary distribution of housing, but ahead of the publication of that work has committed to providing 900 dwellings (plus a buffer of 11%) towards sub-regional unmet need through the Fareham Local Plan 2037. The Borough Council notes that no mention is made in the Portsmouth Plan of where the Council envisages unmet need being located, other than a Partnership for South Hampshire contribution, but Fareham Borough Council is confident that the contribution of 900 (plus buffer) towards sub-regional unmet need is justified and evidenced, and that no more can be provided within the borough and that this approach will be found sound through the upcoming Local Plan Examination in Public.

Isle of Wight Council: IWC are currently planning for a housing number that is lower than the Government prescribed standard methodology for the island. This leaves an element of 'unmet need' which, through our Duty to Co-Operate discussions, we are exploring whether could be met in a sustainable way by any local authorities in areas that benefit from direct ferry connections. We note Table 2 on page 33 and Table 3 on page 35 of the document that highlight PCC will be seeking around 1,000 units of its identified housing need to be met from other local authorities within the PfSH area via other Duty to Co-Operate discussions. This re-iterates and confirms the position

that PCC set out in response to our own Draft Island Planning Strategy (IPS) Regulation 18 consultation, namely that PCC would be unable to make any contribution to meeting any unmet housing need from IWC, a position that is accepted and understood.

Winchester City Council: The Local Plan uses the 'Standard Method' to calculate its local housing need, which Winchester City Council supports. We are concerned by the addition of a 20% buffer in the first 5 years and 10% thereafter. This appears to be based on the application of NPPF paragraph 74 due to past under-provision against the Housing Delivery Test (paragraph 2.1.3, footnote 18) which we believe has been wrongly applied. We would wish to continue the discussion on housing need/ supply with Portsmouth City Council prior the Reg 19 stage of the Portsmouth Local Plan, in addition to the on-going collaborative work on sub regional housing need and distribution and other strategic cross boundary matters with the PfSH authorities. There would be benefit in both authorities positively working together to agree a joint Statement of Common Ground on housing need matters and other key issues prior to submission of our respective Local Plans.

Policy H1: Housing Need and Supply - Council response

The responses to the regulation 18 consultation have further highlighted the city's physical constraints and how it constrains the ability of the City to meet the targets as set out in the Standard Methodology.

The City Council needs to ensure that all potential options for housing accommodation have been considered, including all reasonable alternatives, in order to support a position which would not meet the full standard methodology requirement.

In preparation for its regulation 19 consultation the City Council carrying out the annual review of the Housing and Economic Land Availability Assessment to test the assumptions made for its housing land supply position, particularly the deliverability of the small site supply and the consultation comments received on the draft Strategic Sites. The Council is also continuing to work closely with its neighbours to see if any unmet need from the city can be accommodated outside of its boundaries.

The progression of this policy is linked to any changes in the supply position as the Plan progresses, including draft strategic sites, density proposals, planning permissions and completions and any contribution to the city's housing need through the Duty to Co-operate.

Policy Review Status: Amber

H2 Housing Types, Mix and Affordability

The council has a housing target of 17,701 dwellings over the plan period to 2038. These needed homes could take the form of a range of different types and tenures of residential dwellings. The council must establish what the need is for different types of residential accommodation and strive to ensure that everyone in Portsmouth has an opportunity to live in a decent home, which they can afford.

National policy guidance states that strategic policies should be informed by a Local Housing Need Assessment, conducted using the standard method in national planning guidance. Within this context, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. This is including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes.

The Local Plan 2038 Regulation 18 consultation sought views through a number of specific questions related, to housing types mix and affordability, including the approach to family housing; self and custom-built housing; accessible and adaptable homes; older persons housing; specialist and supported housing; purpose Built Student Accommodation; Build to Rent; and affordable housing.

6a. Do you agree with the proposed approach to the provision of family housing; self and custom-built housing; accessible and adaptable homes; older persons housing; specialist and supported housing; purpose Built Student Accommodation; Build to Rent; and affordable housing.	
	No. of respondents: 873
Yes	494
No	139
Not sure/don't know	232
6b. Do you have any further comments or suggestions about the suggested approach to the provision of housing in Portsmouth?	
	No. of respondents: 86

A wide variety of comments were received. A number of people supported high rise as the most obvious way to provide more residences in a city with limited land area, however it was felt that the design of high rise buildings needed to be improved; need to provide more 1 /2 bed units; provision for the elderly; provision for travellers; more lifetime homes; quality retirement homes needed for people to downsize into; vehicle share schemes for flat residents; ensure environmental standards for new homes (zero carbon).

House Builders Federation - The policy as currently worded provides the level of flexibility we would expect to see in a local plan where there are significant constraints on development. Without sufficient flexibility policies on housing mix may prevent some sites from coming forward as the expectation from decision makers is that the prescribed housing mix should be met on all sites. However, as set out in paragraph 34 of the NPPF, the policies in a local plan should not undermine the deliverability of the development proposed in that local plan. Therefore, if, as indicated in the viability assessment, over half of the typologies tested are unviable at the proposed policy costs then the policies should be adjusted rather than rely on negotiation at the application stage. Whilst negotiation will be a

necessary fall-back position, as set out in policy H2, to ensure some sites come forward paragraph 58 of the NPPF makes it clear that this should be the exception not the norm and that decision makers should be able assume that where development meets all policy requirements in a plan then that development is viable.

Family housing:

General support with some reservations about the availability of land of sufficient extent to provide the 57% of new family homes desired.

Portsmouth Labour Group - support the requirement for an appropriate share of family sized homes on new developments and emphasise the need for robust enforcement of this part of the policy, particularly on council and housing association led schemes where this is not currently always the case.

PJ Livesey and NHS Property Services - the draft policy to seek a proportion of family housing on development sites (3+ bed) is supported, as is the flexible nature of the policy which would allow the final housing mix to be negotiated on a site by site basis.

WSP - Flexibility for provision of family housing should be provided when undertaking conversions of existing buildings to residential properties. In these instances, it is often not possible to provide family housing and in such cases the provision of one and two bed flats should be accepted. Request an amendment to the policy for conversions of existing buildings.

Self Build and Custom Housing:

Supported in principle but with some concern from housing industry on deliverability.

House Builders Federation - The significant constraints on development opportunities within Portsmouth and the higher densities that may be required indicate that there must be flexibility in how self-build home plots are delivered and not place unnecessary burdens on development.

Bellway Homes - difficult to achieve in the City Centre and on proposed high density redevelopment sites (such as Tipner East), and the necessary housing density as required by local policy in general as it will be necessary to provide a significant proportion of residential units as flats. There should be an exception to the policy on this basis.

Portsmouth Labour Group - support enabling of self-build and custom-build housing and encourage the local authority to consider allocating resource to looking at Community-led Housing schemes as a way of taking this, and affordable housing development more generally, forward.

Accessible and Adaptable Homes

Draft policy proposes 20% of all new homes are built to part M4(2) and 5% of built to part M4(3).

PJ Livesey and NHS Property Services - support the proposed approach in meeting the needs of the community and note that the proposals for St James's hospital site can support these aspirations.

House Builders Federation With regard to the evidence of need for the application of the higher 20% standard for M4(2), the Needs Assessment states that for current households where needs are affected by illness or disability only 9% are likely to need to move to a more suitable home. To therefore conclude that in future over half of those whose needs are

affected by a disability or illness will need to move to a more adaptable home does not seem to be a robust or consistent assessment. However, agree with the Council's proposals of 20% of new housing to be delivered as part M4(2) (rather than 46%) which would seem a reasonable approach in view of the evidence and the broader concerns with viability in Portsmouth. With regard to M4(3) the Council will need to make the distinction between a wheelchair adaptable homes and wheelchair accessible home under part M4(3), as the PPG states that wheelchair accessible home can only be required through the local plan where the council has nomination rights for that house.

Portsmouth Labour Group - support the accessible and adaptable homes part of the policy and again emphasise the necessity for robust enforcement of this.

Older Persons/ Specialist and Supported accommodation:

McCarthy and Stone - The plan does, not plan positively for older persons accommodation, identified needs for specialist housing are not included as targets and the assessment is from 2019; a more thorough and up to date assessment is needed.

House Builders Federation - local plans should look to allocate specific sites to meet the needs of older people as a commitment to maintaining a supply of land to meet targets, in the most sustainable locations close to key services. Also consider identified needs/ a target should be included in the policy Portsmouth. This would ensure needs are met over the plan period, effective monitoring of this target and encourage positive decision making if there is a deficiency in supply.

Vail Williams - also note that Council has not sought to identify specific quantum of persons or specialist/supported housing that could be required. There should be detailed policy provision for the following, with a requirement to be located close to local facilities, services and easily accessible to sustainable transport:

- Community accommodation for mental health patients and other vulnerable people.
- Accommodation for mental healthcare services.
- Affordable housing for healthcare staff, from both UK and abroad.
- Key worker housing.

Portsmouth Labour Group - support approach relating to elderly, specialist and supported housing as a way to ensure there are housing options appropriate for everyone.

Student Accommodation

Many of the comments on student housing felt there is already sufficient student accommodation in the city and it was considered important such development could be repurposed for a different use if necessary.

Portsmouth Labour Group - propose an additional clause is added to the part of Purpose Built Student Accommodation to read: "New development will only be supported where a clearly identified and evidenced need has been proven."

House Builders Federation - important to ensure that there is a robust assessment as to how many bed spaces in student accommodation it will take to release one home, accommodation if this is to be included in overall supply. Use of the position set out in the Housing Delivery Test Rule Book it is a national average and the ratio is likely to differ between areas. In some Local Planning Authorities, the density of students per housing is likely to be significantly higher and will require far more bed spaces to free up one house. As

such the Council should have robust evidence to support its approach in assessing the level of housing freed by student

Union for Planning - graduates/ young professionals wanting to stay in the area where they have trained or attended university, or move into the area, but do not have the financial ability (or desire) to purchase market housing, but also require additional independence and autonomy which would not be achieved through living in a house share. As such, Co-Living is an ideal product for such groups. Request that support for this tenure is included in the wording of policy H2 (as it is in the preceding paragraphs).

Affordable housing (inc. Build to Rent)

There were both comments supporting more and less affordable housing contribution, both on and offsite for developers, however there was general support for the provision of more generally affordable housing, which is seen as Council built, owned and run stock, rather than other 'affordable' tenure types; more affordable housing of a kind similar to Council housing built in the past; local connections for housing raised. Provision of "Affordable homes should not be as easily circumvented by "Viability Exclusions" because it raises "Hope Value" to landowners and starts the whole avoidance or scaling down of delivery.

Build to Rent ' schemes are a 'double edge sword'; unless more is done to CAP excessive rent charges and service charges and to prevent greedy landlords and housing agencies could end up making this problem a lot worse.

Portsmouth Labour Group concerned that the Build to Rent element of the policy will be used by developers to circumvent provision of social/affordable rented affordable housing and encourage the Local Planning Authority to look at all options for minimising this possibility.

6c. Considering the conclusion of the Viability Assessment of the Local Plan there is a risk that the proposed 30% requirement for affordable housing (which would potentially be viable for less than half of expected developments in Portsmouth), is undeliverable.	
Due to this risk, is there an alternative requirement for affordable housing provision that should be considered?	
	No. of respondents: 106
Yes	37
No	14
Not sure/don't know	54
6d. If answered yes to Q6c., please tell us more about what you think this requirement should be.	
	No. of respondents: 52

Out of 49 respondents to Question 6d, 11 responses specifically mentioned a percentage target, of these 6 though it should be lower than 30% affordable housing with the majority saying the requirement should be 20%. 5 responses said 30% affordable housing or Higher, with the highest suggested being 50%. None suggested it should be less than 20%. Many of the responses felt that there was too much flexibility for developers to not pay at all, and that assessment of viability work submitted needed to be robustly assessed. The need for genuinely affordable homes was in many of the comments, with questions being raised asking if first homes were truly 'affordable'.

6e. Due to the national requirement to provide 25% of new affordable homes as 'First Homes' and the viability challenges in Portsmouth, the proposed tenure split is of 70% affordable rent and 30% low-cost home ownership (incorporating the 25% First Homes requirement) what tenure split do you believe is most appropriate for Portsmouth?	
	No. of respondents: 103
The proposed split of 70% affordable rent and 30% low-cost home ownership is appropriate.	47
Less affordable rent and more low-cost home ownership	38
Less low-cost home ownership and more affordable rent	14
Not sure / other comment	4

Bellway Homes the policy should be altered to reiterate that the First Homes requirement should not apply to planning applications and housing sites which obtained planning permission (or where a right to appeal against non-determination has arisen) prior to 28th December 2021 and/or applications determined before 28 March 2022, provided that there has been significant pre-application engagement.

Portsmouth Labour Group - delivery of affordable rented accommodation for those in greatest housing need should be maximised. In addition it is important that this tenure split is actually enforced. The research on Shared Ownership and Help to Buy has found that most people accessing those schemes are on middle and higher incomes and therefore the benefits to those most in financial need are unclear. In fact these schemes arguably contribute to further inflating house prices, and First Homes seem likely to continue this trend.

National and Regional Property Group - The affordable tenures proposed within policy H2 as part of the 30% on-site affordable housing requirement do not appear to have been tested by the evidence base. First Home tenures have a notably different cashflow profile when compared to traditional affordable housing tenures and will result in higher development finance charges, thus increasing overall development costs and negatively impacting viability. The true impact of First Homes, including a diluted sales market, does not appear to have been openly and transparently tested by the evidence base. Under the provisions of First Homes, the developer will bear 100% of the sales and build risk.

House Builders Federation - the impact of the requirement to provide First Homes as an affordable housing tenure does not appear to have been fully considered in the supporting Viability Assessment. First homes are fundamentally different to a shared ownership unit or affordable home for rent where the home is bought up front by a housing association with the developer in affect acting as a contractor. The risk is lower as there is no need to put the affordable home on the open market, as such the developer accepts a lower level of profit. However, a First Home would be sold by the developer and as such they retain the risk and the other costs, such as marketing, in the same ways as they would for any home sold on the open market. Therefore, the proportion of new homes delivered as First Homes should be treated in the same way as other market homes for sale. The Council's approach would result in 9% of homes on a major development site as affordable home ownership product which is below the level required by national policy. In order to ensure that 10% of homes come forward as low-cost home ownership products the tenure split should be 65:35 rent to home ownership.

Support for 30% affordable housing threshold:

Portsmouth Labour Group strongly support the retention of the requirement of 30% affordable housing on all large developments and encourage the Local Planning Authority and Housing Enabling Officer to continue doing all they can to maximise the delivery of affordable housing across the city. We would support a significantly higher minimum affordable requirement on sites owned by the council.

McCarthy and Stone - With regard to the proposed affordable housing policy, the ability for applicants to submit an open book viability assessment where schemes do not meet the 30% affordable housing requirement is supported. This is necessary in order to ensure that the plan does not undermine the delivery of much needed housing and for individual circumstances to be accounted for.

Support for 20% or an alternative affordable housing threshold:

Abri homes - the 20% affordable housing target recommended by the Viability Study is very low compared with the overall needs, and the Council's proposed raising of this threshold to 30% is welcomed as a sign of its support for delivery. However, this approach does not reflect the NPPF and PPG guidance that plan-making should be the 'last word' in viability testing, presenting realistic policies that will not cumulatively undermine deliverability: *Policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable, without the need for further viability assessment at the decision making stage.* PPG, Para. 002 Ref. ID 10-002-20190509

House Builders Federation - considering the conclusion of the viability assessment of the Local Plan there is a risk that the proposed 30% requirement for affordable housing (which would potentially be viable for less than half of expected developments in Portsmouth), is undeliverable. This would therefore require frequent case by case viability testing. Due to this risk, they ask whether an alternative requirement for affordable housing provision should be considered. National policy and the Council's evidence would suggest that the affordable housing policy be amended to 20% in line with the recommendations in the viability assessment.

National and Regional Property Group - Policy H2 does not conform with the recommendations made by the evidence base. The evidence base suggests that, based on current Community Infrastructure Levy (CIL) rates, a lower affordable housing target of 20% should be sought for schemes in high and medium value areas within the city. The evidence base concludes that sites in lower-value areas, and schemes of 6+ storeys, should have the ability to test site-specific viability. Consequently, the benchmark threshold of affordable housing within viability testing is 10% higher in emerging policy H2 for sites located within medium and higher value areas, and up to 30% higher for sites in lower value areas when compared to recommendations made by the evidence base.

Bellway Homes - we support the approach in the consultation draft of setting a more challenging target, but our concern remains that the plan will not facilitate the delivery of sufficient affordable housing to meet local need. The viability review shows that sites in many areas of Portsmouth, including the City Centre, will not be viable if they make provision for 30% affordable housing.

Southern Housing Group - The viability review shows that sites in many areas of Portsmouth, including the City Centre, will not be viable if they make provision for 30% affordable housing.

Persimmon Homes - Policy H2 proposes that the provision of affordable housing should be 30%, unless otherwise agreed by the Council. Paragraph 34 of the NPPF states the policies in a local plan should not undermine the deliverability of the development proposed in that local plan. The Draft Plan policies should be adjusted rather than rely on negotiation at the application stage. National policy and the Council's evidence would suggest that the affordable housing policy be amended to 20% in line with the recommendations in the viability assessment.

Further comments on the supporting evidence:

House Builders Federation - are concerned that the viability evidence does not fully reflect the costs associated with delivering residential development in Portsmouth. The viability study uses the lower quartile BCIS build cost in relation to development in Portsmouth; the median would better reflect the cost of development moving forward in Portsmouth given the focus of Government on high quality design. Not all policy costs seem to have been included in the viability assessment; e.g. the costs of Council's electric vehicle charging requirements that Policy C3 states will be set out in the Parking and Transport SPD. The Department for Transport - Electric Vehicle Charging in Residential & Non-Residential Buildings consultation estimated an installation cost of approximately £976 per EVCP plus any costs for upgrading local electricity networks. Under the Government's proposals should such upgrades be higher than £3,600 per EVCP then the delivery of charging points is not considered to be technically feasible. HBF believe the 5% allowance for abnormal costs is insufficient. These are the costs above base construction and external costs that are required to ensure the site is deliverable. Prior to the 2019, NPPF viability assessments have taken the approach that these cannot be quantified and were addressed through the site-by-site negotiation. However, this option is now significantly restricted by paragraph 58 of the NPPF, and it is necessary for abnormal costs to be factored into whole plan viability assessment; they are often substantial and can have a significant impact on viability. They can occur in site preparation but can also arise with regard to the increasing costs of delivering infrastructure, such as upgrades to increase the capacity of utilities. Abnormal costs are higher on brownfield sites where there can be a higher degree of uncertainty as to the nature of the site and the work required to make it developable. If abnormal costs are high then it will result in sites not being developed as the land value will be insufficient to incentivise the landowner to sell. A significant buffer should be identified within the viability assessment to take account of these costs if the Council are to state with certainty that those sites allocated in the plan will come forward without negotiation.

National and Regional property Group- Policy H2 does not conform with the recommendations made by the evidence base. The evidence base suggests that, based on current Community Infrastructure Levy (CIL) rates, a lower affordable housing target of 20% should be sought for schemes in high and medium value areas within the city. The evidence base concludes that sites in lower-value areas, and schemes of 6+ storeys, should have the ability to test site-specific viability. Consequently, the benchmark threshold of affordable housing within viability testing is 10% higher in emerging policy H2 for sites located within medium and higher value areas, and up to 30% higher for sites in lower value areas when compared to recommendations made by the evidence base. It is evident from Table 10.2a, page 142 of the evidence base, that for higher value areas, all 'high density' and 'very high density' sites, including those tested against a higher Benchmark Land Value of £2m per hectare, will not be able to deliver full policy requirements based on the consultant's development assumptions. Furthermore, with reference to the Housing and Economic Land Availability Assessments (HELAA) 2021, high density sites of between 3 - 120 dwellings, totalling approximately 480 dwellings and could come forward within high and medium value

areas across the city over the plan period as well as other typologies listed (Table 10.4, page 146) These sites will be subject to unnecessary time and cost delays associated with site specific viability testing. The modelling within the evidence base also shows that low density sites within medium value areas of between 12 - 50 dwellings will not be viable when full policy requirements are assumed. Only 11 of the 51 sites identified in the HELAA could come forward with 30% onsite affordable housing assuming CIL at £157.26, Section 106 at £5,000 per unit, 20% Part M-2 and 10% Part M-3, Future Homes Standard – Option 1 and Water Measures.

There is no ability to site-specifically test the 20% on-site provision of affordable rented dwellings required for Build to Rent schemes across the city. Numerous site-specific viability cases have established that Build to Rent schemes face genuine viability pressures, with a number of consented Build to Rent schemes delivering reduced levels of onsite affordable housing across the south. Whilst the PPG states that “20% is generally a suitable benchmark for the level of affordable private rent homes to be provided (and maintained in perpetuity) in any build to rent scheme” the guidance goes on to say that “guidance on viability permits developers, in exception, the opportunity to make a case seeking to differ from this benchmark” (PPG: 60-002-20180913). This exception should to be captured within policy H2 wording.

The Build to Rent development assumptions made within the evidence base, a capitalised blended average value of £2,560 per sq. m, is more akin to the capitalised rental income of wholly two-bedroom flatted schemes, as opposed to the housing mix actually being delivered and sought by PCC. The Draft Portsmouth Local Housing Needs Assessment October 2019 includes approximately 15% smaller, less valuable one-bedroom units.

In practice, Build to Rent schemes within the city are delivering approximately 22% one-bedroom units (19/01919/CS3) and emerging schemes include a percentage of smaller studio apartments in addition to one-bedroom flats. These less valuable tenures have been omitted from the modelling. Consequently, they believe the gross development value of Build to Rent schemes within the evidence base is overinflated.

Policy H2: Housing Types, Mix and Affordability - Council response

A number of specific points raised that may need to be considered further:

- There seems to be support for well-designed High-Rise development, should the density / design policies look at this in more detail?
- Can the City Council build more Council housing? Where is our affordable housing going to go?
- Can the evidence be derived to support an approach that would limit student housing?
- Is the 30% affordable housing target appropriate given the viability evidence?
- Is the proposed first homes approach appropriate?
- Are the assumptions underpinning the build to rent position correct?

Policy Status: Amber

The Council will consider the conflicting views on an appropriate affordable housing requirement and whether there is sufficient evidence to justify the proposed affordable housing position. The viability evidence that the Council has commissioned will need to be revisited to ensure that the preferred approach to affordable housing proportions is acceptable, and to take account of the latest guidance from national government.

The Council will look to update its Housing Needs Assessment to ensure the regulation 19 position is fully supported and in line with national government policy and takes account of the points raised in the consultation responses above. Further specific evidence will be sought where necessary to clarify the proposed positions including viability testing of the First Homes requirement introduced by the Government in April 2021.

H3 Houses in Multiple Occupation

A House in Multiple Occupation (HMO) is a property rented out by three or more unrelated people who are not from one 'household' (a family for example) but share communal facilities such as the bathroom or kitchen. It is sometimes called also called a 'house share'.²

National planning policy states that Local Planning Authorities should plan for a sufficient supply of homes that meet the needs of different groups in the community. It highlights the need to support strong, vibrant and healthy communities by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations. Underlining this need is the requirement that planning policies and decisions create places that are safe, inclusive and accessible, and which promote health and wellbeing with a high standard of amenity for existing and future users.

Policy H3 sets the criteria for considering applications for new HMOs including a requirement that less than 10% of residential properties within a 50m radius of the area surrounding the application property are in existing use as a HMO.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy H3.

7a: Do you agree with the proposed approach to the provision of the Homes in Multiple Occupation in the city?	
	No. of respondents: 106
Yes	52
No	31
Not sure/don't know	23
7b. Do you have any further comments or suggestions about the suggested approach to the provision of the Homes in Multiple Occupation in the city?	
	No. of respondents: 55

There were varied opinions received in relation for Question 7b., some responses felt that there were already too many HMO's in the City many responses said they were an essential part of the options for housing for people available in the city. There were some questions asked on the rationale for the 50m standard and other rules on HMO proximity. It was felt by some that the Council's approach to HMO's needed to be more positive and that purpose

² The following are not classed as HMOs: social housing, care homes, children's homes, bail hostels, properties containing the owner and up to two lodgers and properties occupied by students that are managed by an education establishment.

built HMO's combined with other facilities in the same way that student blocks could be beneficial.

Many respondents felt that better regulation of HMO's was needed with space standards, and other amenity standards more rigidly enforced. Overall, it was felt that more control to ensure the standard of living for HMO residents was needed. The impact of HMO's was mentioned with parking being the most commonly mentioned potential issue as well as noise and anti-social behaviour for other residents.

Portsmouth University - PBSA that is appropriately located and well-managed plays an important role in the health and well-being of students and a key component in the wider attraction and offer of the University. However, if such accommodation is positioned in the wrong location and is either unaffordable, of an inappropriate design or quality and/or poorly managed then that adversely affects the health and wellbeing of students. HMOs are an affordable type of housing that is affordable for many students and should be supported, any policy wording that would further restrict the creation of HMO's will likely be detrimental to the availability of this type of affordable housing for students and limit the choice and options available to students for affordable rented accommodation.

Portsmouth Labour Group - propose that a policy presumption against HMOs in certain parts of the city be included in the local plan. It is clear that in particular areas of Portsmouth there is already an existing imbalance resulting from overconcentration of HMOs. This is something that should be included at this stage rather than a suggestion that it be looked at in future.

Policy H3: Houses in Multiple Occupation - Council response

Overall the proposed approach had more support than opposition. Responses highlight areas for clarification and questioned whether where the Council go further on standards for HMO's, either through planning and or its wider role. The Council will investigate the following questions further:

- the Council's stance on purpose built HMO's
- whether further guidance is needed through either planning or licensing to ensure the standard of living for those in HMO's

The overall approach of the draft policy will largely unchanged but subject to some additional information/ clarification as per the above

Policy Status: Green

The Council will revisit the HMO Policy to take on board the points received and make any points of clarification necessary. The Council will look to update its HMO SPD and licensing guidance on a regular basis to take account of the latest position / information on HMO's in the city.

H4 Gypsy, Travellers and Travelling Showpeople

As well as planning for the housing needs of those in 'bricks and mortar' accommodation, the Local Plan must also consider the needs of travelling communities. In accordance with national planning policy, the council must undertake a robust assessment of gypsy and traveller accommodation need in the Portsmouth area to inform the preparation of the Local Plan, including the identification of suitable sites.

Policy H4 is a criteria based policy that will be required to assess any planning applications received and/or any new accommodation needs that arise during the plan period.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy H4.

8a. Do you agree with the proposed approach to Policy H4?	
	No. of respondents: 104
Yes	42
No	26
Not sure/don't know	37
8b. Do you have any further comments or suggestions about the suggested approach to the provision for Gypsies, Travellers and Travelling Showpeople Accomodation?	
	No. of respondents: 43

A large number of comments received in response to Question 8b, relate to the lack of need within the city and suggest the Council updates the evidence on this. The **Environment Agency** has questioned point 3 of the policy suggesting that it should be Flood Zone 3 rather than the current Flood Zone 2. There were some comments relating to why we should provide sites for Gypsy and Travellers.

Policy H4: Gypsy, Travellers and Travelling Showpeople - Council response

As a Council we have a statutory duty to ensure that the Gypsy, Travellers and Travelling Showpeople communities have suitable sites within the City, and is there is an identified need for a site within the city this policy would seek to ensure the site would be suitable.

The Council will review the Portsmouth Gypsy and Traveller Needs Assessment to ensure the current Gypsy, Travellers and Travelling Showpeople with the latest data and assess if the outcome has changed to a material degree. Recent unauthorised encampments within the city may not necessarily mean there is strategic need for a site provision. Criteria 3 will be reworded to reflect the Environment Agency's comments changing Flood Zone 2 to Flood Zone 3.

Minor amendments will be made to draft policy and evidence base will be updated as to reflect the comments received as necessary.

Policy Status: Green

The Council will look to update its current Gypsy and Traveller Needs Assessment to ensure it takes account of the most appropriate assumptions in regard to Gypsy and Traveller Needs provision, and ensure the Council's statutory duties are being met.

H5 Housing Density

Portsmouth is known for being one of the UK's most densely populated cities, a trend that is continuing with increases in the average density of new build development since 2012.

Residential density is the measure of the number of dwellings within a specific area or scheme, it is most commonly expressed in dwellings per hectare (dph). Building density levels in Portsmouth have always been relatively high, in part due to the from the historic development of the city, with the rows of artisan terraces built for the Naval Dockyard workers and their families, as well as the island geography constraints on developable land.

National planning policy requires Local Plans to include policies that optimise the use of land and meet as much of the identified need for new housing as possible.

Policy H5 seeks to increase the density of resident development in Portsmouth within appropriate locations to make more efficient and effective use of the land available for residential development. The policy proposes that the city area is divided into three broad density zones with an appropriate minimum density.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy H5.

9a. Do you agree with the proposed approach to Policy H5?	
	No. of respondents: 113
Yes	45
No	45
Not sure/don't know	21
9b. Do you have any further comments or suggestions about the suggested approach to the density of new homes in the city?	
	No. of respondents: 77

Many of the comments received in response to Question 9b raised concerns with the high density being proposed in the draft policy on an island which is already one of the most densely populated areas outside on London. There is also significant objection to the Tipner development being located within the highest density zone. Some respondents also raised concerns of the impact on air quality and traffic in particular within the highest density zones.

Historic England have also objected to the policy suggesting that part of the policy should be rewritten, firstly to acknowledge that there is a wider range of factors than urban design such as impact on the setting of Historic Assets, that could indicate that density should be moderated. Secondly, the policy should make clear that it will be for the local authority to determine when departures from the minimum densities are appropriate, rather than being framed in terms of a justification by the applicant. Historic England's view is that in most cases applicants would argue for higher densities and this should be acknowledged in how the policy is written.

Policy H5: Housing Density - Council response

Increasing the density of residential density in the city will help Portsmouth meet its housing need and may help to ensure that developments are viable. Focusing high density development in more accessible areas should encourage less private car

use and should therefore have positive impacts in terms of air quality and emissions. The policy will be amended to address the concerns of Historic England where appropriate.

Comments received on the appropriateness of the proposed density zones will be considered as part of the update of the Housing and Employment Land Availability Assessment (HELAA) which will in turn inform this policy. Density assumptions for key sites or areas may need to be revisited and decisions regarding housing supply for the plan period may also necessitate changes to this policy

Policy Status: Amber

The Council will consider the proposed policy position against the need for housing which are driven by top-down targets from central government through the Standard Methodology, the density policy will be adjusted in response to that position and the comments received in response to reg 18.

H6 Residential Space Standards

Residential ‘space standards’ refer to the minimum internal space (gross internal floor area) for new dwellings that require planning permission. Space standards for new homes set out requirements for the floor space area and dimensions of the building and particular areas according to the number of occupants, including dimensions for bedrooms, storage and floor to ceiling height.

Policy H6 aims to address overcrowding of properties and increase the number of people living in decent sized homes in the city.

10a. Do you agree with the proposed approach to Policy H6?	
	No. of respondents: 105
Yes	68
No	11
Not sure/don't know	26
10b. Do you have any further comments or suggestions about the suggested approach to space standards for new residential developments?	
	No. of respondents: 36

Overall a majority of the comments received in response to Question 10b were supportive of the policy though a small number are sceptical how it will ensure office to residential development complies with these proposed space standards. The **House Builders Federation** has suggested a minor amendment as they feel that the draft policy in its current form is not flexible enough to allow development which fails to meet the space standards but are well designed and needed.

Policy H6: Residential Space Standards - Council response

The key role of this policy is to address overcrowding of properties and increase the number of people living in decent sized homes in the city. The Council has limited control over permitted development rights such as changes of use from office to residential but can consider some amenity considerations the Council will also

continue to work with proactively with applicants to ensure standards are met where possible.

Minor amendments/ clarifications to the policy/ explanatory text will be considered in light of the comments received.

Policy Status: Green

The Council will look to take on board the responses received to regulation 18 and make changes accordingly.

4. Economic Development and Regeneration

E1 Economic Development and Regeneration

Economic development and growth are key to enabling access to opportunities that will support a decent quality of life for all Portsmouth residents. Regeneration is therefore not just about improving the built environment, but also generating positive social change and health and wellbeing improvements.

National planning policy places significant weight on supporting economic growth and productivity. The Local Plan must set out a clear economic vision and strategy to encourage sustainable economic growth. Policy E1 seeks to support the sustainable economic development and regeneration of Portsmouth with a particular focus on improving local skills and increasing skilled employment opportunities within the city.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy E1.

11a. Do you agree with the proposed approach to Policy E1?	
	No. of respondents: 48
Yes	34
No	11
Not sure/don't know	4
11b. Do you have any further comments or suggestions about the suggested approach to economic growth and regeneration?	
	No. of respondents: 42

Overall the majority were are supportive of the approach policy with most of the non-supportive comments relating to the proposed employment allocation at Tipner. There was strong support for a sustainable growth and low environmental impact focus and the need to address air quality issues from Port related activity, including the Gunwharf ferry port.

Comments on the proposed approach included request for details on some areas e.g. on how specifically the city's economic weaknesses (finance and technology sectors or the comparative low skill / low pay economy) would be addressed or how low carbon outcomes would be achieved.

It was requested that is reference added to creative industries sector, the NHS as a major employer (QA and St Mary's), greater provision for young people and potentially

encouraging clustering of 'low carbon' focused businesses. Some concern about commuting congestion of extra 7,000 jobs and the need to ensure the new are jobs for all. There was also a request that the Council offers a suitable site to any businesses forced to relocate due to growth and regeneration proposals.

Regenerating older facilities and unused retail space for greater employment use was suggested, as well as promoting the assets of Portsmouth to attract business.

Southampton City Council supports the protection of all marine employment and maritime industrial land. They have mirrored this approach in Southampton in order to provide a consistent and unified approach across the Solent region

Policy E1: Economic Development and Regeneration - Council response	
There is a fine balance between encouraging economic growth across the city yet also ensuring that the environmental impact is minimised. There are numerous policies within the draft plan which ensures that all development must be sustainable and will be used in conjunction with Policy E1.	
Policy Status: Green	
The council will take into consideration all the comments made in relation to Policy E1 and make any necessary changes to the policy in order to fully conform with national policy.	

E2 Employment Land Provision

This policy of the Draft Local Plan specifically focuses of the provision of offices, industrial uses and marine and maritime related employment land to ensure there is a sufficient long-term supply to support Portsmouth's growth aspirations and specialist sectors.

The loss of employment land and business uses can undermine the ability to provide a range of local employment opportunities and suitable and affordable land within the city for businesses. However, in line with national planning policy guidance, the Local Plan must also provide a degree of flexibility to allow the economy to respond to change. Policy E2 sets out the targets for the provision of new employment land, identifies the key areas for the delivery for employment space and safeguards the city's existing business, employment and marine and maritime related employment areas.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy E2.

12a. Do you agree with the proposed approach to Policy E2?	
	No. of respondents: 51
Yes	27
No	10
Not sure/don't know	14
12b. Do you have any further comments or suggestions about the suggested approach of the draft Policy E2?	
	No. of respondents: 37

Overall the respondents to Question 12b were supportive of the approach to Policy E2. The Policy currently identifies 60,000 m of mixed employment uses as part of one of the options

for development at Tipner, some respondents (inc. **Natural England**) oppose large scale employment at this site primarily due to the environmental impact.

There were comments regarding the projected need for office space and that it ought to be recognised that need for office space is likely to decrease with greater working from home in future. **Southampton City Council** are of the view that any office proposals which would lead to an over provision of office space against assessed need or an agreed target for the city for a particular phase of the plan should be subject to a sequential assessment of whether there are any sites in neighbouring authorities, including Southampton city centre.

It was suggested that increasing the density of employment use in existing employment areas, which were thought to be underutilised, should be encouraged inc, unused/ MoD land in Eastney. Other employment site suggestions include identifying Port Solent as an employment area, retaining employment space at Fratton due to the lower employment land provision in the southern part of the city and identifying employment areas in all city neighbourhoods to create true mixed use neighbourhoods. It was also suggested that employment areas/ boundaries are reviewed to consider uses around designated employment areas e.g. Vanguard site near the Port.

The **University of Portsmouth** request acknowledgement of the role it can play in contributing adding value to various industries and to knowledge related sectors.

Portsmouth International Port request greater support from the Local Plan to enable the Port's needed growth and expansion through allocation of land outside the Port for their use, suggesting the land parcels adjacent to the Rudmore Square junction currently occupied by the Lock n Store and Peninsular House office and the 'tear drop' site off the M275 situated adjacent to Port Solent

Other broader suggestions including focusing the advantage of being an island city, particularly through facilities to support watersports and recreation, encouraging investment in the city centre and the M27 corridor and supporting flexible terms and reasonable rents to help support new businesses. There are also some suggestions that the policy should be more proactive in encouraging greener more sustainable employment opportunities within the city (e.g. green innovations areas/ estates) with details on how carbon emissions will be minimised and measured.

The approach to employment land should be integrated with sustainable transport (e.g. 15 min neighbourhoods) and monitoring of how people travel to key employment locations. It was noted that some of the industrial estates aren't well served by public transport e.g. Anchorage Park.

Policy E2: Employment Land Provision- Council response

The Council will be undertaking a full update to the Housing and Economic Land Availability Assessment (HELAA) including a Call for Sites and reassessment of the small site deliverability. The outcomes of this assessment could affect the provision of new employment proposed in Policy E2 and other options may need to be considered. The objections to employment land at Tipner as part of a significant regeneration scheme are noted.

While the Portsmouth International Port is of strategic importance to the local economy, there are constraints on the amount of land available and competing needs for redevelopment opportunities. Land in proximity to the Port will be considered for employment use where is appropriate and deliverable. It is

anticipated that the work supporting the new Port Masterplan will provide evidence of the Port's industrial land need for the plan period.

Amendments will be made to the policy in-line with the comments received, outcome of the HELAA work and subject to further evidence from the Portsmouth International Port's masterplan.

Policy Status: Amber

The council will take into consideration all the comments made in relation to Policy E2 and make any necessary changes to the policy in order to fully conform with national policy.

E3 Culture and Tourism

Portsmouth's unique heritage and coastal environment, together with sporting, arts and music events, offer a distinct cultural setting for the city. National planning policy requires that strategic policies make sufficient provision for cultural infrastructure, which in Portsmouth is also closely linked to the enhancement of the historic environment.

Policy E3 seeks to protect and enhance Portsmouth's existing attractions for their social and cultural value and contribution to fostering local pride and social cohesion within Portsmouth. Enhancement will also support the council's aims to build the city's appeal and reputation as a tourism destination and to help support the diversification of the city's economy.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy E3.

13a. Do you agree with the proposed approach to Policy E3?	
	No. of respondents: 47
Yes	34
No	8
Not sure/don't know	5
13b. Do you have any further comments or suggestions about the suggested approach of draft Policy E3?	
	No. of respondents: 32

Overall the comments relating to Policy E3 were positive though some feel that the protection of cultural and tourism facilities should extend beyond the list of sites and areas currently listed within the policy. Suggestions include Wymering Manor, Hilsea Lido, Forts Widley and Purbrook in the north of the City, the seafront, music venues and art galleries, Langstone harbour frontage,

Other comments included the need for more hotels, greater use of vacant buildings and meanwhile uses and including additional focus on the economic benefits of the creative economy/ cluster. It was noted that such enhancements are dependent upon adequate transport infrastructure and there should be monitoring of how people get to these venues. The conflict with the need to reduce air pollution and potentially encouraging more vehicle trips to the city needs to be addressed.

Historic England has also suggested additional wording to ensure that proposals in sensitive areas, such as conservation areas, consider their impact.

E3 - Culture and Tourism - Council response

Overall the policy has been well received and some minor amendments may be made to strengthen the policy's overall aims in particular with regards to sensitive areas of the City such as Conservation Areas. The current list of sites seeks to protect the strategic cultural and tourism assets, other community facilities are safeguarded in Policy C1.

The council will take into consideration all the comments made in relation to Policy E3 and make any necessary changes to the policy in order to fully conform with national policy

Policy Status: Green

The council will take into consideration all the comments made in relation to Policy E3 and make any necessary changes to the policy in order to fully conform with national policy.

E4 Supporting Portsmouth's Town Centres

Portsmouth's town centres provide an essential network of accessible shops, services and community facilities. This includes Portsmouth City Centre (inc. Gunwharf Quays), Southsea, Cosham, North End, Fratton and Albert Road and Elm Grove as well as number of smaller Local Centres distributed throughout the city.

Local authorities are required to define a network and hierarchy of centres and set policies that support their long-term viability and vitality; including tests for assessing certain types of development proposals in locations outside of defined centres. This approach is to ensure that development is as sustainably located as possible and prioritises support for main town centre uses and activity in existing town centres.

Under current planning guidance the Local Plan must also consider the need for new 'main town centre uses' (such as retail, dining, leisure and entertainment, offices and culture and tourism development) during the plan period, or for a foreseeable period in terms of retail trends. While changes to Use Class definitions in 2020 mean that a town centre use, in any location, can now change to another without the need for planning permission, existing national planning policy requires sites in town centre locations to be prioritised for new town centre development and any changes of use that require planning permission

Policy E4 establishes the Portsmouth defined town centres as the preferred locations for new main town centre uses. The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy E4.

Question 14a: Should the Council seek to regulate future changes of use for town centre development where possible?	
	No. of respondents: 46
Yes	36
No	5

Not sure/don't know	6
Question 14b: Do you have any further comments or suggestions about the regulation of future changes to use of town centres?	
	No. of respondents: 31

The responses received in relation to Question 14b include: future development needs to be sympathetic to the city's history; impact of Covid-19 and demand for new retail; poor quality environment of City Centre/Commercial Road, and suggestions on future uses such as housing, culture, leisure, F+B, public services, etc; opportunity to create new neighbourhoods and communities; need to support buying local and provide local amenities; need to improve active/sustainable transport links; need for a 'light but firm' approach; need for flexibility to encourage new uses; need for balanced approach; use vacant/empty premises for alternative uses such as community events or markets; offer tax incentives for offices.

Public Health England: support regulating future changes of use for town centres, particularly where this may prevent the negative impact of permitted development rights to change of use to residential with no adherence to space and amenity standards due to their impact on health, wellbeing, and wider social impacts, which is documented elsewhere. Encourage exploring what change of use might mean for food environment in local centres to support healthy choices/ behaviours.

Portsmouth Labour Group important to use planning policy to protect commercial/ employment use and frontages in town centre, at least at ground floor level. As demand for larger commercial/employment spaces in town centres contracts, development to alternative uses including residential at upper floors may then be appropriate, but decent living standards must be ensured.

Question 15a: Do you agree with the approach of the draft Policy E4?	
	No. of respondents: 43
Yes	25
No	12
Not sure/don't know	6
Question 15b: Do you have any further comments or suggestions about the draft Policy E4?	
	No. of respondents: 18

The responses to Question 15b include: Gunwharf Quays is the only 'destination' centre in the city; Commercial Road should be classed as similar to Southsea Town Centre; poor quality of Commercial Road; Milton Market should be added as a centre; consideration

needed to 'low traffic neighbourhood' or '15-minute city' concepts; good transport links required for centres to be accessible, diversified, and successful; benefits of out-of-centre retail - frees up centres for housing; more investment is needed; local shopping should be encouraged; growth estimates should be cautious given the impact of Covid-19; Burrfields Road (Ocean Retail Park) should be added; Lakeside only serves business/employment occupiers.

Historic England: a number of the identified town centres include heritage assets or are located within Conservation Areas; they state that the policy is unsound as it makes no specific provision for edge-of-centre locations.

Portsmouth Climate Change Board: need to develop plans for each centre that support buying local and reduce transportation of goods, as well as linking with active/ sustainable transport corridors.

Premier Marinas Ltd (via agent) comments include: Port Solent should be identified as a District Centre given the proposed significant increase in housing within the Western Corridor and the capacity for delivery at Port Solent. This would enable growth of a supporting leisure/ tourism role and meet needs of future residents/employees. It should be a District Centre given scale and function of Port Solent relative to other District Centres, but at the very least it should be designated as a Local Centre.

E4 - Supporting Portsmouth's Town Centres - Council response

Responses from the consultation showed support for the council to seek to regulate future changes of use for town centre development. Whilst it is out of the scope for planning policy to override provisions made through legislation, the council have the power to impose Article 4 direction(s) as a regulation tool, or utilise other planning tools such as Local (or Neighbourhood) Development Orders to enable certain development within designated areas, in order to promote long-term vitality and viability for the city's centres. With any such use, however, there would need to be sufficient justification and purpose behind it as to whether it is necessary and appropriate to introduce such tools, with consideration also given to whether any of the city's centres should have more flexibility or diversification of uses, especially given the competition for other land uses to meet the development needs of the city as a whole.

The draft policy reflects the principle that town centre uses should have a broader definition and focus than just retail, and makes provision for 'out-of-centre' proposals to assess through a sequential assessment or Retail Impact Assessment the impacts on existing defined centres. This is considered to be in alignment with national policy.

Policy Status: Green

The council will take into consideration all the comments made in relation to Policy E4 and make any necessary changes to the policy in order to fully conform with national policy.

E5 Town Centre Strategies

The draft town centre strategies in the consultation document are intended to set out the overall principles for development. Each centre strategy has been informed by an analysis of

past sector trends, previous annual survey information and consultation responses and recent planning reform changes. The centre strategies include:

- The vision and broad principles for the future of each centre;
- Proposed centre and core area boundaries; and
- A broad indication of the preferred mix and location of uses.

Question 16a: Do you agree with the proposed approach to Policy E5?	
	No. of respondents: 40
Yes	24
No	7
Not sure/don't know	9
Question 16b: Do you have any further comments or suggestions about the draft Policy E5?	
	No. of respondents: 26

The responses to Question 16b include: Gunwharf Quays and Commercial Road should be separate; agree with reducing size of these areas; not enough 'quality' in these centres; poor quality of Commercial Road - needs improving and investment; small independent businesses need to be encouraged; need inclusion of 'Milton Market'; worsening air quality at Fratton Road due to CAZ; need consideration around management of noise/disruption where mixed-use is proposed; need for quality residential and hotel development; consideration needed for 'low traffic neighbourhoods' and '15-minute city' concepts; need improvements to/provision for walking/cycling/public transport infrastructure; improvements needed to Fratton and North End air quality; provide local centres for local people to encourage regular visits and reduce carbon emissions; Southsea food/café market over-saturated - focus on complementary independent retail and culture; any mixed use/commercial development relating to Cascades needs to respond to St Agatha's Church and also proposed housing.

University of Portsmouth comments include: support the encouragement of creative and cultural life in the city centre to add vibrancy and vitality, and to attract new students; University campus is a key part of the city centre, providing footfall, activity, and vitality, complementing the retail and service functions, and benefitting local businesses/services; recommends the university campus is identified in its own specific boundary.

Portsmouth Climate Change Action Board comments include: in favour of 'fast tracking' change of use as a low carbon way to meet housing need; consideration needed to the use of 'low traffic neighbourhoods' and '15-minute neighbourhoods' to promote active travel to/from centres, including monitoring of people's travel.

Portsmouth Labour Group comments include: generally support policy but unclear on justification for reducing the extent of protected commercial frontages along the Fratton Road/Kingston Road/London Road corridor. Active use by commercial/community play an important role in developing vibrant localities - do not want this put at risk; further residential development on upper floors along this corridor may create further opportunities for commercial/community uses at ground floor.

Public Health England comments include: support drive for public realm improvements and increasing vitality/viability of local centres; can development be required to demonstrate no

adverse impact on the food environment of safe night-time economies through public realm improvements?; use of greening has an integral role in public realm improvements - can local plan opportunities for innovative greening solutions to add amenity value and encourage more active/sustainable lifestyles?; question the differing policy provisions between centres - each will have its own needs but could there be a standard set of principles, with location-specific requirements above this? E.g. improving pedestrian/visitor experience, improving public realm, greening, and air quality as common principles between various centres.

E5 - Town Centre Strategies - Council response

Responses to the consultation show broad support with the proposed approach to the draft policy. The Council welcome the responses and suggestions received through the Regulation 18 consultation and will only make changes to this policy if new evidence necessitate any modifications.

PCC will need to take a closer look at the local context and the local impacts of the Covid-19 pandemic, changes in Use Classes and permitted development, and other factors that may have had an effect on Portsmouth's various town centres' health and vitality, and therefore make any modifications to the proposed strategies where necessary. Through this process, existing town centre health check indicators may be also redefined, and a new methodology put in place for future monitoring of the policy(ies) and reporting in future AMRs.

Policy Status: Amber

The council will take into consideration all the comments made in relation to Policy E5 and make any necessary changes to the policy in order to fully conform with national policy.

5. Community and Infrastructure

C1 Community and Leisure

National planning policy recognises the essential contribution that community facilities make to the health and wellbeing of residents. Community and leisure facilities (including small shops, community halls and sports facilities) are vitally important to the health and wellbeing of local communities and planning policies should therefore plan positively for these places.

Policy C1 seeks to protect and retain these facilities where possible.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy C1.

Question 17a: Do you agree with the proposed approach to Policy C1?	
	No. of respondents: 46
Yes	22
No	13
Not sure/don't know	11
Question 17b: Do you have any further comments or suggestions about the draft Policy C1?	
	No. of respondents: 28

Responses received in relation to Question 17b varied with regards to the protection of existing facilities and the need for a vision for the provision of new facilities. Other comments raised concerns regarding the location and poor accessibility of leisure facilities, with the limited access to swimming pools mentioned in several responses.

The **Portsmouth Labour Group** would like to see a focus on securing additional community facilities rather than simply protecting existing ones.

Sport England were concerned that part one of the policy could lead to the loss of sports facilities where demand for another alternative use could be considered more pressing, stating this was inconsistent with paragraph 99 of the NPPF. They also requested 'replacement facilities' to be further defined.

NHS Property Services would like to see clear evidence on what is required to satisfy each criterion of the policy and further stated *"the NPPF is clear in stating that Local Plans should adopt policies that "take into account and support the delivery of local strategies to improve health, social and cultural well-being for all sections of the community" (Paragraph 93b). It is important that policies consider that some public service providers, such as the NHS, routinely undertake strategic reviews of their estate. These reviews are aimed at improving the provision of healthcare services by increasing efficiencies, including through the disposal of unneeded and unsuitable properties."*

Policy C1: Community and Leisure- Council response

The council will take into consideration all the comments made in relation to Policy C1 and update the policy to ensure it conforms with national guidance.

Evidence of the existing facilities and need for further facilities has been provided within the Portsmouth City Council Indoor Facilities Strategy 2017. This outlines

principles for future provision and recommendations including addressing the projected undersupply of swimming pool provision in the city. The Council intend to update this Strategy in due course.

The Plan as a whole will seek to enhance health, social and cultural well-being, Policy C4 (Infrastructure and Community Benefits) states in assessing the necessary provision or contribution [from development], priority consideration should be given to healthcare, along with six other development types (Transport, Flood Defences, Education, Green infrastructure, Recreational Facilities and Community Safety Facilities).

Policy Status: Green

The council will take into consideration all the comments made in relation to Policy C1 and update the policy to ensure it conforms with national guidance. A glossary will provide further information where necessary. Clarifications will be made to provide further guidance on how the policy criteria could be met.

C2 Open Spaces and Outdoor Recreational

Open space is an important part of the city’s environment. These spaces take many forms, including predominately ‘green’ spaces, such as parks and gardens, cemeteries, allotments and playing pitches, as well as more urban civic spaces such as Guildhall Square. The need for open space provision in Portsmouth must be considered alongside the city’s other growth needs, such as housing and employment space. The proposed approach in the Local Plan is guided by the presumption in national planning policy to protect against the loss of such spaces.

Policy C2 sets out the need for sufficient provision of open space alongside the city's other growth needs including housing and employment space and seeks to protect and enhance these locations to maximise their quality and multifunctionality.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy C2.

Question 18a: Do you agree with the proposed approach to Policy C2?	
	No. of respondents: 45
Yes	28
No	7
Not sure/don't know	10
Question 18b: Do you have any further comments or suggestions about the draft Policy C2?	
	No. of respondents: 30

A common response in relation to responses received for Question 18b was the need to protect as much open space as possible, which was raised in six comments. In a further six instances, comments outlined the need for open space to deliver more than simply a green field and provide areas for enhanced biodiversity, with new open spaces, as stated by **Natural England**, needing to be 'multifunctional'. In addition to this, there were comments

submitted highlighting the need for these spaces to be locally accessible, including a comment from the **Woodland Trust**, who also recommended *"adopting policy standards for residential developments that support access to the natural environment and woodland for informal recreation."*

There was some level of ambiguity surrounding the phrase 'wider public benefit' with a handful of comments questioning whether this was quantifiable.

Sport England did not support the loss of playing fields where public benefits could be demonstrated, stating it was not consistent with Paragraph 99 of the NPPF. In addition, they wanted to *"make it clearer where existing provision is considered 'surplus to requirements', this is based on a robust assessment of need."*

The **Milton Neighbourhood Forum** further questioned the potential for developers to build over existing open space where public benefits outweigh their loss.

RSPB and **Hampshire & Isle of Wight Wildlife Trust** and **Portsmouth Climate Action Board** all raised comments regarding the role that Tipner plays in delivering open space in a densely populated city and therefore its importance should be recognised. Other comments encouraged the protection of Fort Cumberland and Fraser Range.

The Langstone Campus Playing Fields and Furze Lane are identified in Figure 17³ as protected open space. One comment queried the fact that these sites are also within the council's Brownfield Register and whether Policy C2 could contradict this.

Objections were made to the land at St. James' Hospital being allocated by the **Solent NHS Trust** and **PJ Livesey** and **NHS Property Services**, as open space as it would conflict with any future healthcare development that may be required.

The third, fourth and fifth questions and the responses are outlined below.

Question 18c: Are there any areas of open space that should be added or removed from the policy?	
	No. of respondents: 36
Yes	12
No	13
Not sure/don't know	13

There was a relatively even distribution of responses to Question 18c. Fort Cumberland, Fraser Range and Tipner were all areas highlighted that required protection.

The **Solent NHS Trust** and **PJ Livesey** and **NHS Property Services** wanted to see the open space at St. James' Hospital removed as open space provision. Other comments raised the need for a golf course on the Island and asked for the removal of Moneyfields as this is being developed.

Question 18d: Should major new development deliver new open space?	
	No. of respondents: 43
Yes	36
No	1
Not sure/don't know	5

³ Draft New Local Plan Consultation Document (2021), Page 114, accessible here: [Portsmouth Local Plan 2038](#)

There was a strong response in favour to Question 18d, with many respondents wanting more greenspace wherever possible.

Question 18e: Should major new development deliver new open space?	
	No. of respondents: 36
Yes	16
No	4
Not sure/don't know	16

The policy proposes on developments of 100 or more homes, open space to the ratio of 1.65ha per 1,000 people is delivered. Whilst there was a strong backing in favour of this ratio, the same number of responses also were not sure.

Policy C2: Open Space and Outdoor Recreation- Council response

The overarching aim of Policy C2 is to protect and enhance existing open space within Portsmouth, delivering it where possible. Within the supporting text for the policy, it is states that *"proposed enhancements of existing open space and recreation area should consider opportunities to increase the multifunctionality of these spaces"*, for example through enhancing biodiversity value or installing new and improved recreational facilities.

The policy will be amended to comply with the NPPF and additional guidance or clarification will be provided where necessary.

The government's National Model Design Code guidance notes (published July 2021) indicate that open space and recreation guidance on Accessibility to Natural Greenspace (ANGSt) will shortly be updated and will be focused on distance/accessibility to open space as opposed to the population-based standards which form the current evidence base for open space needs for the plan period. The evidence base for may need to be reconsidered on this basis. The Council is also intending to update its own Recreation/ Sport facility Strategies which may feed into this policy.

Comments seeking to protect open space at Tipner and other nearby areas are noted. The Open Space map will be updated in-line with the progression of the St James' and Langstone Strategic Site Allocation and the Milton Neighbourhood Plan and as part of annual monitoring of planning permissions.

This policy proposes on developments of 100 or more homes, open space to the ratio of 1.65ha per 1,000 people is delivered. Whilst there was a strong backing in favour of this ratio, the same number of responses also were not sure as shown by the results of Question 18c. To further understanding of this policy and ratios, the Council will look to provide visual representations.

Policy Status: Amber

The council will take into consideration all the comments made in relation to Policy C2 and make any necessary changes to the policy in order to fully conform with national policy.

C3 Sustainable Transport

Action is needed now to shape a future that accommodates changing travel patterns and the city's growth, in a more sustainable way. Through the Local Transport Plan 4 (2020 – 2036), we are striving to create an environment that allows everyone to travel as sustainably as possible when making every day journeys around Portsmouth.

The provision of a safe, convenient and efficient transport network is key in helping to build vibrant local communities, enable regeneration and achieve an environmentally sustainable future. Prioritising walking and cycling and transforming public transport will play a key role in delivering a people centred travel network across the city, linking into and connecting local areas.

All development should make the most effective use of land, reflecting its connectivity and accessibility by existing and committed future transport provision, and ensure that any impacts on Portsmouth's transport networks and supporting infrastructure are mitigated.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy C3.

Question 19a: Do you agree with the proposed approach to Policy C3?	
	No. of respondents: 47
Yes	26
No	11
Not sure/don't know	8
Question 19b: Do you have any further comments or suggestions about the Policy C3?	
	No. of respondents: 50

The responses to Question 19b included: phase out petrol/diesel as quickly as possible to discourage use and achieve clean air; joined up strategy needed for Eastern Corridor; incentives needed to get the worst-polluting cars off the road; encourage more walking and cycling and ensure routes are safe/secure; improve infrastructure for mobility-impaired; free electric/hydrogen powered buses; more fast EV chargers across the city; making the seafront "car-free" unless EV; cycling routes need to be off-road; too much cycling provision already; all public transport, including taxis, should be EV; lack of cycle paths at east of city; "enable" rather than "encourage" the use of public transport; "Exploration" of a bus depot not enough; policy needs to include management of car movements; most dwellings do not have dedicated parking for EV charging; look at bus stop locations to see if in right places; reopen Commercial Road to buses only to save bus journey times; "chain car ferry" between Portsmouth and Hayling Island; suggested alteration improvements to various bus services and bus ticketing; more affordable public transport needed; exemptions needed for small businesses; opposition to Clean Air Zone; increase CAZ to include Fratton Road; reduce car/freight journeys across whole island to enhance health and wellbeing; increase Park and Ride capacity significantly; introduce charges to residents and visitors driving in the city; need to understand impact of Covid-19 pandemic on travel and strike a balance on proposals e.g. Park and Ride; new rail stop at Paulsgrove; establish 15-minute neighbourhoods/low traffic neighbourhoods; expansion of employment result in higher commuter traffic - similar with Tipner housing; consider use of trams.

The Milton Neighbourhood Forum (MNF) supports the aims and objectives of the policy; though note that past Local Plans and Local Transport Plans have been ineffective in promoting active travel and public transport, and reducing reliance on private cars. According to the Department for Transport (DfT) figures, Portsmouth is the 4th most congested city in the UK. The MNF support principle of granting planning permission for development where priority is given to pedestrian and cycle movements with high permeability by foot, cycle, and public transport connecting to local walking and cycling networks and services/facilities. However, state strategic transport and active travel initiatives need to be implemented before further major developments are started.

Southampton City Council (SCC) broadly support the plans and are working with Portsmouth (and other authorities) to deliver the PfSH objectives including the South East Hampshire Rapid Transit. SCC reiterated the need for coherent and reliable connections between Portsmouth and Southampton that offer viable alternatives to car travel to tackle M27 congestion and suggest PCC might consider the Southampton Local Transport Plan 4 through plan making process.

Hampshire County Council (HCC) are supportive of Policy C3 and transport policies for developments to reduce the need to travel and deliver a people centred travel network that prioritises walking, cycling, and public transport. HCC want to strengthen the joint working on public transport issues and - building on the Transforming Cities Fund - both authorities need to continue to develop opportunities to improve transport infrastructure and expand the South East Hampshire Rapid Transit.

Homes England (via agent) comments included noting that the alignment with LTP4 is paramount to ensure that a co-ordinated transport strategy is delivered and suggesting that the policy could recommend early engagement with the authorities, to determine the most appropriate forms of mitigation for congestion relief. In relation to the Transport Assessment prepared by Systra, no allowance [is made] for the other sustainable measures identified by the Local Plan or LTP4 (beyond the Bus Rapid Transit scheme) - none of the impacts from these have been allowed for in the forecast traffic, it is highly likely that these would come forward in the short/medium term or at least by 2036. Homes England also state that any developer contributions sought should be justified in policy in order for plan to be sound, and should meet CIL Regulation tests if sought through development.

Home Builders Federation (HBF) comments included how policy cannot be set outside of the local plan through Supplementary Planning Documents, therefore parking standards must be set out in the local plan, and any changes to these are considered through proper process of consultation and examination; if referencing SPD, then should be clear that development will need to take account of this guidance but not that it must accord with it.

Bellway Homes Ltd (Wessex) (via agent) acknowledged this slightly changed policy and have had regard to sustainable transport in their current proposals and will be providing electric charge points where appropriate and feasible to do so.

PCC Strategic Developments support Policy C3's inclusion of links between Tipner and Horsea Island, allowing buses, cyclists, and pedestrians access between Tipner and Horsea Island, the country park and Port Solent. The proposed bridge link is part of wider package of infrastructure which will support the new community at Tipner West and Horsea Island East - although noted that this would require Option 1 to be delivered at the site (rather than Options 2 or 3).

National Highways (formerly Highways England) key comments are summarised below:

- National Highways (NH) look to Portsmouth City Council to promote strategies, policies and land allocations that will support alternatives to the car and the operation of a safe and reliable transport network. NH would be concerned if any material increase in traffic were to occur on the Strategic Road Network (SRN) or at its junctions because of planned growth within the city, without careful consideration of mitigation measures. It is important that the Local Plan provide the planning policy framework to ensure development cannot progress without the appropriate infrastructure being in place.
- When considering proposals for growth, any impacts on the SRN will need to be identified and mitigated as far as reasonably possible. NH will support a local authority proposal that considers sustainable measures, which manage down demand and reduce the need to travel. Infrastructure improvements on the SRN should only be considered as a last resort. Proposed new growth will need to be considered in the context of the cumulative impact from already proposed development on the SRN.
- NH welcome the requirement for the submission of Transport Assessments to support development proposals. Policy C3 includes the requirement for development to mitigate impacts on the local or strategic road networks, arising from the development itself and/or the cumulative effects of development, through the provision of, or contributions towards, necessary and relevant transport improvements and air pollution reduction measures.
- As the Local Plan is developed it is important that any essential infrastructure required to deliver proposed allocations within the plan is identified. It would need to be demonstrated that there was a reasonable prospect of delivery of the infrastructure that is relied upon, otherwise there is a risk the Local Plan would not be sound.
- When identifying the preferred strategy for the spatial options, consideration will need to be given to assessing the cumulative impact of new sites that might be taken forward together with already planned growth in Portsmouth on the SRN. NH welcome further dialogue on potential growth options. When considering proposals for growth, any impacts on the SRN will need to be identified and mitigated as far as reasonably practicable. As previously stated, we will support proposals that consider sustainable measures which manage down demand and reduces the need to travel. Infrastructure improvements on the SRN should only be considered as a last resort.
- Proposed new growth will need to be considered in the context of the cumulative impact from already proposed development on the SRN.
- To ensure that the Local Plan is deliverable, a transport evidence base should be provided to demonstrate the Local Plan impact on the SRN and as necessary identify suitable mitigation. This work will form a key piece of evidence to demonstrate the Local Plan is sound, therefore it is important that any identified mitigation has a reasonable prospect of delivery within the timescales of when the identified growth is planned. Once the transport impacts of the Local Plan sites are understood, the Infrastructure Delivery Plan document should set out any SRN mitigation required to deliver the Local Plan development. NH would welcome the opportunity to discuss this with Portsmouth ahead of the next Local Plan consultation.

Portsmouth Cycle Forum comments include:

- Would like to see further detail on how Portsmouth City Council will ensure it is deliverable. Whilst Portsmouth Cycle Forum broadly agrees with the proposed approach to Policy C3, PCF remain cautious about the implementation, deliverability and monitoring of it.
- PCF feel that the following points are missing and should be added to ensure that the policy is sufficiently robust, and deliverable: Focus on “place” as well as a transport network; That the Clean Air Zone is retained in order to improve long term health and support changed travel habits ; Plans for freight consolidation centres - is land being allocated for this purpose?; Is the land for new walking and cycling routes being designated through the Local Plan so that developers know they must not build over it and must ensure that their sites are permeable?; Improving public transport connections is mentioned, but reducing pollution from buses and improving access to buses and rail is not included - should the Bus Service Improvement Plan be referenced at this point?
- New policies over and above the Street Works Manual should be introduced to ensure that people walking and cycling are not disadvantaged during roadworks.
- PCF expects that:
 - Transport impacts are not just “mitigated”, but instead - and in line with LTP4 - there is a net gain for sustainable travel.
 - PCC’s Parking and Transport Assessment SPD is updated so that it is in line with the aims of the LTP4 and Local Plan, and makes it possible to work with developers to deliver improved facilities for walking and cycling. SPD should be updated to a “decide and provide” approach.
 - The policy is amended to specifically state that developers will be expected to use best practice methods to assess walking, cycling, public transport and permeability with suitably experienced transport planners who actually walk and cycle (Local Transport Note 1/20 requires this of all designers).
 - Specific reference is made to the Local Cycling and Walking Infrastructure Plan and future versions of this or similar documents
 - Monitoring measures are strengthened
 - It is made very clear that the mitigation options in the Transport Assessment are not taken forward before being made compliant with design guidance for walking and cycling.

Portsmouth Climate Action Board include:

- Would like the phrase ‘affordable to use’ added to this sentence: ‘The provision of a safe, convenient, efficient and AFFORDABLE TO USE transport network is key in helping to build vibrant local communities, enable regeneration and achieve an environmentally sustainable future’.
- In place of vaguely worded aspirations, we believe that specific, time bound and measurable targets need to be introduced in relation to lowering carbon emissions from road transport and improving the percentage of local journeys using active travel. Creating a joined up network of segregated cycle lanes is a priority. Low traffic neighbourhoods and traffic circulation schemes should be given serious consideration too.
- In relation to this vision statement: 'By 2038 Portsmouth will have a people centred travel network that prioritises walking, cycling and public transport to help deliver a

safer, healthier and more prosperous city' we regard the 2038 date as too distant and unambitious in terms of timescale.

- We believe allowing another generation to grow up with poor air quality, dangerous cycling infrastructure and slow / expensive public transport is unconscionable. We would like to see specific interim targets that have measurable outcomes by 2022, 2024, 2026 etc. so that high quality active and shared mobility infrastructure is delivered by 2030 at the latest.

Portsmouth Labour Group comments include: This policy is of key importance in terms of delivering sustainable development, that does not negatively impact on air quality, carbon emissions and connectivity within the city. It could perhaps be strengthened with greater emphasis on the need for green/zero carbon forms of public transport.

Premier Marinas Ltd (via agent) comments include: support the principle of improving links between Tipner and Horsea Island allowing buses, cyclists and pedestrians access between Tipner and Horsea Island, the Horsea Island country park, Port Solent and beyond; this should be delivered as part of a comprehensive package of measures designed to facilitate growth across the existing Port Solent allocation, as well as those now proposed at Horsea and Tipner; note the October 2020 Transport Assessment document, prepared by Systra, states that in relation to the A27 (Southampton Road) / Port Way junction, which is the key junction referenced within the currently adopted Local Plan allocation for Port Solent (PCS2), "the junction remains within capacity in all scenarios". Figure 1 of the document suggests that the development scenarios tested include the 500 dwellings currently allocated at Port Solent; but only appears to accommodate approx. 1,300 dwellings across the Tipner sites; this evidence base document therefore suggests Port Solent may be delivered with no transport interventions, but the Tipner development would be likely to have greater impacts over and above the assessed scenario.

Friends of Old Portsmouth Association comments include:

- Systra Transport Assessment Ref. no. 107890 dated 23 Oct 20. Several inconvenient facts are ignored:
 - It's not traffic congestion that causes air pollution, it's fossil fuel burning traffic that causes air pollution.
 - 'Optimising' road junctions to reduce queuing traffic involves giving priority to vehicles. This means relegating pedestrians to a lower priority so that they have to spend longer waiting in polluted air to cross roads. This discourages walking.
 - Making it easier to drive induces demand as more people then want to drive. Conversely, failing to allocate road space to encourage active travel suppresses demand for walking and cycling.
- It is apparent that the assumption that the city needs and can accommodate the extra road traffic is in stark contradiction to the LTP4 vision and strategic objectives
- Most of our city is on an island that is a physical limit on the number of motor vehicles that can be squeezed into Portsmouth. Inexorable increase in the number of motor vehicles registered in Portsmouth, the number of miles driven and a plan of the island.
- Missing from the Systra report is a declaration of the motor traffic growth assumed in their modelling, and an assessment of where all the vehicles will physically go.

- Systra report seems to disregard the LTP4 vision and strategic objectives. Reading the document, it is evident that despite the title 'Transport Assessment' it is merely a motor transport assessment.
- In the week that COP26 starts, it is depressing to view how the report's authors are fixated on the outdated 'predict and provide' approach to striving to meet the insatiable demand for more road capacity for motor traffic. In 122 pages,
 - Only two mentions of existing cycle lanes (that fail to acknowledge that most cycle lanes in Portsmouth do not comply with DfT standards)
 - Only three mentions of cyclists
 - Only two mentions of air quality (and no reference to the embarrassing fact that Portsmouth continues to have illegally high levels of polluted air)
 - No mention of climate change or climate strategy
 - No mention of the clean air zone (CAZ) and the need to curb motor traffic (even though a CAZ was being considered well before Systra produced their report)
 - No mention of electric vehicles (BEV)
 - No consideration of parking capacity and where all the extra vehicles will be accommodated
 - No mention of rail transport
 - No mention of local ferry services
- The danger is that as Systra have confined their report almost exclusively to making it easier for polluting motor vehicles to drive into and around the city, this will become the baseline assumption and that sustainable transport initiatives will be relegated to lower priority.

Isle of Wight Council comments include:

- IWC fully support the commentary at paragraph 4.3.25. Sustainable travel has multiple benefits in relation to climate change, air quality and amenity and ensuring modes of travel between the island and Portsmouth are as sustainable and accessible as possible should be supported.
- IWC fully support the four strategic objectives of the Portsmouth Transport Strategy (Local Transport Plan – LTP4), particularly objective 3 'Transforming public transport'. Isle of Wight residents rely on public transport connections within Portsmouth for access to a wide range of key services and facilities, including those at QA hospital, and making journey times and connections as manageable as possible would be beneficial to island residents.
- IWC support the content of Policy C3 Transport and would suggest that a further bullet is added relating to the importance of maintaining and enhancing ferry connections to the Isle of Wight. Notable recent improvement schemes at The Hard Interchange (completed) and Ryde Interchange (shortly to commence) are positive steps to ensuring passenger comfort and experience using the ferry connection is enhanced, whilst maintaining these essential routes that many island residents rely on for access to key services and facilities.

Public Health England are supportive of the proposed approach.

C3 - Sustainable Transport - Council response

The underlying broad principles of this policy are derived from the now adopted PCC Local Transport Plan 4, which was prepared through extensive consultation and informed by various recent guidance and strategies relating to transport policy. The LTP4 has also identified specific local projects and workstreams, providing an indicative prioritised delivery plan covering the period 2022/23 to 2024/25 and an indicative plan up to 2038, to implement the various aims and objectives within a Portsmouth context, which this policy also promotes. These aims/objectives are broadly as follows:

- Deliver cleaner air
- Prioritise walking and cycling
- Transform public transport
- Support business and protect our assets

The above have specific schemes/projects (some overlap across objectives) identified relating to, for example, car clubs, on-street EV charging, walking and cycling infrastructure, public transport infrastructure such as integrated ticketing, and traffic management and signalling initiatives.

In terms of parking provision and transport assessment/plan requirements, these are informed by and should align to the provisions made in NPPF Section 9.

Policy Status: Green

As a high-level strategic policy, this is considered to be sound on the basis that it accords with NPPF para 106, in particular criterion b) where it states that planning policies 'should be prepared with the active involvement of local highways authorities... so that strategies and investments for supporting sustainable transport and development patterns are aligned'. With the express link of this policy to the adopted LTP4, this ensures that strategies and associated projects have a joint strategic direction towards successful implementation within the identified plan period.

C4 Infrastructure and Community Benefits

Infrastructure delivery is critical to the sustainable development of the built environment. Timely provision of key infrastructure will be necessary to provide the services that residents require and support the level of new development proposed within the plan period.

National Planning Policy states that in setting out the Local Plan's overall strategy for the pattern, scale and quality of development, sufficient provision must also be made for infrastructure.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy C4.

Question 20a: Do you agree with the proposed approach to Policy C4?

	No. of respondents: 44
Yes	23
No	6
Not sure/don't know	16

Question 20b: Do you have any further comments or suggestions about the suggested approach to Policy C4?

No. of respondents: 24

The responses to Question 20b focused mainly on transport infrastructure which included support for cycling and walking improvements including 15 minute neighbourhoods, although there were other responses that felt too much was being spent on cycling. Prioritising spending healthcare and flood defence infrastructure was also mentioned by a number of responders. Several responses questioned the effectiveness of the Community Infrastructure Levy (CIL) to provide the required funding for infrastructure.

Hampshire County Council Minerals and Waste - With specific reference to Section 4.5 of the Draft Local Plan, it is noted that a safeguarded waste site is missing from Figure 19. This site is Tipner Waste Transfer Station, operated by T. J. Waste & Recycling Limited. This site is safeguarded under Policy 26 (Safeguarding – waste infrastructure) of the HMWP, and as such is of particular importance with regard to the housing allocation BL1 – Tipner. Under allocation BL1, should the Tipner Waste Transfer Station be proposed to be removed and redeveloped, contact should be made with the operator and in line with the requirements of Policy 26 replacement equivalent capacity should be provided elsewhere as needed.

Missions/ Vanguard - it is noted that the current adopted 2012 Local Plan safeguards a large area of land for highway improvements, and this has now been removed from the emerging plan. We fully support the removal of this safe guarded land designation which has previously acted as a blight to development coming forward.

Southern Water - In addition, whilst the Council has not indicated that the draft Infrastructure Delivery Plan is currently open to consultation, in light of recent developments in strategic planning for water supply in Hampshire, we would like to provide some additional information which we believe is relevant to the IDP. A strategic new water resource scheme to secure water supply for Hampshire customers during dry weather is currently being proposed by Southern Water's Water for Life: Hampshire programme. The current emerging preferred option is for a water recycling and water transfer proposal to augment water supply from the recently consented Havant Thicket Reservoir. Given that this emerging scheme includes a potential pipeline corridor through the northern part of the Council's administrative area, and to highlight the strategic nature of this necessary infrastructure, we would like to see this reflected in the 'Planning Infrastructure Investments' section of the Draft Infrastructure Delivery Plan. We would be happy to provide further detailed wording to the Council in this respect as required.

Portsmouth International Port - South of Portico Terminal

Other than Tipner, we would like to re-emphasise our proposed land use for the following areas within the PCC area:

Area A: Hughes and Salvidge Scrap Yard Area – Circa 0.6Ha

Area B: North of Morrison Site and Industrial Employment Area -circa 1Ha

Both sites are strategically placed south of the Portico terminal which are ideal for future expansion of the boundary and operational area of the Port. We would like to formally request for PCC to consider the potential utilisation of both the Rudmore Square Area and Tear Drop Site for future port development purposes in the Local Plan. The exact amount of

land that can be allocated from these sites can be further discussed at the next stage of consultation.

NHS Property Services Limited, Registered in England & Wales - The significant cumulative impacts of residential developments on healthcare requirements in the area should be recognised. Given their strategic importance, health facilities should be put on a level footing with affordable housing and public transport improvements when securing and allocating S106 and CIL funds, in order to enable the delivery of vital NHS projects. NHSPS is therefore pleased to see healthcare included as a priority consideration for funding within Policy C4.

Portsmouth Labour Group - This policy as drafted seems to only be about trying to protect existing community facilities whereas we would like to also see a focus on future community facilities as well.

Bellway Homes - the Policy should reference the fact that some of the infrastructure types listed may be covered by CIL, and that this will also be part of the overall consideration in determining the levels of contributions required.

In addition there were a number of infrastructure interventions proposed by members of the public such as trams. There is a greater need for doctors school places, dentists, hospital appointments and all other such needs that should be way above some of the concerns in the local plan, particularly the proposed additional new homes. Should be addressed way before more housing that will negatively impact people of portsmouth.

C4 Infrastructure and Community Benefit - Council response

The responses focused on infrastructure on a wider scale and did not make mention of specific projects. The focus was largely on transport improvements, health and flooding. The Council will make sure that these areas are clearly covered in the regulation 19 policy.

The specific infrastructure projects highlighted in the comments will be taken on board through the Infrastructure development Plan and site specifics through the Housing and Economic Land Availability Assessment.

Policy Status: Green

This policy does not require any major changes prior to regulation 19, the Council will look to ensure that the main areas of concern for infrastructure provision are clear in the policy.

Minerals and Waste

A comment was received from the Hampshire Minerals and Waste Planning Team which overall was supportive of the section though they identified a safeguarded site (Tipner Waste Transfer Station) omitted from Figure 19. The Council will amend the map to ensure that the omitted site is included.

6. Portsmouth's Environment

G1 Biodiversity

Biodiversity is the number, variety and variability of living organisms within a given area. Areas of Portsmouth benefit from a rich and diverse biodiversity stemming from its unique environment as the UK's only 'island city'.

National planning policy states that planning decisions should enhance the natural and local environment by minimising impacts on, and providing measurable net gains for, biodiversity. This is to include the identification, conservation, restoration and enhancement of ecological networks in order to help build resilience against current and future pressures on biodiversity.

The council must also comply with the requirements and assessment procedures of the relevant legislation on habitats, birds and water in order to protect the Solent's sites of national and international importance for nature conservation.

Question 21a: Do you agree with the proposed approach to Policy G1? If not what changes would you suggest and why?	
	No. of respondents: 42
Yes	23
No	13
Not sure/don't know	6
Question 21b: Do you have any further comments or suggestions about the suggested approach to Policy G1?	
	No. of respondents: 37

The responses to Question 21b included; the need to introduce biodiversity across the city through green walls and roof, interlinked corridors, sustainable drainage and new wetlands; mitigation packages and compensation should not be an option, and it is not enough to say new development should seek to conserve and enhance the natural environment 'wherever possible'; this policy should also challenge the impact on carbon emissions; look to further incentivise biodiversity in gardens, swift and bat bricks are essential and should be made mandatory in planning policy; this policy should be strengthened; the use of the words 'adequately compensated' weakens this policy and this policy needs to be linked to trees and their protection.

The Milton Neighbourhood Forum (MNF) in general welcomes the environmental policies included in the plan, however feel policy G1 might be better expressed to clarify an apparent inconsistency where in relation to development proposals adversely affecting designated sites. The MNF cannot agree with the principle that the "mitigation" of, or "off-setting" of, harm to wildlife habitats is acceptable or appropriate in order to allow an expansion of house-building when our environment has already been degraded by development and depleted of function through stress and pollution.

The RSPB and HIWWT have recommended a number of changes to the text within draft Policy G1 which the Council will review alongside the following:

- As part of the Ecological Network, we would like to see reference to the Nature

Recovery Network and sites identified as part of the upcoming Local Nature Recovery Strategy, which is due to be mandated with the enactment of the Environment Act.

- Ecological Network should explicitly state that it includes all Solent Wader and Brent Goose Strategy sites, Hampshire's Local Ecological Network (Core Sites and Opportunity Sites), Biodiversity Opportunity Areas and Priority Habitat Areas.

Portsmouth Climate Action Board would like policy G1 to also included challenge the impact on carbon emissions for example, some of these habitats store carbon, so need to be protected.

The Labour Party support the biodiversity policy in general but would like to see these strengthened and made more specific for example, the inclusion of requirements for green walls and green areas around new homes and businesses.

Natural England made the following comments in relation to question 21b:

- Portsmouth's Ecological Network - Please note Figure 20 depicts International and National Nature Designations, however the legend or symbology is not clear. It is recommended the map is modified to clearly show the international and national designations in and around Portsmouth, including Special Protection Areas (SPA), Special Areas of Conservation (SAC), Ramsar sites and Sites of Special Scientific Interest (SSSI).
- Designated sites - The Local Plan should set criteria based policies to ensure the protection of designated biodiversity and geological sites. Such policies should clearly distinguish between international, national and local sites. Natural England advise that all relevant Sites of Special Scientific Interest (SSSIs), European sites (Special Areas of Conservation and Special Protect Areas) and Ramsar sites should be included on the proposals map for the area so they can be clearly identified in the context of proposed development allocations and policies for development. Table 5 should also be updated to reflect the hierarchy of designated sites. Designated sites should be protected and, where possible, enhanced.
- Strongly recommends that the Local Plan includes a stand-alone policy to ensure the protection of the network of Solent Wader Brent Goose Strategy sites in the City. The Local Plan Habitats Regulations Assessment will need to appropriately address the impact of development allocations on the network of SWBGS sites.
- Recreational disturbance - welcomes the commitment of Portsmouth City Council in supporting the Solent Recreation Mitigation Strategy and the proposal to ensure conformity of this strategic mitigation solution with Local Plan policy. We recommend that the Local Plan includes a stand-alone policy to counteract the likely significant effects of recreational disturbance, (either alone or in-combination) associated with residential development within a 5.6km zone of influence on the Solent SPAs (Solent & Southampton Water, Portsmouth Harbour Chichester and Langstone Harbours and Solent and Dorset Coast).
- Biodiversity Opportunity Areas and Nature Recovery Networks - Natural England welcomes the recognition of the need to focus on 'opportunities around existing designations at Portsdown Hill, Portsmouth Harbour and Langstone Harbour and other green and/or open spaces within the city, with the aim of linking, expanding and/or restoring habitat corridors as part of wider recovery networks'. Work is underway within Natural England and with partners on several of the key elements of the Environment Bill, including Nature Recovery

Networks and Local Nature Recovery Strategies. It should be noted that the term Nature Recovery Network (NRN) is used to refer to a single, growing national network of improved joined-up, wildlife rich places which will benefit people and wildlife. Local Nature Recovery Strategies (LNRs) will be the key mechanism for planning and mapping local delivery of the NRN. LNRs will form a new system of spatial strategies for nature that will be mandated by the Environment Act. Given that national guidance on LNRs and their relationship to strategic planning is still in development, it is recommended that Local Plan policy recognises and references its support to the delivery of the emerging NRN and LNR covering the area.

Question 21c: How should new development seek to deliver biodiversity net gain within Portsmouth's urban environment?	
	No. of respondents: 31

The responses to Question 21c included; the need to plant trees within new developments; encourage a range of nest boxes, green walls or roofs and community orchards; requiring the creation, restoration and recovery of habitats, not just conserving what is left; incorporating swift bricks into all new and refurbished buildings; adopting best practice guidance such as NHBC Biodiversity in New Housing Developments and only using locally appropriate species.

Hampshire Swifts response recommends PCC to include a 'Swift-specific' policy in the Local Plan and include the implementation of integral Swift bricks into the design of new developments would go a long way towards delivering suitable biodiversity net gains.

RSPB & HIWWT's response states PCC should spatially identify which sites are strategically significant for nature through the Ecological Network and put in a presumption that any offsite biodiversity net gain should be delivered on these sites. This policy should include clear monitoring indicators to regulate biodiversity net gain within the Local Plan. Their response also encouraged the Council to amend draft Policy G1 and set a target for development to go above and beyond the Government's 10% minimum biodiversity net gain, instead aiming for at least 20% biodiversity net gain.

Portsmouth Climate Action Board recommends using a range of solutions included green walls, roofs, bat boxes, holes or hedgehogs and tree planting.

Natural England welcomes the requirement within Policy G1 for development to achieve a net gain for biodiversity, however recommends that minimum requirement for biodiversity net gain provision is set. Natural England also made the following comments in relation to question 21c which are summaries below:

- Recommend a separate standalone policy for Biodiversity Net Gain is proposed with the Local Plan which sets a minimum requirement for biodiversity net gain provision. The policy should also set out a requirement for the development and adoption of a Supplementary Planning Document (SPD) which can set out further detail relating to mandatory net gain, upon which the Council can build.
- Policy should set out how biodiversity net gain will be delivered, monitored and managed and the priorities for habitat creation or enhancement in

different parts of the plan area. Natural England advises that on-site provision should be preferred as it helps to provide gains close to where a loss may have taken place. Off-site contributions may, however, be required due to limitations on-site or where this best meets wider biodiversity objectives set in the development plan. We therefore welcome the intention for the Council to prepare a shortlist of suitable biodiversity creation and/or enhancement projects to which off-site contributions could be made to help local development achieve biodiversity net gain.

- Biodiversity Metric 3.0 has now been published and is recommended the policy is updated to refer to this and that this metric is used to measure gains and losses to biodiversity resulting from development, and implement development plan policies on biodiversity net gain. Natural England strongly advises that developers are required to agree their calculations with your Council through a suitably designed process or protocol.
- Features such as bird and bat boxes, swift bricks, bee hotels etc should be classed as general biodiversity enhancements that should be included as part of a wider biodiversity enhancement and mitigation plan. Net gain specifically should derive strictly from habitat enhancement and creation, required as calculated using the metric.
- The Local Plan should include requirements to monitor biodiversity net gain. These requirements should include indicators to demonstrate the amount and type of gain provided through development.
- Opportunities for environmental gains, including nature based solutions to help adapt to climate change, might include:
 - Identifying opportunities for new multi-functional green and blue infrastructure.
 - Managing existing and new public spaces to be more wildlife friendly (e.g. by sowing wild flower strips) and climate resilient
 - Planting trees, including street trees, characteristic to the local area to make a positive contribution to the local landscape.
 - Improving access and links to existing greenspace, identifying improvements to the existing public right of way network or extending the network to create missing footpath or cycleway links.
 - Restoring neglected environmental features (e.g. a hedgerow or stone wall or clearing away an eyesore)
 - Designing a scheme to encourage wildlife, for example by ensuring lighting does not pollute areas of open space or existing habitats.
 - Any habitat creation and/or enhancement as a result of the above may also deliver a measurable biodiversity net gain.
- As part of the Ecological Network, reference should be made to the Nature Recovery Network and sites identified as part of the upcoming Local Nature Recovery Strategy, which is due to be mandated with the enactment of the Environment Act. The Ecological Network should explicitly state that it includes all Solent Wader and Brent Goose Strategy sites, Hampshire's Local Ecological Network (Core Sites and Opportunity Sites), Biodiversity Opportunity Areas and Priority Habitat Areas.

Question 21d: If biodiversity net gain cannot be delivered on-site, where should projects/ locations for biodiversity creation and/ or enhancement be located within the city?	
	No. of respondents: 28

The responses to Question 21d included; through existing developments; if not onsite, development should not be allowed to go ahead; on school, health and community sites within the city; Farlington Marshes; Horsea Country Park; every development should make a contribution no matter how small; and parts North End.

Homes England's response stated that there should be the provision for commuted sums to be made, subject to the CIL Regulation tests, that direct funding to biodiversity conservation, enhancement and restoration projects identified by the Council in their evidence base.

Portsmouth Climate Action Board recommend that PCV seek to replicate Bristol City Council's tree replacement standard in their Planning Obligations SPD.

RSPB & HIWWT response highlighted how the Ecological Network should be a foundational spatial tool for the Local Plan to strategically decide the allocation and delivery of biodiversity net gain to ensure the maximum benefit for people and nature.

G1 Biodiversity - Council response
<p>The responses to the regulation 18 consultation have further highlighted the importance of the delivering biodiversity within the city.</p> <p>In preparation for its regulation 19 consultation the City Council will ensure that approach to this policy is in-line with any new is and the provisions of Environment Act 2021. This will take on board comments and suggestions made in response to regulation 18. The Council will also continue to work with the PfSH authorities in delivering requirements of the Environment Act 2021 which includes biodiversity net gain and Local Nature Recovery Strategies.</p>
Policy Status: Green
<p>The Council welcome the responses and suggestions received and will carry out further investigations of the points raised and will refine the policy in light of new evidence.</p>

G2 Green Infrastructure

Green Infrastructure (GI) is a network of natural assets which includes parks, open spaces, playing fields, woodlands, allotments and private gardens as well as other features such as street trees, hedgerows, green roofs and walls. The term doesn't just refer to green assets but encompasses 'blue' features such as streams, ponds and other water bodies.

National Planning Policy states that the Local Plan has a role in ensuring a strategic approach to maintaining and strengthening habitat and green infrastructure networks, and that planning for green infrastructure should be considered in the same way as provision of 'grey' infrastructure (such as roads, sewers and services) The council has ambitions to increase the levels of green infrastructure within the city which is vitally important given the pressures from population growth, climate change and other competing needs.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy G2.

Question 22a: Do you agree with the proposed approach to Policy G2?	
	No. of respondents: 44
Yes	31
No	6
Not sure/don't know	7
Question 22b: For instance, are there any proposed green infrastructure routes that should be added or removed from the policy?	
	No. of respondents: 36
Yes	18
No	4
Not sure/don't know	14
Question 22c: If answered yes to 21b, which green infrastructure routes do you feel should be added or removed from the policy?	
	No. of respondents: 20

There were a total of 20 responses to this question, with varying views. The requirement for as much green infrastructure as possible was raised four times with the inclusion of green infrastructure along roads. Two further comments however opposed the delivery of green infrastructure along roads as this would limit benefit to flying insects and birds and could become rubbish traps.

Other locations raised within the comments included the southern end of Langstone Harbour (Milton Locks to Hayling Ferry), the new country park, areas around Hilsea, Stubbington, Bransbury to Langstone Harbour and additional areas in the south of the City. Other more localised suggestions included Baffins Road, Waverley Road, Victoria Road and Festing Road.

Both the **RSPB and Hampshire & Isle of Wight Trust** and **Portsmouth Climate Action Board** outlined the role that Tipner West played as an area of open space and therefore should be recognised for its importance.

Policy G2 includes the use of an Urban Greening Factor (UGF) tool within identified areas. The UGF tool allows for a simple assessment process comparing green infrastructure coverage on a proposed development site, pre and post development. Betterment in GI provision through on-site net gains is required, though there is flexibility for how this is achieved. A completed assessment will need to accompany all development proposed within these areas. The Local Plan 2038 Regulation 18 consultation also sought views on the use of the UGF tool within Policy G2.

Question 22d: Is the proposed Urban Greening Factor (UGF) Tool an appropriate way to ensure and measure net increasing in green infrastructure?	
	No. of respondents: 37
Yes	16
No	3
Not sure/don't know	17

Question 22e: Do you agree with the proposed locations for the UGF tool to be applied to new development?	
	No. of respondents: 32
Yes	8
No	6
Not sure/don't know	18
Question 22f: Do you have any further comments or suggestions about the suggested approach to the green infrastructure in Portsmouth??	
	No. of respondents: 28

In relation to the UGF, eight comments (the largest proportion) were received which did not consider the UGF sufficient to deliver the appropriate level of green infrastructure.

In response to the overall approach of G2, comments supported the protection of trees, although felt more could be done and highlighted the importance of improving the management of existing green infrastructure.

Abri group suggested rewording of the policy as there is no certainty for proposals which have ancient woodland, aged or veteran trees 'nearby'. Woodland trust also supported this policy although suggested strengthening it through a proposed ratio of tree replacement, a specific policy in support of new tree planting and setting a target for tree canopy cover. Woodland trust recommends a 20% canopy cover target for the city with a 30% cover for development sites.

CPRE Hampshire requests Portsmouth continue to work with PfSH to include a Green Belt within their spatial planning work and include this within Policy G2.

The Solent NHS Trust raised further concern for the provision of green infrastructure at St James' Hospital.

RSPB and Hampshire & Isle of Wight Trust and Portsmouth Climate Action Board would like the policy to set high quality principles and buildings with Nature Standards, or an equivalent benchmark be set.

Natural England supported the overall approach of the policy welcoming the recognition of green infrastructure benefits; the proposal to link up green spaces through corridors; the adoption of a UGF tool; the commitment to doubling the number of trees over the next 25 years and the requirement for development on or adjacent to proposed green infrastructure networks to protect and/or contribute to the creation, enhancement and connectivity of the network. When published, PCC will take into consideration Natural England's Green Infrastructure Standards Project.

G2 Green Infrastructure - Council response

The key role of this policy is to resist the net loss of existing green infrastructure and deliver where possible new and improved green infrastructure networks. The Green Infrastructure Background Paper 2021 presents an analysis of all the various components forming Portsmouth's green infrastructure network and sets out the key considerations behind the formulation of the draft Policy G2. Where possible, the wording will be slightly amended to enhance protection to important 'nearby' ancient woodland, aged or veteran trees.

The potential new green corridors that have been shown within figure 21 of the Local Plan have been informed by the recommendations in the 2018 open spaces assessment to try and link up existing green spaces. An Assessment of Tree Cover in Portsmouth (2019) acknowledges the city has a lower canopy cover than other comparative cities and planned development (including Horsea Island) will seek to rectify this. The council will review the proposed green infrastructure location outlined within the responses.

The council has also been working on a Greening Strategy which looks to promote greening within the city via several different streams, including tree planting, in particular. The "Greening Strategy will be led by a team of officers to ensure there is a joined up comprehensive approach to land that is the responsibility of the city," improving management of green infrastructure. Where possible, targets will be introduced into the Local Plan.

The Green infrastructure Background Paper sets out all the background evidence behind the reasoning for the adoption of a UGF tool to be used as part of the Local Plan, concluding that "the requirement of some degree of improvement above minimum is the best approach for a UGF policy to take at present." The use of the UGF will be reviewed on Tipner, although no firm proposal has been sought for the future of this location as of yet.

The Green Infrastructure Background Paper, further outlines government requirements for all plans for green infrastructure be evidence based, although Building with Nature Standards will be considered.

Portsmouth Council will continue to work with PfSH in delivering appropriate green infrastructure solutions. Following discussions between Milton Neighbourhood Forum and NHS property services in relation to St.James' the policy will be updated accordingly.

Policy Status: Amber

The council has taken on board the comments received in relation to Policy D2 and will consider the potential locations for additional green infrastructure that were put forward. The UGF tool was presented after extensive research, however, the use of the Building with Nature Standards or equivalent will be considered. Portsmouth Council will continue to monitor the status of land at St.James' and update the policy as necessary.

G3 Water Quality (Nutrient Neutrality)

The Solent region is internationally important for its coastal habitats and species and has national level protections for many parts of the coastline and seas. High levels of nitrogen and phosphorus flowing into this environment is causing eutrophication⁴ and adverse impacts on the water quality of designated habitat sites, with some areas classified as being in an 'unfavourable' condition.

There is uncertainty regarding the impact of new housing (and other development resulting in additional overnight stays), and the associated additional wastewater outputs, on the deterioration of the water environment of designated habitat sites. Under the requirements of the Habitat Regulations⁵, this uncertainty must be appropriately addressed in order for the

⁴ Eutrophication is a process where an excessive richness of nutrients causes a dense growth of plant life and algae, depleting the oxygen available in the water body and harming aquatic species.

⁵ Conservation of Habitats and Species Regulations (England and Wales) Regulations 2017 (as amended)

assessment of such proposals to be legally compliant. This issue applies to all such proposals, as any increase is deemed significant (e.g. one additional dwelling), due to the in-combination impacts.

Natural England, the government’s advisor for the natural environment, has issued guidance on achieving ‘nutrient neutrality’ for development proposals, which, with a calculated Nitrogen Budget and if scientifically and practically effective, is considered an acceptable means of ensuring that proposal would not add to existing nutrient burdens.

The Local Plan 2038 Regulation 18 consultation sought views on the Council's approach to Policy G3 which aims to ensure new development involving or generating new overnight stays is nutrient neutral.

Question 23a: Do you agree with the proposed approach to Policy G3?	
	No. of respondents: 36
Yes	17
No	9
Not sure/don't know	10
Question 23b: Do you have any further comments or suggestions about Policy G3?	
	No. of respondents: 28

The responses to Question 23b included; there needs to be a greater focus upon how relevant organisations (such as water companies) will partner on this; water quality is so important for wildlife and offsetting using a nitrogen budget is a last option; this policy does not go far enough; the water infrastructure must be improved first; and to ensure this policy can be found sound at examination, the measures set out in the Interim Nutrient Neutral Mitigation Strategy or other appropriate mechanisms should be incorporated into this policy to provide reasonable certainty to development.

The Environment Agency response stated that whilst they understand the need for the policy, it is a very narrow policy regarding nutrient neutrality and a more general consideration of water quality should be included either within this policy or elsewhere in the plan. Specifically the Environment Agency feel a direct reference should be made to water quality and the Water Framework Directive with its objectives to prevent deterioration of water quality and gain improvement where possible as this is important in a location such as Portsmouth where the marine environment is a key consideration for the city.

Homes England response states that to ensure consistency with current Natural England guidance ‘Advice on Achieving Nutrient Neutrality for New Development in the Solent Region’ (March 2020), Policy G3 should be modified as follows: *“Proposals (planning applications, permissions in principle, or prior approvals) for applicable development will only be granted permission where it can be demonstrated that the development can be ‘nutrient neutral’ for its lifetime, or it can be proven that new growth will not deteriorate designated sites”*.

The Isle of Wight Council supports the statement at paragraph 5.3.7 relating to the provision of mitigation measures to offset nitrogen output from new development. As set out in their own Position Statement on this issue, the Isle of Wight may be appropriate for ‘off-site’ mitigation to allow development on the mainland to take place. The Isle of Wight Council

is willing to work alongside third parties such as the Hampshire & Isle of Wight Wildlife Trust and PCC to provide a monitoring role for such mitigation sites located on the island.

Natural England welcomes this policy but advises that a nitrogen budget is calculated for the Local Plan that outlines the expected level of increased nitrogen that the Local Plan development will deliver. To accompany the Local Plan nutrient budget, Natural England strongly recommend that the Local Plan includes a formalised nutrient management plan or similar strategy that clearly sets out the mitigation options to be employed, including those following the Interim approach, to demonstrate how nutrient neutrality across the entire Plan period will be achieved. Where informed by a nitrogen budget, development proposals requiring mitigation should be accompanied by an appropriate mitigation scheme, which will need to be secured as part of any permission.

RSPB and **HIWWT** welcomes this policy and are pleased to see the Council will give a strong preference to the mitigation schemes that will deliver wider environmental benefits.

G3 Water Quality (Nutrient Neutrality) - Council response

This policy aims to ensure new development involving or generating new overnight stays are nutrient neutral. The responses to the regulation 18 consultation have further highlighted the importance of water quality for residents and wildlife. The majority of respondents agreed with the Council's approach to this policy including the Isle of Wight Council, RSBP and HIWWT.

The Council is currently updating its 'Interim Nutrient Neutral Mitigation Strategy' and in preparation for its regulation 19 consultation the City Council is revisiting this policy which requires some refining. This will take on board comments and suggestions made in response to regulation 18.

Policy Status: Amber

The Council welcome the responses and suggestions received and will carry out further investigations of the points raised and will refine the policy accordingly. This will also need to be clearly shown through the regulation 19 plan and supporting documents.

G4 Contaminated Land

To prevent unacceptable risks from contamination and land instability, national guidance states that planning policies and decisions should ensure that new development is appropriate for its location, as well as taking account of the impacts of the proposed use. New development must take account of ground conditions and any risks arising from contamination, including risks arising from natural hazards or former activities.

Portsmouth's coastal location and long history of industrial and military activities have left a legacy of land contamination throughout the city. Failing to adequately address land contamination can have serious implications for human health, property and the wider environment.

The Local Plan 2038 Regulation 18 consultation sought views on the approach the Council are taking on Policy G4 which seeks to ensure appropriate measures are undertaken to address long-term safety of the development in respect of land contamination.

Question 24a: Do you agree with the proposed approach to Policy G4?

	No. of respondents: 35
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Yes	26
No	4
Not sure/don't know	5
Question 24b: Do you have any further comments or suggestions about the suggested approach to Policy G4?	
	No. of respondents: 7

The responses to Question 24b included; ensuring adequate assessments are undertaken and that the long-term safety of former contaminated sites are monitored by the Council.

The **Environment Agency** are supportive of this policy, however, for clarity they suggest that the wording is altered to make it clearer that it refers to any land that is potentially contaminated not just that which is formally designated under Part 2A of the Environmental Protection Act 1990. The wording could be amended as follows, “*planning permission will only be granted for development on or near contaminated land or where the presence of contamination is reasonably suspected.....*”

G4 Contaminated Land - Council response

This policy aims to ensure appropriate measures are undertaken to address long-term safety of the development in respect of land contamination. The majority of respondents agreed with the Council's approach to this policy. The very low number of responses to question 24b are noted. The responses to the regulation 18 consultation highlight the importance of the long-term safety of former contaminated sites.

The Environment Agency are supportive of this policy, however, for clarity they suggest that the wording is altered to make it clearer that it refers to any land that is potentially contaminated not just that which is formally designated under Part 2A of the Environmental Protection Act 1990. The Council feel this suggestion seems reasonable and the policy will be amended accordingly.

Policy Status: Green

The Council welcome the responses and suggestions received through the regulation 18 consultation and will make minor changes to this policy.

G5 Flood Risk and Drainage

Portsmouth's low lying coastal location means that the city is susceptible to flood risk; not only from tidal inundation but also surface water, rising ground water levels and possible wastewater infrastructure overflow during extreme weather events. There are also two Environment Agency (EA) designated main rivers within Portsmouth: Great Salterns Lake to the east of the island and Farlington Marshes on the mainland.

National planning policy aims to ensure that flood risk is taken into account at all stages in the planning process, applying the sequential and exception tests where appropriate to avoid inappropriate development in areas at risk of flooding, and to direct development away from areas at highest risk. Where new development is necessary in such areas by exception, it will need to be made safe without increasing flood risk elsewhere and, where possible, reducing flood risk overall.

Policy G5 sets out the policy relating to flood protection and prevention within the City. The Local Plan 2038 Regulation 18 consultation sought views on the approach the Council are taking on Policy G5.

Question 25a: Do you agree with the proposed approach to Policy G5?	
	No. of respondents: 36
Yes	22
No	9
Not sure/don't know	5
Question 25b: Do you have any further comments or suggestions about the suggested approach to Policy G5?	
	No. of respondents: 7

Overall the majority of the responses in relation to Question 25b were supportive of the Policy G5, though there were some which wish to see greater emphasis on encouraging natural or green flood prevention measures to support biodiversity and provide green infrastructure within the city.

Southern Water have suggested some amendments to strengthen the policy relating drainage which will ensure that the Local Plan supports the work they have undertaken to improve Portsmouth's sewerage systems resilience to withstand storm events.

G5 Flood Risk and Drainage - Council response
The overarching aim of Policy G5 is to ensure that new development is protected from flood risk and that drainage is sufficient to prevent future problems. The amendments suggested by Southern Water seem reasonable and the policy will be amended accordingly. With regards to more natural flood prevention the council already supports the provision of more green infrastructure within the plan and Policy G5 in its current form does not prevent such a scheme coming forward where it is deemed suitable.
Policy Status: Amber
The council has taken on board the comments received in relation to Policy G5 and make the relevant appropriate changes.

7. Sustainable Design & Heritage

D1 Design

Well-designed environments and development create better places in which to live, work, and visit, and a 'sense of place' for its users. The National Planning Policy Framework requires that Local Plans set out a clear design vision, reflect local aspirations, and are grounded in an understanding and evaluation of each area's defining characteristics, as well as a positive strategy for the conservation and enjoyment of the historic environment.

As set out in draft Policy D1, the council will seek and promote an excellent standard and quality of design for all development in the city. The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy D1.

Question 26a: Do you agree with the proposed approach to Policy D1?	
	No. of respondents: 31
Yes	26
No	3
Not sure/don't know	1
Question 26b: Do you have any further comments or suggestions about the suggested approach to Policy D1?	
	No. of respondents: 22

Responses received in relation to Question 26b include: needs overriding policy for windows in conservation areas; should mandate EV charge points for all new development; consultation is important for every stage, particularly on accessibility matters; needs to be designed to reduce carbon emissions, net zero, generate clean energy, and enhance biodiversity; very broad policy that tries to cover a lot; adherence to strict environmental principles should underlie every design objective and decision; needs to reflect Policy D2; ensure incorporates 'Healthy Streets' criteria; policy doesn't consider if proposal is appropriate to the location, traffic, services, access, etc; city's conservation areas/assets have not been protected.

The **Guildhall Trust** comments include: support policy D1; the Plan understands 'brand Portsmouth', the nature of the built environment married to its maritime tradition. Clever and sympathetic design will continue to elevate the city, adding to its recent additions, especially in the city centre. Whilst a 'daytime' environment might appear pleasant and non-threatening, the evening landscape in the city centre can be imposing and less friendly. Does the Plan properly consider 'design and heritage' with reference to the night-time economy? Can '24/7' design be properly considered, therefore clever use of lighting which softens spaces and aids mental health and well-being. We support the proposals for policies in this section 'D1: Design', 'D2: Sustainable Design and Construction', D5 'Heritage and Archaeology' and D6: Heritage Enhancement'. However, a sense of 'the city by night' might be worth considering within the various statements and considerations. An attractive city by night could be as powerful to visitors and community as the one they observe by day.

Hampshire Police comments include:

- would ask that Paragraph 6.1.8 is amended to read as follows, or with words conveying the same meaning: “Where appropriate applicants are expected to engage and work with those affected by development, the wider local community and for major development with Hampshire Constabulary, in order for them to respond to and evolve the design of schemes.”
- Paragraph 6.1.11 deals with major developments and we would asked that it is amended to read as below, or with words conveying the same meaning: “Large-scale major developments should be supported by detailed masterplans or development frameworks and, where appropriate, design guides or codes. Such tools and documents are expected to be produced in collaboration and consultation with the community and Hampshire Constabulary.”
- We would ask that, Policy D1, sub paragraph m, is amended to read as below, or with words conveying the same meaning: “All development must reduce the opportunities for crime and disorder by effective use of the Crime Prevention Through Environmental Design (CPTED) principles.”
- Creating a safe environment for the individual and communities necessitates reducing the opportunities for crime and disorder. It is important that the opportunities for reducing crime and disorder are identified and incorporated at the very earliest stages of the design process. We would ask that some wording highlighting the requirement for development to reduce the opportunities for crime and disorder is incorporated into the Portsmouth Local Plan. Mitigating the effects of poor design can never be as effective at preventing crime and disorder as good design.

PCC Coastal, Highways, and Drainage Team recommend referencing surface water design guidance within this policy.

Historic England comments include: not sound - inconsistent with national policy (NPPF 16(d)); Clause 1 uses 'and/or' on two occasions. This implies there is a choice between employing excellent architecture or urban design. The same is true regarding site context and heritage. This is ambiguous and therefore inconsistent with NPPF paragraph 16(d). Clause 2 also uses 'and/or', which causes the same problem. The word 'or' should be deleted in both the first and second sentences of clause 1 and the first sentence of clause 2.

Woodland Trust comments include: support the policy in particular criterion h); integrating trees and green spaces into developments early in the design process minimises costs and maximises the environmental, social, and economic benefits that they can provide. Trees can play a significant aesthetic role helping integrate new developments into existing ones and creating a local identity. We recommend the guidance published by the Woodland Trust Residential developments and trees - the importance of trees and green spaces (January 2019).

Portsmouth Climate Change Action Board comments include: would like the criteria 'to achieve excellent design' to reflect Policy D2, e.g. the criteria could insist on zero/low carbon construction materials and techniques such as timber and Passivhaus design methods, or energy efficiency measures such as insulation and low carbon heating such as heat pumps or district energy schemes.

Portsmouth Labour Group indicated support for the policy.

Design coding

The updated National Planning Policy Framework (July 2021) states that local planning authorities should prepare design guides or codes consistent with the National Design Guide and National Model Design Code, and which reflect local character and design preferences. Design codes are a set of illustrated design requirements that are visual and numerical where possible to provide specific, detailed parameters for the physical development of a site or area. Their geographic coverage, level of detail and degree of prescription should be tailored to the circumstances, scale of change in each place and should allow a suitable degree of variety. The code can be applied on several different scales such as city-wide, area types, development sites or on specific plots.

Question 26c: Do you think design quality in Portsmouth would benefit from having a city-wide design guide or code?	
	No. of respondents: 30
Yes	18
No	3
Not sure/don't know/comment	9

Abri Group comments include: the use of design codes should be proportionate to the expected level of development and therefore may not be appropriate on a city-wide scale. Should any design codes be appropriate for Portsmouth, these should be targeted to distinct areas in order to prevent unintended delays to development.

The **Milton Neighbourhood Forum** indicated support.

Home Builders Federation comments include: A city-wide design code would provide clarity for developers as to the expectations of the Council and potentially improve the consistency of decision making. However, it will be important that the Council involves the development industry in the development of any design code to ensure it is both effective and deliverable.

Historic England comments include: a city-wide design guide or code may be beneficial to some extent, but given the size of the city, the range of types of existing and planned development and the varied issues the built environment faces, a city-wide design guide or code risks being too general to be of real use to the promotion of design quality; a more focused approach may achieve more to improve design quality in Portsmouth. Such an approach should take account of existing issues and areas where significant potential for change is likely. The city centre may be such an area; areas that are sensitive to change such as conservation areas should also be prioritised. This would require an audit of the guidance available for all existing conservation areas. Such an audit would identify which conservation areas do not have any associated guidelines; the council should consider comprehensively updating guidelines for all conservation areas so that they reflect current national guidance, with particular regard to the strengthened guidance on design.

Woodland Trust comments include: support having a city-wide design code, including delivering the emerging requirement for tree-lined streets. Design guidance should incorporate the protection and extension of green infrastructure including support for SuDS in all new developments, and encouragement of green links, such as tree lines and hedgerows, to frame residential areas and connect existing habitats. This will make a positive contribution to requirements for net gain and nature recovery, as well as better reflecting the aspirations of the England Trees Action Plan and National Model Design Code.

Question 26d: Alternatively, what scale do you think any design guides or codes should be applied in Portsmouth?	
	No. of respondents: 12

Responses to Question 26d include: should encourage diversity and innovative approaches; area scale but should be linked; need to consider local area and city's heritage; hard to identify a general style/material that characterises the city; emphasis should be on quality and space, with a reference to more local interpretation expressed through conservation areas; use of street design or public space codes; reference to other design codes such as those produced by English Heritage or Healthy Streets; suggest scale should be at 'village' level; suggest scale should be to particular town centres; 'guide' needs to be relevant and maintained; each area of Portsmouth will need its specifics.

Question 26e: What areas or aspects of Portsmouth's built environment and public spaces do you think could be improved through setting design requirements?	
	No. of respondents: 20

Responses to Question 26e include: unattractive dwellings in conservation areas; mention of Buckland; ensure any new tall buildings are suited to other uses - design needs to be flexible enough to meet alternative tenures; maintain Victorian appearance of many buildings; all development in the city; mention of the seafront; would give Portsmouth its own distinctive style if designed correctly; create something people will be proud to work or live in; celebrate the maritime heritage; mention of the city centre; ensure all new development respect the existing building environment and heritage of the city; requires strong enforcement measures where standards are not met and completely change the streetscape; mention of local, district, and city centres; mention of area in front of Portsmouth and Southsea railway station; street/public space design code needed; mention of development sustainability and carbon impact; mention of Southsea and Old Portsmouth.

Office of the Police and Crime Commissioner for Hampshire (Cllr Luke Stubbs) comments include: There have been consequences from a lack of clear design framework for the public realm to date. E.g. paving at the former Chaucer House site does not match that at any other location. This fragmentation reduces the benefits obtained from repaving works. The Victoria Park scheme will connect to a quality stretch of paving from the Catherine House development. There will at some point be a redevelopment proposal on the site by the station and perhaps a repaving scheme at the station itself. The street furniture and paving should be consistent across all these sites. Southampton have had a much stronger policy on public realm for some time. Their streets and spaces framework specifies in some detail what will be acceptable, both on the public highway and which will generally be accepted within private developments. Portsmouth should have a similar policy.

D1 Design - Council response
National policy on design has now had a shift-change in the emphasis on the role of design in the planning system. NPPF para 128 states that 'the creation of high quality, beautiful, and sustainable buildings and places is fundamental to what the planning and development process should achieve'. Moreover, community

engagement and reflecting local aspirations, especially in the production of policies, design guides, and design codes is considered an essential part of the process. There is also specific reference in the NPPF on preparing design guides and codes to be consistent with the published National Design Guide and National Model Design Code.

Draft Policy D1 promotes the use of design and access statements where required. Although these still have a role in setting out the narrative for the design approach and rationale for a scheme, these should not be solely relied upon to support a development proposal. Other assessment tools and processes are now expressly advocated by national policy - such as processes for design guides and design codes; assessment frameworks like Building for a Healthy Life; workshops with local communities; and assessment processes like Design Review Panels.

Policy Status: Green

It is considered that the draft policy needs minor amendments and further refinement to take into account relevant suggestions from the consultation, closer alignment with National Design Guide principles, and to place stronger emphasis on the role of community engagement, and utilisation of design assessment processes/tools such as design guides, design codes, Building for a Healthy Life, design review panels, etc. - and away from solely relying upon Design and Access Statements to support development proposals.

D2 Sustainable Design and Construction

Sustainable design and construction is concerned with implementing sustainable development at the scale of individual sites and buildings. It takes account of the environmental, social and economic impacts (including health and wellbeing) of how buildings are designed and used, as well as the construction process itself.

In addition to the council’s responsibilities to reduce emissions under the Climate Change Act 2008 (as amended) and its own Climate Emergency Declaration, the national policy requires Local Plans to contribute to the prudent use of natural resources and minimise waste and pollution, as well as mitigating and adapting to climate change.

Policy D2 of the New Local Plan addresses the importance of sustainable design and construction practices to ensure the built environment is resilient to the impact of climate change. This policy sets out several sustainability standards that should be met by certain developments in order to achieve the highest level of sustainability.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy D2.

Question 27a: Do you agree with the proposed approach to Policy D2?	
	No. of respondents: 34
Yes	23
No	4
Not sure/don't know	7

Question 27b: Do you have any further comments or suggestions about the suggested approach to Policy D2?

No. of respondents: 20

Of the 20 respondents in relation to Question 27b, five comments supported the inclusion of this policy given the critical importance of delivering sustainable development. **Portsmouth City Council Coastal and Drainage Team** agreed with the methods of minimising water use and the **Woodland Trust** particularly supported the use of green/blue infrastructure designed to cool sites.

Four responses, including from the **Portsmouth Labour Group** felt however that the standards should be raised, for example new residential development meeting a 4-star rating as opposed to a 3 star rating. The Portsmouth Labour Group asked how these measures were decided upon. Three further comments questioned the use of 'weak' and 'vague' language including 'seeks to', 'encourage' and 'consideration'.

Additional comments focussed on the cost implications. **Historic England** were concerned about the cost implications for all conversions and change of use to meet 'Very Good' under the BREEAM Refurbishment and Fit Out standard. **Abri Group** further questioned the concern that BREEAM excellent on major new residential development had not been assessed in the 2020 viability report.

Another comment raised by **Portsmouth Climate Action Board** was to ensure that design/retrofitting to deliver low carbon buildings does not mask an increase in greater pollution emitting activities elsewhere. This could be linked with another comment requesting a holistic approach to be taken and engagement with other sectors.

Further comments raised the need for monitoring of carbon emissions to help builders and developers outline the reductions that there will be.

D2 Sustainable Design and Construction - Council response

This policy has been informed by evidence including the Mitigating Climate change through the local Plan Background Paper (2021) and the Adapting to Climate Change through the Local Plan (2021) Background Paper.

Within the accompanying text to this paragraph, it is outlined that the highest possible standards of sustainable design and construction are expected. The standards that are set out in policy are a 'minimum' that are to be achieved.

The language used within this policy replicates that of national guidance which outlines plans 'should' take a pro-active approach to mitigating climate change and new developments 'should' be planned in a way that 'can help' reduce greenhouse gas emissions. Paragraph 157 of the NPPF further states "in determining planning applications, local planning authorities should expect new development to: a) comply with any development plan policies on local requirements for decentralised energy supply unless it can be demonstrated by the applicant, having regard to the type of development involved and its design, that this is not feasible or viable"

The Portsmouth Development Viability Assessment (2020) states "The additional cost of building to BREEAM Very Good standard is negligible as outlined in research" and "The additional costs of BREEAM Excellent standard ranges from just under 1% and 5.5%, depending on the nature of the scheme with offices being a

little under 2%. It is assumed that new non-residential development will be to BREEAM Excellent and this increases the construction costs by 2% or so."

Throughout the production of the plan, a holistic approach is taken to ensure Policies across the plan will mitigate any impact that retrofitting may have on increasing overall carbon emissions in the city.

Policy Status: Green

Overall this policy is considered to be suitable, with only potentially minor amendments needing to be made.

D3 Pollution, Health & Amenity

Alongside many other busy cities around the UK, Portsmouth has been identified as a city that needs to reduce air pollution levels as quickly as possible. In response, the council has prepared a Local Air Quality Plan, working closely with government's Joint Air Quality Unit (JAQU), to achieve compliance with legal limits for nitrogen oxide (NO2) in the shortest possible time.

National planning policy is clear that planning decisions should aim to achieve healthy, inclusive and safe places which promote social interaction and address identified local health and wellbeing needs.

The Local Plan 2038 Regulation 18 consultation sought views on the approach the Council are taking on Policy D3 which seeks to ensure that consideration of all aspects of health and wellbeing are integrated into the design and construction all proposals from the outset.

Question 28a: Do you agree with the proposed approach in Policy D3?	
	No. of respondents: 29
Yes	24
No	3
Not sure/don't know	2
Question 28b: Do you have any further comments or suggestions about the suggested approach to Policy D3?	
	No. of respondents: 21

The responses to Question 28b included; this should only be applicable to developments of two dwellings or more; the wording in this policy is too generic; design has a part to play in improving air quality but the way to address nitrogen dioxide pollution is through traffic regulation, not design; encouraging transport links to discourage further car ownership should be included; policy D3 is the first real mention of air quality which as one of the Local Plans key themes and therefore should be front and centre; the first paragraph of the policy may need further clarification to prevent all applications being disproportionately burdened without clear direction - the PPG expects plan-making to take a strategic approach; translating this to this draft policy should take account of the identified area-specific air quality issues and sources of air pollution; and this policy should relate directly to climate change.

Natural England advises that Policy D3 incorporates a requirement for impacts on the natural environment to be considered as well as human receptors. In particular, Policy D3 should address the traffic impacts associated with new development, particularly where this impacts on Habitats sites and SSSIs. The environmental assessment of the plan (SA and HRA) should consider any detrimental impacts on the natural environment, and suggest appropriate avoidance or mitigation measures where applicable. Natural England consider that the designated sites at risk from local impacts are those within 200m of a road with increased traffic, which feature habitats that are vulnerable to nitrogen deposition/acidification.

NHS Property Services response stated that is a well-established connection between planning and health; in so far that the planning system has an important role in creating healthy communities. Planning can not only facilitate improvements to health services and infrastructure, thereby enabling health providers meet changing healthcare needs, but also by providing a mechanism to address the wider determinants of health. NHS Property Services therefore supports Policy D3.

Portsmouth Climate Action Board response asked to see air quality in policy D3 to stipulate:

- i) the projected vehicle use of residents occupying any new development.
- ii) the impacts on the existing local community as well as new residents.

D3 Pollution, Health and Amenity - Council response

This policy aims to ensure a high standard of amenity for existing uses and future users / occupiers. The majority of respondents agreed with the Council's approach to this policy with responses to the regulation 18 consultation highlighting the importance improving air quality within the City. Responses also noted the generic wording of the policy, the need to clarify aspects of the policy and relating to transport and climate change.

In preparation for its regulation 19 consultation the City Council will seek to refine and clarify aspects of this policy. This will take on board comments and suggestions made specifically on sites in response to regulation 18.

Policy Status: Green

The Council needs to carry out further investigation of a number of the points raised and may need to make some minor changes to the policy positions to reflect the comments made and the results of that investigation.

D4 Lower Carbon and Carbon Neutral Development

Carbon neutrality, or net zero carbon emission, seeks to achieve (net) zero emissions of greenhouse gases (such as carbon dioxide, a significant contributor to climate change) by avoiding, reducing or 'offsetting' emissions to ensure there is no net increase in carbon emissions into the atmosphere.

The UK has made commitments to mitigating global climate change under the Climate Change Act 2008 (as amended) to bring all greenhouse gas emissions to net zero by 2050. The council therefore has a legal obligation to help contribute to achieving these aims; a responsibility that has recognised by the declaration of a Climate Emergency in 2019 and the pledge to become a carbon neutral city by 2030. The national planning policy guidance is also clear that local authorities need to plan proactively to support the transition to a low carbon future and mitigate climate change through their Local Plans.

Policy D4 of the New Local Plan raises awareness of the importance for delivering net zero emissions of greenhouse gases. The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy D4.

Question 29a: Do you agree with the proposed approach to Policy D4?	
	No. of respondents: 26
Yes	17
No	4
Not sure/don't know	5
Question 29b: Do you have any further comments or suggestions about the suggested approach to Policy D4?	
	No. of respondents: 16

There were 16 responses to Question 29b, with the most focus on the wording of the policy and the provision of Carbon Offsetting. The concern for the former of these two was that it was felt the policy was not direct enough, and vague in places with the use of wording such as "demonstrate they have explored"; "Where this is possible" and "where practicable and viable". **Portsmouth Climate Action Board** felt these could risk the policy being rendered ineffectual.

Comments were also submitted that raised concerns for the use of Carbon Offsetting, including a response from **Milton Neighbourhood Forum**. There was concern that the use of offsetting would mean developers would exploit this option as opposed to delivering sustainable development.

Other comments raised the need for further efforts to be concentrated towards reducing carbon emissions further than those set out in building regulations and on improved transport sustainability (including comments from **CPRE Hampshire**) through reducing reliance on car journeys and more electric vehicle charging points. A comment was also raised regarding an update to the 2020 viability report to test the policy expectation to ensure the standards do not affect the delivery of affordable housing.

Natural England comments welcomed the approach towards Policy D4, although recommended "*that Local Plan policy recognises the role of the natural environment to deliver measures to reduce the effects of climate change.*" In addition, they proposed four specific actions to be included within the policy as follows:

- *Set an ambitious climate-specific targets within the Policy for reducing greenhouse gas emissions that can be monitored over the Plan period, in line with the national commitment to achieving the national statutory target of net zero emissions by 2050;*
- *Identify opportunities to increase tree and woodland cover consistent with the UK target. Wherever possible, this should provide multi-functional benefits. Planting on open priority habitats must be avoided.*
- *Identify areas where nature-based solutions can provide benefits to people whilst reducing climate change vulnerability in the natural environment.*
- *Identify habitats and protected sites that are particularly vulnerable to the impacts of climate change and consider how the planning system can work to reduce these vulnerabilities.*

Two further questions were asked in relation to policy D4 as outlined below with regards to carbon-offsetting. Half of the respondents to question 29c agreed that residual/unmitigated carbon emissions within major developments should be offset through a contribution to a Carbon Offset fund. When asked whether a fee of £95 per tonne per annum for the required period was appropriate, the majority of respondents were unsure.

Question 29c: Should the Council require major development to offset any residual/ unmitigated carbon emissions through a contribution to a Carbon Offset Fund?	
	No. of respondents: 26
Yes	12
No	4
Not sure/don't know	9
Question 29d: If a contribution is required to the Carbon Offset Fund, do you agree with the suggested rate of £95 per tonne per annum for the required period?	
	No. of respondents: 27
Yes	10
No	7
Not sure/don't know	10

D4 Lower Carbon and Carbon Neutral Development - Council response

This policy has been informed by evidence including the Mitigating Climate change through the local Plan Background Paper (2021) and the Adapting to Climate Change through the Local Plan (2021) Background Paper.

The council will take on board the comments raised with regards to the wording of the policy, however similar wording is used throughout the NPPF including 'the planning system *should support* the transition to a low carbon future', 'new developments *should* be planned for in ways that *can help* reduce greenhouse gas emissions' and 'LPA's should expect new development to *take account of*'.

The evidence behind the adoption of carbon-offsetting has been set out within the Mitigating Climate Change through the Local Plan Background Paper (2021) and states Carbon off-setting should only be explored once all carbon reductions through the above approaches have been undertaken. The rationale behind the cost, based on research into the levels set by other authorities, is that the price needs to be price is set high enough for developments not to be unviable, but not too low that this option would be more attractive than including direct measures for carbon reduction.

In response to the comments regarding improved transport sustainability, policy C3 specifically encourages the reduction in the need to travel and an uptake in the use of walking, cycling and public transport in line with the council's Local Transport Plan 4. This policy further outlines the need for sufficient space and infrastructure to deliver charging for electric vehicles.

While this draft policy represents the Council's aspirations for low carbon development, it should be noted that the ability for Local Plans to set bespoke, higher energy standards for new development may be superseded by changes to

Building Regulations, and this policy may therefore need to be reconsidered in due course.

Other areas of the Local Plan discuss how carbon can be reduced via other methods not relating solely to development. E.g. increasing Green Infrastructure (Policy G2) (Green Infrastructure) has a role reducing carbon emissions through the cooling of urban areas, providing more attractive routes for walking and cycling, filtering and buffering pollutants.

This policy will be subject to viability assessment as the Plan progresses and will indicate whether requiring such standards would impact on affordable housing provision.

Policy Status: Amber

Further assessment of the potential for carbon offsetting requirements will be undertaken to support the policy (including updated viability assessment) and the policy wording will be updated or clarified in response to the comments as necessary.

D5 Heritage and Archaeology

The city’s numerous heritage assets⁶ are valued for their architectural, aesthetic, historic, communal and evidential contribution to the city. Heritage assets can also offer an opportunity for ‘culture-led regeneration’ and the achievement of wider environmental, social, and economic objectives.

Policy D5 applies to any proposals affecting the fabric and/or setting of designated heritage assets including Scheduled Ancient Monuments, listed buildings (at Grade I, II* and II), Registered Parks and Gardens, Conservation Areas, and archaeological find sites, where relevant. It will also apply to non-designated heritage assets including those identified through the council’s Local List and any other buildings, structures or sites which may come to the council’s attention that are considered to enjoy objective and justifiable heritage merit.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council’s approach to Policy D5.

Question 30a: Do you agree with the proposed approach to Policy D5?	
	No. of respondents: 25
Yes	15
No	4
Not sure/don’t know	6
Question 30b: Do you have any further comments or suggestions about the suggested approach to Policy D5?	
	No. of respondents: 18

⁶ Heritage Assets include designations such as Conservation Areas, listed buildings, Scheduled Ancient Monuments, and Historic Parks and Gardens

Overall the comments submitted in relation to Question 30b were supportive of the Policy D5. **Historic England** however feels that the draft policy in its current form is inconsistent with national policy (NPPF paragraphs 199-205). This is because they feel the draft policy does not reflect the staged approach that is set out in NPPF Chapter 16 and some components of the NPPF approach are completely absent from Policy D5.

Furthermore, D5 makes no provision for proposals that would result in less than substantial harm to designated heritage assets, or effects on non-designated heritage assets. The concepts set out in NPPF paragraphs 204 & 205 should also be incorporated into the policy for completeness. Policy D5 should be amended to reflect NPPF.

D5 Heritage and Archaeology - Council response

The overarching aim of Policy D5 is to protect the heritage assets and their setting within the City. Comments raised by Historic England have been noted and the Council will engage with Historic England as necessary to ensure that the policy is in compliance with the NPPF.

Policy Status: Green

Minor amendments will be made to the policy wording as necessary.

D6 Heritage Enhancement

Portsmouth has a significant track record, going back many years, of pursuing and implementing opportunities for the creative re-use of heritage assets. Policy D6 responds to the scope which many of the city's heritage assets, including some of its largest and most prominent sites, offer to help deliver wider social, economic, and environmental benefits. The policy also aims to facilitate efforts to go beyond simple repair and maintenance measures for the city's 'at risk' heritage assets, including those not included on HE's register.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy D6.

Question 31a: Do you agree with the proposed approach to Policy D6?	
	No. of respondents: 27
Yes	23
No	0
Not sure/don't know	4
Question 31b: Do you have any further comments or suggestions about the suggested approach to Policy D6?	
	No. of respondents: 9

Overall the comments on the approach to Policy D8 were largely positive

Comments included requests for reference to the city's museums, more emphasis on historic streetscapes, outlooks and setting, greater management of the existing Conservation Areas, potential for grants to owners of heritage assets and reference to consequences for damage or demolition of heritage assets.

There were a couple of comments encouraging the Council to regard the historic environment and ensure those assets are protected sufficiently.

D6 Heritage Enhancement - Council response

The overarching aim of Policy D6 is to facilitate efforts to go beyond simple repair and maintenance measures for the city's 'at risk' heritage assets, including those not included on HE's register. The Council welcomes the support and suggestions for this draft policy.

Policy Status: Green

Overall this policy is considered to be suitable, with only potentially minor amendments to reflect any changes.

8. Strategic Development Sites

S1 Portsmouth City Centre

Portsmouth City Centre is recognised as a centre of importance for new development in the city and in the sub-region. Given its importance to the city and wider region, the council is committed to the regeneration of the city centre to create a thriving, attractive, and vibrant environment for its residents, businesses, and visitors.

Policy S1 sets out the estimated development capacity of the city centre, proposed development options and draft key principles for proposals within the draft Portsmouth City Centre 'identity areas' for consultation.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy S1.

Question 32a: Do you agree with the proposed identity areas and key opportunities for the regeneration of the city centre?	
	No. of respondents: 52
Yes	37
No	11
Not sure/don't know	4
Question 32b: Do you have any further comments or suggestions about the suggested identity areas and key opportunities for the regeneration of the city centre?	
	No. of respondents: 39

Responses to Question 32b include: Parking-related issues; more cultural and leisure facilities/uses; more health/community facilities; more Green Infrastructure; need for more housing; negative comment about identity area name(s); public transport issues; improved retail; employment uses; negative comment about design/aesthetics of building or public realm; negative impact of city centre on city reputation; negative comment about University; more food and beverage provision; wider scope needed; higher density/scale needed; encourage active modes of travel; negative comment about proposed housing numbers; negative comment about student accommodation; shift away from retail focus.

University of Portsmouth welcomes the proposals to enhance the vibrant nature of the city centre, which is critical for the University. The University also strongly supports the statements made in paragraphs 3.6.5, 3.6.8 and 3.6.11 and would welcome proposals to support these ambitions to address the issues raised; the vision and site specific proposals for the area are broadly supported by the University. Identifying this area does however demonstrate how an opportunity is being potentially missed by not including the wider parts of the city centre campus as a specific strategic development site and/or campus designation. This can be linked to the University's masterplan as a guide to the level of growth that can be achieved. For the reasons already explained, it will also provide a basis to inform and support the consideration of future planning applications.

Persimmon Homes comments include:

- The Policy does not clarify across what period the proposed number of units is expected to be delivered.
- Paragraph 3.31 of the Housing and Economic Land Availability Assessment (HELAA) (July 2021) indicates that the combined capacity of the City Centre sites is 5,183 new homes. This correlates closely with the lower end of the range set out in the Policy S1, but does not reflect the disaggregated supply data set out in Table 2 of Appendix 1 of the HELAA, which suggests that only 4,934 dwellings can be delivered from City Centre Sites across the period 2020/21 – 2041+.
- In light of the Council's own evidence base, the expected capacity of SP1 should be expressed as an 'aspirational' range of between 4,934 to 6,128 dwellings.
- Whilst it is accepted that Local Plans should be aspirational, they must also be deliverable.
- Whilst it could be reasonably argued that the City Centre sites are potentially suitable for housing, the same cannot be said with regards to their availability and viability within the plan period.
- Turning to viability, the Council has produced a Development Viability Assessment (October 2020) that supports the publication of the Draft Plan. Whilst we have not interrogated the assumptions underpinning this model in detail, it is clear that that the City Centre area high density development (as has been proposed in the Plan and the Council's City Centre) is unviable.
- If one looks at the availability of sites in the City Centre, multiple ownership exists. The Council has provided no evidence to indicate that the various landowners are willing to bring forward their land forward for regeneration nor an assessment of legal impediments regarding the sites' delivery.
- Portsmouth City Centre Masterplan Supplementary Planning Document (SPD) was adopted on 7th January 2013 - even with this specific SPD the area has failed to provide a meaningful number of additional dwellings.
- In conclusion, using the Council's own evidence alongside Persimmon's own analysis, it is clear that, for the most part, there is currently little appetite for landowners to explore redevelopment of their property in the City Centre area.
- Based on the above, the Policy S1: - Portsmouth City Centre is not deliverable/developable and should not therefore be counted towards the Council supply set out in Table 2 of Policy H1. This will leave a significant shortfall that will need to be addressed elsewhere in Portsmouth or in the neighbouring areas as part of the duty to cooperate.
- Therefore, Policy S1 – Portsmouth City Centre, fails the Test of Soundness as the policy is not justified as an appropriate strategy when considered against proportionate evidence as illustrated above. It should also be considered as not being effective as there is no evidence supporting prompt deliverability.

Historic England comments include:

- We have a number of concerns about the approach to this policy and the associated City Centre Development Strategy (CCDS). We consider that this policy is currently not sound.
- While we understand the intent to regenerate the city centre and recognise that it is a sustainable location for growth, we are concerned that Policy S1 is very high level, in

terms of setting out development parameters, with most of the detail set out in the CCDS.

- We accept that the local plan cannot contain all the requisite detail, but we are not clear on the council's approach to consulting on and developing the CCDS, nor whether it will indeed be adopted as a supplementary planning document. This is concerning because the CCDS has the potential to usher in significant change in Portsmouth.
- We would prefer to see a set of development sites identified in the local plan itself, rather than the area-based approach currently employed. This would ensure that sites are given due scrutiny through the plan-making process.

Portsmouth Cycle Forum comments include:

- PCF welcomes the broad approach to the redevelopment of the City centre, especially the desire to reduce the requirement for private motor transport within it. However, as with our comments about Sustainable Transport Policy, there is a lack of confidence in the ability of PCC to actually deliver the vision outlined within 'the 15-year implementation horizon'.
- We absolutely agree and approve of the following:
 - The overall pedestrian and cycling network is of mixed quality and discourages walking or cycling across the city centre.
 - Large parts of the city centre are currently car-dominated at the expense of good placemaking and environmental quality...There are clear benefits to reversing this pattern with a fundamental shift to creating places for people.
 - The master plan area should be designed for pedestrians first and public transport second.
- We are however concerned that the main gateway to the north does not acknowledge the Transport Assessment requirements of the junctions currently in place based upon the projected increases in use.
- Vehicles arriving from the M275 will enter place-based streets which are multi-modal. There are currently seven lanes of carriageway at Mile End Road but we do not see any way in which through traffic to either the seafront, Isle of Wight Ferry or Gunwharf Quays will be reduced to the level required to make the 'People Friendly Streets' a reality. We do acknowledge that the removal of public car parking is a disincentive to travel into the city centre. However we are assuming that Cascades car park will remain in at least the medium term for this strategy.
- The existing city centre is particularly poor for direct walking and cycling permeability and connections. It is also important that future routes should be designed for connectivity in both directions. Just because it works in one direction does not necessarily mean that it is as simple when travelling in the opposite direction.
- There should be more awareness about connecting the city centre walking and cycling routes through the international port. Foot and cycle passengers for europe-bound services are likely to arrive by train at either Portsmouth and Southsea (which has the added issue of accessibility from its high level platforms) or Portsmouth Harbour.
- A well designed and signposted route should be highlighted through the city centre.

Portsmouth Labour Group comments include:

- There has so far been wholly inadequate community engagement around the proposals being brought forward for the city centre. We believe strongly that existing residential communities and businesses in the vicinity should be closely involved in the regeneration of the area so that it is ensured that the new development complement and corresponds to what is already there as opposed to being inserted into the area in isolation.
- Given the council will be the landowner of this site it is essential that significant levels of affordable housing, well in excess of the 30% required of a private developer, are delivered.
- We are also concerned about the potential for reduction in employment and enterprise space and would request wherever possible consideration is given to protecting commercial or community use at ground floor level with residential properties built above.

Union4 Planning comments include:

- Redevelopment of the identified city centre area, as set out at section 7, is strongly supported. The area comprises previously developed land in an accessible location and is therefore clearly suitable for a diverse mix of uses and should be the focus of higher density development and the provision of a significant number of new homes.
- Whilst the 'Location for Tall Buildings' designation has been removed since the 2012 iteration of the proposals map, a precedent for tall buildings has been established in this central area with a number of recently completed developments and planning consents, including student accommodation at Catherine House, Stanhope House, and Crown Place, rising to 28 storeys in some cases. As such, it is considered that there is significant scope for sites within the identified centre (zones A-E) to accommodate tall buildings, particularly around Portsmouth and Southsea Station.
- As such, the principle of the Identity Areas as the focus of development and the ambition to provide significant additional residential units and employment floorspace within this central area is supported. It is however considered that the focus should be on accommodating taller (subject to achieving high quality design), residential led development across the Identity Areas, as far as possible, as it is clear that the CCDS document is already fairly dated in terms of building heights, built form and land use, with recent consents coming forward which deviate significantly from the draft masterplan.
- Paragraph 7.1.24 of the emerging Local Plan centres development around public transport provision, particularly the train station and bus network. On this basis, it is considered that the sites immediately to the north of the railway tracks are key to delivering this vision, being in closest proximity to both the train station and major bus route and being suitable for landmark development which would act as a way-finder.
- At present, there is no real 'arrival' point for those arriving at and exiting Portsmouth and Southsea station, with immediate views on arrival, towards the city centre, comprising the Matalan warehouse style building and an open car park, contrary to the 'Big City Arrival' point as sought by the CCDS.
- On the southern side of the station, the Unite Student Housing development on Greatham Street rises to 25 storeys and acts as a key marker for the station and landmark building, stepping up in height towards the western end of the site, nearest

the station. This is considered in the CCDS document as being a ‘Standard Bearer’ of city identity.

- Given the above, the CCDS document misses the opportunity to optimise development in this location, proposing medium rise development to the north of the station and to the north of Station Street. Approval and emerging schemes to the north of Station Street already significantly exceed some of the heights discussed in the CCDS, so to a degree, the evidence base document, adopted in January 2021, is already outdated.
- Whilst there is a clear requirement to respect the listed station and its setting, development to the north of the railway line should look to mirror that already completed to the south, in terms of general bulk, scale and massing, creating a strong arrival point at the heart of the city and a crescendo in building heights around this key transport hub. The indicative masterplan, suggesting heights in the region of 8-10 storeys to the north of the railway line significantly misses this opportunity to landmark the station and provide a high density of accommodation on a highly sustainable site.

Question 33a: Do you agree with the proposed overarching principles for the redevelopment of the city centre?	
	No. of respondents: 43
Yes	32
No	9
Not sure/don't know	2
Question 33b: Do you have any further comments or suggestions about the proposed overarching principles for the redevelopment of the city centre?	
	No. of respondents: 43

Responses to Question 33b include: support local businesses and industries; negative comment about student accommodation; improved retail; improved rail; negative comment about proposed housing numbers; improved road/street design; utilise Site A (Landport Gate) for Port development; conserve/enhance heritage assets; higher density/scale needed; higher design standards needed; population density already too high; encourage active modes of travel; more Green Infrastructure; negative comment about University; comment about lack of detail in Plan; regenerate existing buildings/facilities; develop priority/affordable housing only; parking-related issues; public transport issues; low carbon emissions; better transport access needed; better mobility accessibility needed.

The Guildhall Trust comments include: Overall, the Plan recognizes that there is a serious imbalance of retail, accommodation, and business opportunities across the city. The current provision of retail in the city centre is generally sub-standard and does little to encourage local people and visitors to value it as a 'destination'. We welcome new development in the town centre especially the mix of accommodation alongside an improve retail, leisure, and entertainment offer. As operators of the Guildhall, we feel that improvements and additions to our facilities including new commercial restaurants will aid local regeneration and prove to be a driver for further development in and around Guildhall Square.

Portico Shipping Ltd comments include:

- Introducing higher residential buildings within relatively close proximity (as suggested in para 7.1.12) would, over time, introduce potential conflicts (visual amenity, light, acceptable neighbourly uses) and could impede the longer term future activities of the Port. This risks longer term detrimental impact on the local economy.
- Supporting Document “Economic Employment and Commercial Needs etc” concludes that there is a shortage of industrial and logistics accommodation (para 4.40) and it is surprising that this has not been considered for the areas adjacent to the Port, being a “key hub”, in this Policy.
- The Policy makes little reference to the themes of the “Portsmouth Economic and Regeneration Strategy 2019-2036” (Supporting Document). This study recognises the benefits of the Port and outlines the ambition to “Create a marine and maritime engineering and/or clean growth innovation quarter.” The Policy appears to ignore much of the analysis and conclusions of this study.
- The Port forms an important part of the “Solent Freeport” announced by the UK Government early in 2021. This is a significant initiative, considered further under Employment Policy below, and requires Portsmouth City Council to consider future port growth and needs if it is to benefit. Areas included in Policy S1 would be well suited to this initiative by reason of their proximity to the Port, Portsmouth University, and major highways. It would be a significant oversight, in our view, if the wider Freeport needs were not also considered as part of this strategic development opportunity.

Vanguard Storage Services Ltd (via agent) comments include: Overall and subject to consideration of the above the overall principles are agreeable; While the Council’s need for housing is noted, this also needs to consider the relevant parts of the NPPF and also look more closely at the promotion of mixed uses and solutions and uses which are complementary.

University of Portsmouth comments include:

- When the level of development that is identified in the University’s masterplan in those areas not identified in the current Local Plan is then added to the capacity identified in the CCDS, the net increase in education floorspace that can be achieved in the area will far exceed the 700 sq.m identified in Policy S1. The level of investment and benefits that will ensue from this development will make an important contribution to the regeneration and growth of the City Centre. It is therefore essential that the campus area is identified specifically as part of the City Centre to provide a framework for this growth.
- The identification of the University in Area E criterion v. is welcomed together with how a positive approach will be taken to opportunities for enhancement and estate development. For the reasons already explained, the University’s ambitions and city centre campus is not limited to this area so it should be extended to include the overall campus.
- The University support the vision as set out in the section 4 of the Consultation Document, in particular the encouragement of cycling and walking routes, ensuring the city is safe for both cyclists and pedestrians. The reduction in the overall dominance of the car is also welcomed (see paragraph 4.3.18). The University also

welcomes the approach towards an integrated and sustainable public transport system, removing barriers to walking, cycling and public transport (see paragraph 4.3.37).

Morrisons (WM Morrison Supermarkets Plc) (via agent) comments include:

- Overall, Morrisons supports the ambitions of the Council, the intentions to create a 15 year development vision for Portsmouth City Centre and in particular the significant growth requirements. We would like to raise a number of points to ensure the future of the Morrisons store continues to provide an important facility to local residents.
- The existing Morrisons store has a floor area of approximately 5,000sqm (54,000sqft), which provides services to local residents and the wider population of Portsmouth. As such, Morrisons may seek to deliver a replacement store of a similar scale should the site come forward for redevelopment. This would also include a home delivery function, the demand for which has increased significantly over the past 12 months. The delivery of a store will allow for the continued provision of essential goods to residents of Portsmouth.
- Morrisons have also committed to Net Zero greenhouse gas emissions by 2040 and they recognise the way they build new stores will play a significant role in meeting this target. Morrisons are we're looking at a whole range of measures including including photovoltaic roof panels, heat pumps, electric vehicle charging, rainwater harvesting and better cycle facilities
- We note the Council wish to deliver a shift towards sustainable transport (as per principle viii and draft Policy C3), which Morrisons supports. However, the availability of customer parking in safe and convenient locations is vital to the operation of Morrisons supermarkets. We would stress the importance of adequate levels of parking for the use of customers as this is essential to the operation of Morrisons supermarkets.

Public Health England comments include:

- All being well, the correct use of preceding policies should mean that all strategic development considers health and wellbeing issues as a matter of course.
- Public Health are already engaged in ongoing work on several strategic sites and have previously made representations to consultations for Cosham, St James' and Tipner, but to highlight the key messages:
 - Air quality, reducing vehicle dominance and car use must be a priority for all strategic sites, but particularly those already in higher density areas of the City.
 - There is a clear expectation that Strategic Development site proposals pay close attention to, and clear adherence with, the Health Pollution and Amenity Policy.
 - I note that the strategic site policies all refer to active and sustainable travel infrastructure, but question where the overarching policy provision is to ensure that they're all connected and that wider infrastructure improvements are made beyond site boundaries to enable a high quality, functioning network?

- All strategic sites need to ensure they are providing opportunities for, and not adversely impacting upon, existing communities - this can be addressed through Health Impact Assessment.
- For all strategic sites, Public Health fully supports proposals for off-road active routes (particularly emphasised in Policy S3: Fratton Park and the Pompey Centre). Further policy provisions for clear segregation between cycles/scooters and pedestrians are encouraged wherever possible, as well as the role of greening to be recognised as a way in which to improve the amenity value of these areas (to encourage walking and cycling).

Question 33c: Would you like to see a clear design identity across the city centre (or within each identity area), or more design variation?	
	No. of respondents: 46

21 respondents indicated support for a 'clear design identity across city centre'. Comments include: would tie the areas together; standard design focusing on Portsmouth's naval history with a modern application; as long as it's sympathetic with older or historical buildings.

5 respondents indicated support for a 'clear design identity within each identity area'. Comments include: more specific statement to exactly what will be built and where.

7 respondents indicated support for 'more design variation'.

Respondents provided other comments, including: negative comments on state of Commercial Road/City Centre; need for more retail; positive comment on proposed Fusion scheme on Arundel Street; good to have Portsmouth identity but areas have individual styles; iconic designs for key features - 'low-key'/restrained for rest; too large an area for too prescriptive design identity - innovation and creativity should be encouraged in the centre; coherence would indicated vision and purpose - conformity is boring; approach city centre holistically - make pedestrianised, cycle-friendly with no vehicles apart from public transport/deliveries; utilise 15-minute neighbourhoods concept and high-quality public realm.

Vanguard Storage Services Ltd (via agent) comments include: While the press for design codes, and "beauty" is noted this needs to respond to market demand and the type of development which is come forward. In key locations as noted by the PCCDS schemes should seek to be of high quality and landmarks to the various entry points. The design typology should be city wide and high quality and should not seek to control or stifle innovation.

Question 33d: Do you agree that the average height of development should be six storeys as proposed?	
	No. of respondents: 53
Agree	18
Higher than 6 storeys	15
Lower than 6 storeys	14
Other	6

Other comments received include: as long as not all together as it blocks sky and funnels pollution; a mixture of 6-storeys and above 6-storeys; as long as adequate parking is considered; depends where and what its use is for; tower blocks could provide more open, green space; mid to high rise have safety implications; should be site appropriate.

Vanguard Storage Services Ltd (via agent) comments include: agree that the average height of development should be six storeys. This appears slightly contradictory with the key locations proposals, moreover it will also depend on uses and values. 'The average height of development should be lower than six storeys':- given the significant constraints for what is an island city and the findings of the PCCDS this would seem to be contradictory.

Morrisons (WM Morrison Supermarkets Plc) (via agent) comments include: The average height of development should be higher than six storeys.

Union4 Planning comments include:

- Whilst it is acknowledged that the CCDS images are indicative, they indicate the same form of medium rise block immediately to the north of the railway line, as they indicate across the wider centre and residential areas in the northern zones of the city centre (zones A, B and C). These are clearly very different areas and the form of development should not be replicated across the central area, especially given that each of the 5 areas (A-E) are identified as 'Identity Areas'. Whilst medium rise rectangular blocks are suitable for certain areas, they are not considered suitable for the main central area of the city and key arrival point around the transport hub, where building heights should be optimised.
- In terms of use, it is noted that the indicative masterplan, and likewise the emerging Local Plan, identify the land to the north of the station for commercial development. Whilst a degree of commercial floorspace and active ground floor uses, particularly towards the western end, nearest the station, may well be suitable in this location, this is not an area for speculative office accommodation and certainly not to the scale envisaged by the draft Masterplan. Whilst there may be potential for a quantum of office floorspace in this area, designed in a bespoke manner to accommodate an identified tenant, this would not be viable as a speculative development.
- As such, with regard to point D of policy S1 and question 37, it is suggested that the wider area should be identified as residential led mixed use, to optimise the number of new homes provided in this highly accessible and sustainable location, whilst allowing for the provision of employment floorspace as the market demands. The housing target envisaged under this part of the policy appears slightly unambitious, particularly given the number of units that have already been provided/approved within this zone. Density and height should be optimised in this key location.

Question 34a: Which development option do you think should be further considered as for the future of the Herbert Street / Victory Retail Park Regeneration area?	
	No. of respondents: 51
Option 1 - Residential-led	11
Option 2 - Residential and employment uses	26
Option 3 - Employment uses	12

Other	2
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Portico Shipping Ltd comments include: We endorse Option 3 - the presumption that “land to the west” of Landport Gate includes areas currently in port use and for related activities. The scenarios posed by Options 1 and 2 of this policy are of particular concern as they appear to risk introducing neighbouring activities that are not compatible with the proximity and operational nature of the Port (and, indeed, the adjoining Naval Base). The primary areas affected are Landport Gate and City Centre North, and these responses are broadly aligned to questions 32, 33 and 35 of the Consultation.

Vanguard Storage Services Ltd (via agent) comments include:

- Option 2 - The preceding sections of the letter have set out the physical and land-use constraints of the site. Para 7.1.19 states “This area is currently bounded by the A3 Mile End Road, Princess Royal Road, Flathouse Road, and Hope Street, which create a physical ‘severance’ from this area to the surrounding areas.” One of the key factors that is omitted is consideration of the heritage assets and the implications that this has on the site. This will need to be factored into any development.
- As both the landowner and current operator of the site Vanguard have no record of being contacted as part of the proposed allocation. Nevertheless, they would like to use this opportunity to propose that option ii) would be the most logical and would offer the best way to allocate the site with mixed use developments. Vanguard have every intention of pursuing planning permission to provide a new high-quality well-designed storage facility on the site. It would seem that given that they are integral to the allocation coming forward that their needs and requirements should form part of the overall strategy for its regeneration.
- One of the key parts of the evidence base in relation to this policy is the Portsmouth City Centre Development Strategy (January 2021) (PCCDS). This notes that the site is one of the key points of arrival in the city, a sensible approach to this would be to ensure a mixed use that responds to this, with this in mind the Council should also seek to consider how this would work given the constraints, and whether any of these constraints can be removed or considered, such as the conservation area boundary. The PCCDS also sets out that the site is underdeveloped and “presents a degraded and downbeat environment” (Page 16). It is clear that with the right allocation, and with a willing landowner that the site is capable of being delivered for the benefit of the city with a high-quality mixed-use development.

Morrisons (WM Morrison Supermarkets Plc) (via agent) comments include: Morrisons support either Option 1 or Option 2 as consider that their site has the potential to deliver a significant quantum of housing that would contribute to the City’s ambitious housing delivery targets. However, as per below we would suggest that the plan allows for a phased development to ensure the deliverability of development.

Question 34b: If residential-led (Option 1), do you agree with the proposed scale of development?	
	No. of respondents: 22
Yes	11
No	4

Other	7
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11 respondents indicated agreement with the proposed scale of development. Comments include: concern if traffic going through will cause pollution; public transport links.

4 respondents indicated disagreement with the proposed scale of development. Comments include: area is unsuited for residential development – too close to M275 and dockyard and port; would cause businesses to have to relocate to other less suitable sites; high-rise buildings close to dockyard would pose security and safety concerns.

Other comments include: high-rise buildings increases sense of stress and claustrophobia; not sure road system able to cope – congestion at peak times is bad; wrong place for residential without significant road changes; concern over proximity to poor air quality for future residents; needs to be higher and more ambitious.

Vanguard Storage Services Ltd (via agent) comments include: This really doesn't express scale but quantum, in any event the scale/quantum could be the same irrespective of the proposed option chosen.

Portsmouth Climate Action Board comments include: Our concern is the proximity to poor air quality for anyone living in this proposed area.

Morrisons (WM Morrison Supermarkets Plc) (via agent) comments include: Morrisons agrees with the indicative scale of development, however the policy / allocation should not place a strict limit on the scale of development, should a larger scale development be justified on design, visual amenity and indeed viability grounds

Question 34c: Would the Herbert Street / Victory Retail Park Regeneration area be suitable for a new linear park?	
	No. of respondents: 39
Yes	20
No	8
Don't know/unsure	8
Other	3

20 respondents indicated agreement to Q34c. Comments include: any additional green space is a good thing; essential to have some park/green space in the area; should maximise park land but perhaps strips of pedestrianised green space would be enough to leave space for homes and employment.

8 respondents indicated disagreement to Q34c. Comments include: should be employment use, particularly Portsmouth Port; more suitable as a shopping centre with residential complex on top.

Other comments include: opportunity to green the city is welcome but should not be as a token gesture towards environmental concerns; not unless accessibility was improved; should connect the port to the city centre.

Vanguard Storage Services Ltd (via agent) comments include: This would not be achievable and relies on the sites coming forward collectively and not necessarily by the

existing landowners who may have differing aspirations. While the need for open space for residential uses is paramount this needs to work with the delivery of the proposals as a whole and not act as a barrier to development. This could end up with being a very restrictive requirement which ends up being counter productive and blighting the site for delivery.

Portsmouth Climate Action Board comments include: We believe it is essential to have some park/green space in this area.

Morrisons (WM Morrison Supermarkets Plc) (via agent) comments include: Morrisons supports the principle of a linear park in this location as this would serve future residents, however given the desire to re-provide the Morrisons store on site we would need to consider the design / layout implications of this in more detail going forward.

Question 34d: Do you have any other comments on the approach to the future of the Herbert Street / Victory Retail Park Regeneration area?	
	No. of respondents: 18

Responses to Question 34b include: more Green Infrastructure; safeguard for Port development; highway infrastructure issues; improve links with rest of City Centre; improve air quality; proposals for education/healthcare space is needed for rest of city; retain supermarket; more detail plan required.

Portico Shipping Ltd comments include:

- Ports are, by nature, quasi-industrial, and operate on a 24 hour period throughout the year. The operational aspects of light, noise and traffic are different to standards required for residential and related mixed use sites, and it follows that promoting new development of these uses, as set out in Options 1 and 2, would be materially incompatible and detrimental to the Port.
- The Policy fails to recognise or consider the needs for expansion of uses and activities that support the growth of the Port (for example, warehousing, open storage, supporting engineering and other facilities). The City is, quite rightly, seeking to improve air quality and uses, and for the Port to be able to respond, and introduce new technologies to help meet more stringent targets, suitable adjacent land allocations will be needed, which the Plan should take into account.
- The proposed Landport Gate layout has serious implications relating to existing traffic access to the port and its main access gate (and, of note, Landport Gate actually takes land that is currently owned by Portico).

Portsmouth International Port comments include:

- Other than Tipner, we would like to re-emphasis our proposed land use for the following areas within the PCC area:
 - Area A: Hughes and Salvidge Scrap Yard Area – Circa 0.6Ha
 - Area B: North of Morrison Site and Industrial Employment Area -circa 1Ha
- Both sites are strategically placed south of the Portico terminal which are ideal for future expansion of the boundary and operational area of the Port. We would like to formally request for PCC to consider the potential utilisation of both these sites

indicated for future port development purposes in the Local Plan. The exact amount of land that can be allocated from these sites can be further discussed at the next stage of consultation.

Historic England comments include:

- The CCDS identifies nine new blocks in this area. Six of these are six storeys, with a 20-storey building at the southern end and ten and 15 storey buildings at the northern end.
- Our modelling indicates the 10, 15 and 20 storey buildings, would be visible above the roofline of buildings located in the 5 Mile End Conservation Area. These buildings include the grade I CHARLES DICKENS BIRTHPLACE MUSEUM and a number of grade II listed buildings. The conservation area and the buildings within it are significant for a number of reasons, particularly for interrelated historic and architectural values: the area offers a glimpse of a part of Portsmouth at the time of the birth of one of the city's most famous sons. The juxtaposition of this remnant Old Commercial Road with the A3 beyond and the built environment south along Commercial Road is a stark one. This area manages to remain a haven of relative tranquillity. New buildings visible above the roofline would represent an unwelcome intrusion and would harm the significance of the conservation area and the buildings within it.
- In order to ensure new buildings are not visible above the roofline from within the conservation area, our modelling indicates that the 20 storey (LPG9) building should be reduced to six storeys and the 15 storey (LPG2) building reduced to eight storeys. The 10 storey LPG1 should be reduced to 8-9 storeys. To compensate for the reduced capacity in the aforementioned buildings, LPG3, LPG5 and LPG7 could be increased to 8-9 storeys and LPG 4 and LPG 6 could be increased to eight storeys. If any of the proposed blocks are relocated, building heights would need to be revisited.
- In the past consideration has been given to relocate the A3 west of its current location, along Flathouse Road. The CCDS does not mention this. This would seem to be a missed opportunity. Relocating the A3 along the alignment of Flathouse Road would remove a significant barrier between the new development and the existing residential areas of Landport, which would be all the more apparent should this area be redeveloped to include a significant element of residential. The 'physical severance' is recognised in the CCDS but it is not addressed, except for via better north-south connection. As proposed, the new development would be like a peninsular, with only one entry and exit point, to its south. In order to function well as a place, it should have better connectivity to the east. This could perhaps follow historical streets such as Pitt Street and Herbert Street (currently curtailed by the A3).

Morrisons (WM Morrison Supermarkets Plc) (via agent) comments include:

- Morrisons note that the opportunity area covers land within their ownership, however it also includes 3rd party land to the north. Whilst we appreciate the Council's desire to deliver a comprehensive development across the area, we would suggest that the plan allows for a phased development to ensure the deliverability of development. We would also stress the importance of continuity of trade of the Morrisons store during the delivery of the development itself.

- In respect of the delivery of new housing, we would suggest that the Local Plan and policies in relation to this site adopt a flexible approach in respect of housing mix / tenure. The draft Local Plan confirms the need to deliver a variety of housing throughout the city to provide a choice of high-quality homes and to create inclusive, mixed and sustainable communities. In addition to open market housing, we consider that the site has scope to deliver Build to Rent as well as accommodation for students and the elderly.
- We note the draft Local Plan acknowledges the benefit of bespoke student accommodation which helps free up other residencies currently occupied by students. The draft Local Plan confirms that the provision of purpose-built student accommodation potentially allows for the release of Home in Multiple Occupation (HMOs) back to much-needed family homes. In light of this and given the location of the site we consider that there is scope to provide student accommodation on the current site, potentially as part of a mix of other residential accommodation.
- We consider that Build to Rent housing is a further option for this site. The Local Housing Needs Assessment confirms that this type of housing can meet the needs of a number of demographic and social groups within the community. The draft Local Plan also confirms that Build to Rent schemes also have the “advantage of being able to offer longer term tenancies for those who want them (sometimes known as ‘family friendly tenancies’) providing longer term security and stability.”
- Finally, we also consider that the site has the potential to deliver accommodation for the elderly. Again, the Local Housing Needs Assessment identifies a growing demand for specialist elderly accommodation in Portsmouth. Based on our initial review, we consider there is scope to deliver retirement living as part of mixed tenure development, in particular extra care accommodation.

Question 35a: Do you agree with the proposed types of uses and the scale of development for the City Centre North Regeneration area?	
	No. of respondents: 46
Yes	32
No	6
Not sure/don't know	8
Question 35b: Do you have any further comments or suggestions about the proposed types of uses and the scale of development for the City Centre North Regeneration area?	
	No. of respondents: 20

Responses to Question 35b include: new leisure centre; traditional market; more residential; employment space on ex-Sainsburys site; wholly for employment space; more employment opportunities; residential on ex-Tricorn site; support for linear park continuation; luxury residential accommodation; negative comment about proposed housing numbers; release Cascade shopping centre for alternative uses; more Green Infrastructure; greater mix and diversity of uses; more building height; more public spaces; improved retail; relocate Tesco from Crasswell Street to allow for existing store to be redeveloped; parking-related issues.

Historic England comments include:

- This area includes the grade II* St Agatha’s Church. There is a current planning application (and listed building consent application) for St Agatha’s to be extended to both the north and the south. New development should respond positively to the extended church, if consented. The block shown in both the local plan and the CCDS does not respond successfully to St Agatha’s in either its current or extended form. This is because the section of block NLP7 that fronts onto Market Way appears too close to the church and the form of the new development does not seem to respond to the layout nor position of the church.
- St Agatha’s was previously enclosed by a tighter street pattern (prior to the bombing of the area immediately around the church and the subsequent construction of Market Way). Therefore, a new block pattern that also provides enclosure to the church could be acceptable, if sensitively designed.
- Furthermore, it seems a missed opportunity not to use the church to frame the end of the proposed east-west route between NLP7 and NLP12. Ideally, this route should be realigned with St Agatha’s and the church can be viewed from the eastern end of this route (the new square). This would be an example of using the historic environment to help shape new development and thereby improving the design quality of the new place. This would be part of the plan’s positive strategy for the conservation and enhancement of the historic environment.

Question 35c: Would the City Centre North Regeneration be suitable for a new public square?	
	No. of respondents: 36
Yes	23
No	7
Other	6

23 respondents indicated support for a new public square. Comments include: nice place for markets/events/etc where shown; as long as properly policed; if there is enough space; more places for creative uses and bringing communities together.

7 respondents indicated opposition for a new public square. Comments include: would be better placed in the south of City Centre; already have a square – enough squares already.

Other comments include: would prefer Commercial Road into Guildhall Square – should reinvigorate one central location rather than more; needs proactive engagement with local residents; maybe create a ‘Borough Market’ type area; would this be a replacement to Guildhall Square or in addition?

Question 35d: (If yes) Where should this new public space be located?	
	No. of respondents: 23

Comments to Question 35d include: near Commercial Road/Lake Road; not near main roads/traffic; near St Agatha's; Victoria Park; adjacent built-up residential and F+B; adjacent Charlotte Street; in an accessible area; near University; centred upon existing fountain; outside City Centre area.

Question 36a: Do you agree with the proposed types of uses and the scale of development for the Commercial Road / Arundel Street Regeneration area?	
	No. of respondents: 47
Yes	34
No	7
Not sure/don't know	6
Question 36b: Do you have any further comments or suggestions about the proposed types of uses and the scale of development for the Commercial Road / Arundel Street Regeneration area?	
	No. of respondents: 28

Responses to Question 36b include: agree with increased residential density/scale; keep area retail only; better evening economy; better public transport and infrastructure; affordable housing need; improve Cascades shopping centre; new public square; greater building heights; new department store; encourage new businesses; impact on existing businesses; more F+B provision; cater for student population; relocate Tesco elsewhere on Commercial Road; need for more Green Infrastructure; conserve/enhance heritage assets; negative comment about proposed housing numbers; limit future student accommodation development.

Historic England comments include:

- Cascades Shopping Centre has been excluded from the planned redevelopment of the city centre. While we understand that the current owner may not want to redevelop the area at this time, given the scale of proposed new development around Cascades, it would seem a major omission to not even consider how a redeveloped Cascades might be planned. The CCDS involves the creation of new routes and streets. The opportunity for this type of urban design only comes along rarely and therefore a comprehensive approach to the area should be taken, which fully explores how Cascades might be reconceived in future. In this way, the 'Paradise' area will help shape the development that will, at some point, succeed Cascades.
- The CCDS currently identifies blocks PAR13 and PAR17 as new blocks of six storeys. However, these blocks contain a number of good quality buildings, including two grade II listed buildings. Some of the non-designated buildings may also be suitable for inclusion on the local list.
- We would not support the loss of these two listed buildings. We would recommend that PAR13 and PAR17 be reconsidered with a focus on retention with the potential for some upward extension.

Question 36c: Should the Commercial Road area undergo a fundamental shift from retail to a more diverse range of work, social, and leisure uses?	
	No. of respondents: 48
Yes	33
No	10
Not sure/don't know	5

Question 37a: Do you agree with the proposed types of uses and the scale of development for the Portsmouth & Southsea Railway Station Regeneration area?	
	No. of respondents: 47
Yes	36
No	5
Not sure/don't know	6
Question 37b: Do you have any further comments or suggestions about the types of uses and the scale of development for the Portsmouth & Southsea Railway Station Regeneration area?	
	No. of respondents: 15

Responses to Question 37b include: negative comment about design/aesthetics of building or public realm; need to improve active travel infrastructure; new leisure centre; need to consider health/community/education facilities; prioritise housing for local workers; provisions for visitor population and economy; more parking provision; concern over proposed shower facilities; Green Infrastructure; enhance the rail station as a focal point; negative comment about identity area name.

Southern Water comments include:

- Southern Water has undertaken an assessment of existing infrastructure capacity and its ability to meet the forecast demand for each of the development sites set out in the draft Portsmouth Local Plan 2038. That assessment reveals that reinforcement of the local sewerage network would be required to accommodate 670-770 dwellings at Site D Portsmouth & Southsea Railway Station ('Work-station').
- This is not a constraint to development, provided Southern Water can work with site promoters to understand the development program and to review whether the delivery of network reinforcement aligns with the occupation of the development.
- Southern Water has limited powers to prevent connections to the sewerage network, even when capacity is limited. Planning policies and planning conditions, therefore, play an important role in ensuring that development is coordinated with the provision of the necessary infrastructure.
- Unless planning policies support delivery of the network reinforcements required to accommodate new development, there is a risk that it will not be delivered in tandem with development, leading to an unacceptable risk of foul water flooding to both new and existing residents. This situation would be contrary to paragraph 174(e) of the NPPF (2021), which requires the planning system to prevent both new and existing development from contributing to pollution.
- Therefore, whilst a lack of capacity is not a fundamental constraint to development, planning policies should ensure that new or improved infrastructure will be provided in parallel with the development.
- We therefore request the following provision be added to D – Portsmouth & Southsea Railway Station ('Work-station');
 - Occupation of development will be phased to align with the delivery of sewerage infrastructure, in collaboration with the service provider.

Historic England comments include:

- We agree that the entrance to the grade II listed Portsmouth and Southsea Station should be enhanced. However, we are concerned that some of the development proposed to the east of the station, on the Matalan site, would significantly detract from views of the front elevation of the station. This is because new buildings would be visible over the roofline of the station. The Greetham Street development already interferes with views of the front elevation of the station, and the situation should not be allowed to deteriorate further.
- In order to address the above, WKS6, immediately to the rear of the station, should be reduced from eight to four storeys and WKS7 should be reduced from eight to six storeys. The footprint of these two buildings could perhaps be increased, removing the cut-out sections, to compensate for the reduced height.

Question 37c: What else should be considered for the enhancement of the appearance and setting of the Portsmouth and Southsea Railway Station as a key arrival 'gateway'?

	No. of respondents: 29
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Responses to Question 37c include: more Green Infrastructure (trees, planting, etc); enhance area around station; conserve/enhance historical aesthetics of building; enhance public/active transport access; new culture facility or activities; better visitor information provision; integrate station better with surroundings; better access/drop-off for passengers; enhance station platform and bridge; improve station/rail energy efficiency and use of renewable energy; modify Civic Office building to connect area better with Guildhall; utilise Matalan site for station use; improve links with other city areas.

Question 38a: Do you agree with the proposed types of uses and the scale of development for The Guildhall & Victoria Park Area Regeneration area (including the redevelopment of the law court/police station area to residential)?

	No. of respondents: 48
Yes	28
No	11
Not sure/don't know	8

Question 38b: If you disagree, what should the future for The Guildhall & Victoria Park Area Regeneration area look like?

	No. of respondents: 18
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Responses to Question 38b include: concern over whether law courts are reprovioned; enhance Green Infrastructure provision; parking-related issues; need to retain police station provision; conserve Victoria Park; release Civic Offices for redevelopment; move Civic Offices to existing law court/police station; enhance Guildhall setting; concern whether Guildhall is retained; conserve heritage assets; more site area for the University; City Centre policy needs to include references to sustainable construction/energy; more mixed-use sites

Question 38c: Do you have any further comments or suggestions about the suggested approach to the density of new homes in the city?

	No. of respondents: 17
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Responses to Question 38c include: adequate parking provision needed for new homes; agree with higher density; concern over aging infrastructure capacity; concern over whether sufficient health/community/education facilities; concern over impact of high density on future residents; enhance Green Infrastructure; enhance play spaces; negative comment related to city reputation; enhance renewable energy provision; enhance public/active transport infrastructure; enhance access to Victoria Park; traffic-related issues; parking-related issues

Historic England comments include:

- We recently commented on a planning application for a 12-storey building on the former Victoria Baths site in Victoria Park (ref 21/01129/FUL). We expressed concern over the effect of a 12-storey building on views of the Guildhall and the wider conservation area. The CCDS would appear to seek to establish the principle of a 12-storey building here, without going through any part of the plan-making or development management process, which highlights a problem with this approach.
- We welcome the reestablishment of King Henry I Street directly through to Anglesea Road. New 10-storey buildings (GAV 1 & GAV2) are unlikely to be visible in views of the Guildhall (unlike the aforementioned 12-storey building), but buildings of this height will nonetheless require careful consideration. For example, 10-storey buildings in this location could harm the setting of the grade II listed Park Building, through appearing dominant to the listed building, due to the difference in height between the Park Building and a 10-storey building. Therefore, we would recommend that these buildings are 7-10 storeys, subject to a heritage impact assessment (7 storeys reflects the height of the existing King Henry Building).
- We welcome the recognition that the Central Library is a key building. While we note that the council’s Local List of Buildings was updated in 2021, the Central Library may merit inclusion on the local list the next time it is reviewed. This should take place before the plan is submitted.
- If the Civic Offices were to be redeveloped, we could support the principle of removing development from the existing northern wing of the Civic Offices as this element cuts across an important pedestrian route. We have some concern about “proposals to add a glassy new side extension” to the Guildhall. We would recommend the council engage Historic England in pre-application advise for any such application.

Question 38d: Do you agree with the proposed transformation of Winston Churchill Avenue - what else should be included or changed about this space?

	No. of respondents: 30
Yes	19
No	2
Other	9

19 respondents indicated agreement with the proposal. Comments include: boulevard-style would enhance the area; important to work sympathetically with nearby older roads and buildings, e.g. Eldon Street; include areas for community growing, arts, culture, and sport; needs modernisation.

2 respondents indicated disagreement with the proposal. No further comments were made.

Other comments include: making it better for pedestrians would be good; walking from Fratton to this area currently not good, this would improve this; is a significant change that needs more detail and explanation; where will the law courts/other public buildings relocate to?; University presence may over dominate this area; housing density should not overpower surrounding area; is a main thoroughfare for traffic – should look better but pedestrianisation inappropriate; making Mercantile House not on a traffic island is a good idea; create ‘walking pace zones’ by adding marks on pavement to measure walking distances.

S1 Portsmouth City Centre - Council response

The City Centre Development Strategy is the key evidence base document for this policy. The responses from the consultation have shown largely broad support for the approach and principles of the policy, and especially the focus for regenerating Portsmouth City Centre. Perhaps an exception to this is the question on average height of development, where there was more-or-less a split in opinions - and therefore this will be further considered as an issue through the CCDS work.

Nevertheless, the NPPF requires that planning policies should reflect changes in the demand for land, be informed by regular reviews of both the land allocated for development and of land availability, and consider whether there is reasonable prospect of the use allocated in the plan coming forward at the point envisaged.

Policy Status: Amber

There is further work required to substantiate the policy in terms of the deliverability and availability of the allocated sites identified in the draft policy. This includes a review of land availability and demand, consideration of any planning applications permissioned or coming forward, and consideration of the phasing of land, uses, and development quantum over the identified plan period.

Portsmouth’s densely populated urban area presents few options for significant, wide scale regeneration; the redevelopment of the Tipner peninsula could present the opportunity to create an exemplary, sustainable community in a prominent location just off the M275 creating a new statement ‘gateway’ into the city.

Tipner is divided by the motorway into Tipner West and Tipner East. Tipner East is the smaller of the two areas, closely linked to the Stamshaw area of the city. It is largely derelict land on the site of a former dog racing track with the benefit of an existing planning permission for 626 homes. Tipner East is also the existing location for Portsmouth’s Park and Ride, key to achieving the city’s sustainable transport aims. Tipner West includes a former MoD firing range, scrapyard, sailing club, a Special Education Needs (SEN) school and an area currently in use as a lorry park for the Port. The potential development area also includes the southern portion of Horsea Island, located west of the M275, which is currently scrubland formerly in use by the MoD. The rest of the Horsea Island area is due to open as a Country Park.

The existing area is partly derelict, significantly under-utilised and in need of both remediation to address a long history of polluting uses and redevelopment to vastly improve the quality of the environment in this part of the city.

The Local Plan 2038 Regulation 18 consultation sought views on three proposals at Tipner which are analysed below:

39a. What should the approach be to the future of Tipner?

Question 39a. What should the approach be to the future of Tipner?	No. of respondents:	Object to Option 1 email petition
	91	8,995
1. Innovative Sustainable Community (inc.land reclamation)	41	
2. Regeneration of Existing Area	29	
3. Maintain	18	

As outlined in the table above, respondents who directed answered question 39a, via email and the virtual room responses, considered viewed Option 1 as the most favorable approach, followed by Option 2 and finally Option 3. However, PCC received nearly 9,000 petition emails strongly objecting to land reclamation in Portsmouth harbour (option 1). Respondents who consulted via the petition did not support any proposal for land reclamation and only supported options which sought to protect and enhance the site for wildlife. Three respondents believed that none of the options put forward would provide a sustainable future for Tipner.

Alternative suggestions included a more suitable alternative to enhance the value of Tipner as an asset to people and wildlife; limited development including marine industry and downgrading the M275.

A common theme across all the comments received on Option 1 - 3 was support for a coastal access path, continuing the existing route around Tipner Lake, with links to the Horsea Country Park.

Option 1

39b. Option 1: Innovative Sustainable Community (inc. land reclamation): Do you have any comments or suggestions about the outlined principles and requirements for development'?	
	No. of respondents: 82

In total there were 8 responses to this question (excluding petition emails received via email). Responses varied with regards to positive and negative opinions on Option 1.

Positive comments included the opportunity, additional land and employment activity this would generate for the city. The main objection to this proposal are in relation to the impact on wildlife due to the loss of designated habitat (inc. carbon storing mudflats) and open space; there is the view that habitat loss cannot truly be compensated for through net gains and that this would set a precedent for the loss of other such areas.

The **RSPB** and **Hampshire & Isle of Wight Wildlife Trust** object in the 'strongest terms' to option 1 as these proposals would cause the greatest ecologic damage to the area. The mud flats are vital for the biodiversity of the area and land reclamation would create lasting detrimental environmental damage.

Natural England also objected to Option 1 being delivered due to the adverse effects on the integrity of Portsmouth Harbour SPA due to its significant and permeant loss. This would cause negative impacts on hydrodynamics, coastal processes, loss of habitat and impact on water quality. Further comments by Natural England raised concern for wildlife disturbance on Horsea Island if development were to be progressed here. Natural England believe if Option 1 is to be taken forward, it would not meet the NPPF's four tests of soundness.

There are views that either the scheme would be unlikely to meet the legal tests required for it to proceed, attain the funding that would be required for its delivery, or that development/ concept envisioned would not be the one delivered at the application stage, particularly with regard to securing the proportion of affordable housing that the policy would require.

The 'car free streets' aspect attracted mixed views. Comments suggested this would need to be supported by priority public/ active transport; large underground car park for all residents and priority car access for key workers and electric cars. There were also objections to 'anti-car' development and an alternative proposal for low speed and low density streets. In terms of other infrastructure there was support for the inclusion of a bridge to Horsea Island (to include lanes for active travel), in consultation with local residents regarding its usage. It was questioned whether one motorway access link would be sufficient as the main vehicular access.

Mixed views on the nature of development for this location; some feel it is ideal for well designed, high density tower blocks. Other would want to see low and medium rise development more in keeping with the wider Tipner/ Stamshaw area. The site's history/ heritage assets should be key features (and promoted as part of the coastal walk) while it's location should be utilised for tidal energy.

Alternative uses as part of this proposal were suggested: lorry parking provision and other uses associated with the Portsmouth International Port, nature reserve area and a site for camping/ campervans on route to the ferry crossings.

Despite reinforcement of the local sewerage network being required as stated by **Southern Water** for Option 1 and option 2, this is not considered a constraint to development. However planning policies are required to support the delivery of network reinforcements in order for them to be delivered in tandem with development, reducing any detrimental impact if they are not implemented.

Option 2

39c. Option 2: Regeneration of Existing Area: Do you have any comments or suggestions about the outlined principles and requirements for development'?

	No. of respondents: 56
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Option 2 attracted a mix of views: ranging from being not as ambitious or 'future proof' as option 1, a preferable solution for the need for new homes, too expensive or objections on the basis of the impact this would still have on the local environment.

RSPB and Hampshire & Isle of Wight Wildlife Trust comments raised the issue that Option 2 did not seem as ambitious in providing sustainable solutions as within Option 1. There were much fewer sustainability principles embedded into Option 2 when compared to Option 1.

Historic England raised further concerns for the significance of the listed buildings on the site and in the surrounding area including views from Porchester Castle and St Mary's Church. The existing view is predominantly undeveloped which should be retained with any development at Tipner being low-rise and a policy condition securing this. They further commented that the policy was unsound given limited evidence to support an allocation of 800 homes and 25,000sqm of employment space. Evidence should be presented to show how this development will not impact the historic significance of sites.

Natural England raised further concerns for Option 2 including the increased recreational pressure of the SPA, impact on the water quality, construction impacts and infrastructure requirements. The derogation test would need to be met to address any losses of habitat.

Some would support Option 2 but object to some elements of the proposal such as the loss/ relocation of existing development (the Harbour School) or the scale of employment land given the increased levels of working from home. Others would support variations such as an increase in secured affordable housing provision (40%), expansion to the Park and Ride to both sides of the M275, reuse of existing brownfield land and historic assets for commercial and residential uses and recreational/ habitat enhancements. There was support for including the bridge as critical infrastructure regardless of the scale of development proposed.

Option 3

39d. Option 3: Maintain: Do you have any comments or suggestions about the outlined principles and requirements for development'?	
	No. of respondents: 36

There was some preference for this option with many responses suggesting that the area should be maintain and enhanced as a nature reserve, for potential for perimeter public/ cycle access, or for community use that doesn't harm the environment.

RSPB and Hampshire & Isle of Wight Wildlife Trust welcome proposals for Tipner that seek no development beyond the existing footprint and secures the site as a valuable natural and community asset, although believe Option 3 does not achieve this. This is not a sustainable alternative to Option 1 or 2. Natural England also believe Option 3 (proposing up to 700 dwellings at Tipner East) will still have detrimental effects on Portsmouth Harbour SPA.

Others felt this was not a viable alternative option and the current area is an 'eyesore' that should be remediated and developed for new homes. However, there was a reluctance to go as far as Option 1 and 2 proposed, with comments suggesting that the prime target should be to develop areas in the inner city.

A handful of comments raised the option of pushing back against government's housing figures, as being an island city, it is simply not feasible to deliver the numbers of housing that are being proposed.

39c & d ii. Where instead should the other 2,700 / 3,500 homes and 34,000 sq m / 56,000 sq m of employment floorspace required be located?	
	No. of respondents: 90

Responses to part 2 of Questions 39c and 39d were similar and therefore have been grouped together as a separate question and analysed below.

Some responses felt strongly that the Government should be challenged on housing target on for Portsmouth given the environmental constraints densely populated nature of the city and limits on infrastructure capacity, or that the market would not support such a level of private new homes in Portsmouth at an affordable level for residents.

RSPB and Hampshire & Isle of Wight Wildlife Trust did not approve of the questions that was being put forward asking for opinions on where else to develop in Portsmouth and highlight the possibility for the council to make a case for 'exceptional circumstances' and adopt an alternative approach to determining housing need.

Most suggested that new homes should be focused on existing brownfield/ vacant plots in the city, or distributed across the city. The city centre was mentioned as having the best accessibility and suitability for higher densities of development and now has additional redevelopment potential due to the decline of retail. Another main suggestion was that development should be 'off island' to 'the north' of Portsmouth (E.g. Farlington playing fields) or beyond city boundary.

Other suggestions included: relocating the Navy from Whale Island, redeveloping Portsmouth Football Club site, redevelop existing retail parks/ spaces, building more tower

blocks/ upward to increase density and some specific vacant plots: Kwik Save in North End, former Tricorn site, ABC cinema site and the former Pit Street Bath

39e. Are there any other options for development at Tipner that the Council should consider?	
	No. of respondents: 50

Some comments in response to Question 39e were in favour of developing Tipner West given the significant need for housing within the city. These included high rise tower blocks and the creation of a new 'town hub' with associated infrastructure. Predominantly, suggestions that did support development on Tipner wanted to see it in a highly sustainable fashion to provide an innovative sustainable community. If Tipner West were to be developed, the location of development would have to be carefully considered; it would have to be high quality with the inclusion of affordable units.

The **RSPB** and **Hampshire & Isle of Wight Wildlife Trust** are not adverse to truly sustainable development at Tipner West including a sustainable level of affordable homes and marine employment focused within the existing brownfield land that seeks to protect and enhance wildlife and provides much needed greenspace.

Portsmouth Climate Action Board further believe the site should only be developed within the existing brownfield area with the use of low carbon, sustainable materials

Hampshire County Council also supports in principle sustainable development of this brownfield site. Early consultation with Hampshire County Council will however be required along with evidence of low mode-share by car and car free neighborhoods and detailed impacts on the road network.

Further comments proposed to develop on the site for uses alternative to housing (logistics park, port use, marine employment, miniature nuclear site) with additional development on Tipner East. Others also saw the opportunity for the development of leisure, education and recreation facilities whilst protecting and enhancing the environmental assets on the site to create a nature reserve. Further comments supported development on Tipner East and Horsea Island.

VIVID and **Bellway Homes** consider that the draft allocation should be separated allowing Tipner East to be delivered without reference to Tipner West (whilst including links to both where feasible). Bellway stated the policy wording should ensure that development within the allocated area at Tipner is able to be come forward in phases.

With regards to developing in other areas of the city, further comments proposed developing to the north of the city and extending its administrative boundary, developing the inner city and city centre, focussing investment on the rest of the city.

S2 - Tipner - Council Response
Responses received in relation to the three options proposed at Tipner provided an insight into how this policy needs to be developed as part of the next stage of the

Local Plan. Whilst there was some support for Option 1, there was a significant amount of opposition predominantly due to the environmental concerns and the impact on biodiversity. Whilst Option 2 was viewed in a slightly better light, concerns were still raised with regards to sustainability. The trend of sustainability issues continued in responses to Option 3.

Not all respondents were adverse to development, with a positive outlook on delivering sustainable and sensitively located development (on brownfield land) in order to protect and enhance the existing habitats and SPA.

The council will consider the most appropriate level and type of development that could be delivered at Tipner whilst providing high levels of sustainability.

Policy Status: Red

Policy S2 needs to be reviewed and updated to reflect the comments that were put forward during this stage. The Council will consider alternative proposals for the redevelopment of the Tipner area including options without land reclamation. Alternatives will need to be robustly evidenced, deliverable, in accordance with the Habitat Regulations and able contribute to the growth needs of the city. A full review of the Housing and Economic Land Availability Assessment with a 'Call for Sites' will be undertaken to further explore whether there are alternative locations/ options for housing and employment land.

S3 Fratton Park and the Pompey Centre

Fratton Park has been the home of Portsmouth Football Club since 1899 and its activities play an important cultural role in the city's identity. The football ground is partly surrounded by an area of warehouse-style retail and trade units (including The Pompey Centre) with residential areas to the east and south.

However, the capacity of the grounds and the physical infrastructure for getting fans to and from the site is currently insufficient, causing congestion during peak arrival/departing periods. The site is also bisected by Rodney Road which is one of the main thoroughfares for the city. This road and the adjacent railway line prevent easy pedestrian and cycle movement to and through the site and the area is dominated by a car-based layout. This leaves a bland, unintuitive public realm for pedestrians with no notable green space or features.

Policy S3 aims to enhance Fratton Park's role and contribution to Portsmouth's cultural identity, recreational provision and overall economic development, whilst optimising the development potential of the surrounding area to help support the housing needs of the city. Together, the allocation area could deliver approximately 750 homes.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy S3.

Question 40a: Do you agree with the proposed approach to Policy S3?	
	No. of respondents: 71
Yes	54
No	11
Not sure/don't know	6
Question 40b: Do you have any further comments or suggestions about the suggested approach proposed approach to Policy S3?	
	No. of respondents: 37

As the table above shows, the responses received in relation to Question 41a were mostly supportive with circa 76% of respondents agreeing with the proposed approach to Policy S3. Only circa 16% did not agree with the proposed approach and 8% were not sure.

Overall there was a mixed response in relation to Question 40b and the proposals set out in the draft policy. While a number of comments support the proposed development some comments do suggest rather than expanding the stadium at its current location the stadium should be moved elsewhere in the City such as Alexandra Park. The stadium is seen as a significant landmark and vitally important community hub in Portsmouth, with very limited mention of removing the stadium or whether it is needed.

Whilst the proposed development as set out in Policy S3 was supported in most instances, respondents felt that there were certain areas that still needed to be addressed. There were some concerns regarding the capacity of the local infrastructure with the proposed increased development, in particular the road infrastructure. There were concerns for how busy the roads got (especially on match day) and the lack of cycle or walking facilities. In addition, a

handful of comments also raised the need to provide more green infrastructure opportunities within the policy.

Other responses expressed concerns as to why the Council is allowing housing on a site identified as a 'strategic employment site' in the Economic Development and Regeneration chapter.

Pompey Supporters' Trust Board are supportive of the draft policy and have submitted some suggested amendments/corrections which are outlined below:

- *Para 7.3.1 The south stand was built in 1925 and is not part of the original stadium*
- *Para 7.3.3 Shouldn't reference to Rodney Road should read Fratton Way?*
- *Para 7.3.6 Current capacity, subject to H&S work, is c20,000 not 25,000*
- *Para 7.3.15 Reference to fig 28 should be fig 30 (four instances)*
- *Reference to "land west of the Pompey Centre" should read east of ... or west of Fratton Way?*

S3 Fratton Park and the Pompey Centre - Council response

The overarching aim of Policy is to support proposals that enhance Fratton Park's role and contribution to Portsmouth's cultural identity, recreational provision and overall economic development, whilst optimising the development potential of the surrounding area to help support the housing needs of the city.

There appears to be some confusion with regards to the area identified as a strategic employment site in the Economic Development and Regeneration chapter and the site identified in the draft policy. The Fratton Park and the Pompey Centre is not located with the area identified in Figure 5.

The council will take on board comments received and amend or correct the policy where necessary.

Policy Status: Amber

Following the comments received, the wording of the policy will be amended to reflect some of the concerns that were raised. Further options for improving infrastructure in and around this area will also be considered when reviewing the policy.

S4 Cosham

The Cosham Strategic Allocation is an identified area of development potential which broadly comprises the Cosham District Centre area and opportunity sites to the north along Southampton Road and London Road, and is considered to be able to deliver around 740 dwellings and 5,000 sqm of employment floorspace.

National Planning Policy states that planning policies should promote the effective use of land in meeting the need for homes and other uses and support the development of under-utilised land and buildings, while safeguarding and improving the environment and ensuring safe and healthy living conditions. Strategies for addressing growth needs should make as much use as possible of previously developed or 'brownfield' land.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy S4.

Question 41a: Do you agree with the proposed approach to Policy S4?	
	No. of respondents: 64
Yes	27
No	34
Not sure/don't know	3
Question 41b: Do you have any further comments or suggestions about the suggested approach proposed approach to Policy S4?	
	No. of respondents: 45

There were a total of 64 responses to question 41a of which the majority (circa 53%) did not agree with the proposed approach to Policy S4. Circa 42% agreed with the approach and only circa 5% were not sure.

The responses to Q41b included: concerns relating to inadequate infrastructure to support proposed housing numbers, such as GPs, schools, sewers/drainage; Cosham needs height, more public schools, improved F&B, more support for long-term tenants, pedestrianised high street; concerns over parking provision and existing capacity, and traffic congestion; proposed density seems very high, concern this will only be achievable through higher buildings that would ruin Cosham character; support for improvements to Spur Road/Northern Road; concerns over flood risk, especially from surface water; need for better quality shopping in Cosham; Bus Rapid Transit scheme needs to be better; concern over additional retail space provision; suggestion of adding trees wherever possible; should consider EV charge points in residential roads with only on-street parking and support for 'transport hub' - perhaps use the former IBM site.

Southern Water comments include:

- Southern Water has undertaken an assessment of existing infrastructure capacity and its ability to meet the forecast demand for each of the development sites set out in the draft Portsmouth Local Plan 2038. That assessment reveals that reinforcement of the local sewerage network would be required to accommodate 740 dwellings at Cosham.

- This is not a constraint to development, provided Southern Water can work with site promoters to understand the development program and to review whether the delivery of network reinforcement aligns with the occupation of the development.
- Southern Water has limited powers to prevent connections to the sewerage network, even when capacity is limited. Planning policies and planning conditions, therefore, play an important role in ensuring that development is coordinated with the provision of the necessary infrastructure.
- Unless planning policies support delivery of the network reinforcements required to accommodate new development, there is a risk that it will not be delivered in tandem with development, leading to an unacceptable risk of foul water flooding to both new and existing residents. This situation would be contrary to paragraph 174(e) of the NPPF (2021), which requires the planning system to prevent both new and existing development from contributing to pollution.
- Therefore, whilst a lack of capacity is not a fundamental constraint to development, planning policies should ensure that new or improved infrastructure will be provided in parallel with the development.
- We therefore request the following provision be added to site specific requirements for Policy S4: Cosham;
 - Occupation of development will be phased to align with the delivery of sewerage infrastructure, in collaboration with the service provider.

Portsmouth Labour Group indicated agreement with the policy.

NHS Property Services comments include:

- It is noted that Site Allocation S4 covers an area which includes Cosham Health Centre. NHSPS own the freehold to Cosham Health Centre.
- Cosham Health Centre currently consists of an operational health centre, comprising of a part two, part 3 storey building with one level of undercroft parking. Whilst the health centre is currently part operational, it is likely that the site will become surplus to NHS requirements as existing services are dispersed to nearby facilities which more adequately meet the needs of patients. After the property becomes vacant, NHSPS will seek to dispose of the health centre for best value.
- Importantly, the decision on whether a property is surplus to NHS requirements is made by the health commissioners and clinicians who use the property.
- Once declared surplus, NHSPS will explore alternative uses for the site, likely a residential redevelopment. The capital receipts and savings generated from the disposal of the property will enable investment in modern services and means of care for the NHS. It is therefore encouraging to see that the council recognise that Cosham Health Centre could be better optimised, offering an opportunity to deliver significant regeneration in partnership with relevant public bodies
- NHSPS support the council's intention to deliver high-quality mixed-use development, comprised of high-density housing within the site allocation. NHSPS also support the opportunity to redevelop existing buildings and land plots to make the most efficient use of land.
- To deliver this, the council will take a 'proactive role in identifying and helping to deliver land that may be suitable for meeting development needs.' To implement this, 'the council will seek to work in partnership and/or joint venture with other public bodies, and/or if necessary private landowners, to enable the effective delivery and funding opportunities to deliver comprehensive regeneration schemes.'

- Whilst NHSPS supports the overall approach to the site allocation, it is imperative that the council support NHSPS in seeking to explore alternative value generating uses for Cosham Health Centre and ultimately achieve best value for patient services in the area.

Public Health England comments include:

- All being well, the correct use of preceding policies should mean that all strategic development considers health and wellbeing issues as a matter of course.
- Public Health are already engaged in ongoing work on several strategic sites and have previously made representations to consultations for Cosham, St James' and Tipner, but to highlight the key messages:
 - Air quality, reducing vehicle dominance and car use must be a priority for all strategic sites, but particularly those already in higher density areas of the City.
 - There is a clear expectation that Strategic Development site proposals pay close attention to, and clear adherence with, the Health Pollution and Amenity Policy.
 - I note that the strategic site policies all refer to active and sustainable travel infrastructure, but question where the overarching policy provision is to ensure that they're all connected and that wider infrastructure improvements are made beyond site boundaries to enable a high quality, functioning network?
 - All strategic sites need to ensure they are providing opportunities for, and not adversely impacting upon, existing communities - this can be addressed through Health Impact Assessment.
 - For all strategic sites, Public Health fully supports proposals for off-road active routes (particularly emphasised in Policy S3: Fratton Park and the Pompey Centre). Further policy provisions for clear segregation between cycles/scooters and pedestrians are encouraged wherever possible, as well as the role of greening to be recognised as a way in which to improve the amenity value of these areas (to encourage walking and cycling).

S4 Cosham - Council response

The responses from the consultation have not shown there is majority support for the policy. The main concerns appear to be whether there are adequate provision of physical and social infrastructure to support the level of proposed development allocated to Cosham.

Notwithstanding, the NPPF requires that planning policies should reflect changes in the demand for land, be informed by regular reviews of both the land allocated for development and of land availability, and consider whether there is reasonable prospect of the use allocated in the plan coming forward at the point envisaged.

Policy Status: Amber

There is further work required to substantiate the policy in terms of the deliverability and availability of the allocated sites identified in the draft policy. This includes a review of land availability and demand, consideration of any planning applications permissioned or coming forward, and consideration of the phasing of land, uses, and development quantum over the identified plan period. There is also further need to identify and assess any infrastructure needs required to support the proposed level of development allocated to Cosham.

S5 St James and Langstone Campus

The St James' and Langstone Strategic site is located in Milton, an area on the eastern edge of Portsea Island with predominantly a suburban character. The site consists of two main development areas, the first is the listed St James Hospital and its grounds, including the NHS Solent medical campus and the southern part of the site under the control of the HCA including the former harbour school. The second main area is the former Portsmouth University Langstone Campus including university student halls of residence with adjoining playing fields. The St James and Langstone Campus site falls within the Milton Neighbourhood Plan area. Further detailed policy guidance for the site can be found in the emerging Neighbourhood Plan.

The site is currently in multiple ownership. This policy presents an opportunity to provide a strategic overview of how the site could develop including consideration of site specific constraints and opportunities. The St James Hospital site was previously identified in the Portsmouth City Local Plan (2001) under policies MT 2 – 4.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy S5.

Question 42a: Do you agree with the proposed approach to Policy S4?	
	No. of respondents: 58
Yes	35
No	14
Not sure/don't know	9
Question 42b: Do you have any further comments or suggestions about the suggested approach proposed approach to Policy S4?	
	No. of respondents: 44

Of the 58 responses to question 42a, the majority (circa 60%) agreed with the approach that had been taken to Policy S4. Circa 24% of respondents disagreed with the approach and circa 16% were not sure or did not know.

There were a mix of comments received in relation to question 42b. Some common responses included the feeling that there was too much development proposed at the site at a proposed density that was too high. Any development would need to be sensitive to the surrounding heritage assets, still allow public access and provide sufficient levels of supporting infrastructure. Other comments including from Homes England supported the allocation of 436 dwellings, but recommended a number of amendments to the policy.

The **University of Portsmouth** support the approach to Policy S5, stating the campus site has capacity to accommodate 310-410 homes on the previously-developed section

Solent NHS Trust object to the allocation of greenspace around the hospital due to the restrictions this places on development of the land. It is not 'public open space' as alluded to and therefore it is essential to retain this land as an opportunity for future healthcare development. **PJ Livesey and NHS Property Services** further state that the policy wording should not identify the specific areas of open space to be retained with the exception of the cricket club.

Milton Neighbourhood Forum feel that the principle of a 'Green City' will be compromised by both St James' and Langstone Campus as strategic development area due to already existing congestion hotspots. The comments raised proposed excluding Langstone Campus as a strategic site.

Of the comments received in relation to Q42b, a common responses highlighted the importance of the green space, in particular the protection and retention of the trees, and open spaces for biodiversity. The RSPB and Hampshire & Isle of Wight Trust were concerned about the proposed housing allocation without any mitigation or off-setting, questioning the soundness of the policy. Natural England raised concerns for the direct and/or indirect effect on the SPA supporting habitat. Concerns were raised regarding the overall levels of development and the impact this could have on vehicular access and potential congestion on an already pressured road network.

Historic England felt the policy to be unsound due to limited relevant and up to date evidence

There was overall support for the ongoing medical uses as part of the site mix, however, some responses questioned the sites suitability for elderly person's accommodations.

The Milton Neighbourhood plan was raised on a number of occasions with both support and concern to it being referenced.

S4 St James and Langstone Campus - Council response

There were a mix of responses in relation to Policy S5. There was some level of support for the proposal, however others raised concerns over the density of the proposed development and the amount of development that was being proposed. Other common areas of concern included the loss of biodiversity, trees and open space and the increased levels of traffic and connection that this could cause on an already pressurised road network. The Council needs to ensure that the policy position on protection of open space is clarified, and further emphasis put on the value of spaces on the sites.

Policy Status: Amber

The Policy will require amendments to emphasise the need to protect biodiversity and green infrastructure. The council will monitor the position held by Milton Neighbourhood Forum on the open space allocation at St James' following meetings with the NHS Property Services and ensure the new Local Plan complies with the decision reached.

Lakeside North Harbour is a part-developed, high quality office campus set within 135-acres of landscaped grounds, originally developed by IBM for their UK Headquarters. Today it is Portsmouth’s premier business location and a key employment site within the sub-region, hosting businesses from a range of sectors including finance, legal, I.T, research and development, marketing and public bodies and online retailers.

As one of the city’s most significant employment sites, the retention and provision of employment land at Lakeside is vital to ensuring the city can meet its employment floorspace requirements for the plan period, and to continue to provide high quality office space for the wider sub-region.

Policy S6 sets out the uses and criteria for new development proposals at Lakeside. Proposals for alternative development would also need to meet the tests of Policy E2: Employment Land.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy S6.

Question 43a: Do you agree with the proposed approach in Policy S6?	
	No. of respondents: 45
Yes	26
No	19
Question 43b: Do you have any further comments or suggestions about the suggested approach in Policy S6?	
	No. of respondents: 36

The comments received in relation to Question 43b were largely supportive of the employment-led approach to provide at least 50,000sq of office uses (Class E(g)(i-iii) uses). However, several responses were not supportive of the residential element of the Policy S6 with many having concerns on the impact of so many dwellings on the local infrastructure, the knock on effect to biodiversity, the environment and green space, and the lack of public transport to the site.

The **Woodland Trust** has identified a notable tree (Ancient Tree Inventory ID 58610) within this area and have asked that this tree and its root protection area should be safeguarded in any proposals for this site.

Natural England advise that the requirement for consideration of impacts of developing this site on the network of SPA supporting habitat is assessed at the earliest possible stage, to inform the sustainable development of this site, including the requirement for mitigation.

An assessment undertaken by **Southern Water** revealed that reinforcement of the local sewerage network would be required to accommodate 500 dwellings at Lakeside & North Harbour. This however is not considered a constraint to development, provided Southern Water can work with the site promoters to understand the development programme.

S6 - Lakeside Business Park - Council Response

The overarching aim of Policy S6 is to set out the uses and criteria for new development proposals at Lakeside. The council will take on board comments received, especially in relation to the environmental impact on developing the site and how traffic could be reduced.

Policy Status: Green

Overall this policy is considered to be suitable, with only potentially minor amendments.

9. Area Allocations

S7 PCC Estate Renewal

Within the city there are a number of housing estates which are predominantly in Portsmouth City Council's ownership. Due to these estates being largely developed in the post war period, the Local Plan is considering where growth and/or renewal opportunities could arise during the plan period.

National planning policy encourages the utilisation of existing development areas where possible and the creation of mixed, sustainable communities that promote the health and wellbeing of residents.

Portsmouth City Council were awarded funding to test the government's National Model Design Code (NMDC) in March 2021. Working with the Department for Levelling Up, Housing and Communities (DfLUHC) (formerly known as the Ministry of Housing and Local Government (MHCLG)), Portsmouth City Council is seeking to develop a design coding process for estate renewal within the city, using Horatia and Leamington site redevelopment in Somerstown as a case study for the pilot.

The Local Plan 2038 Regulation 18 consultation asked a number of specific questions relating to PCC Estates Renewal areas and the development and testing of a potential Estate Renewal Design Code.

Question 44a: Do you agree with the proposed approach in Policy S7?	
	No. of respondents: 22
Yes	20
No	1
Not sure/don't know	1
Question 44b: Do you have any further comments or suggestions about the suggested approach in Policy S7?	
	No. of respondents: 10

The comments received in relation to Question 44b were largely positive and included; Support to continue to keep the housing estates in Council ownership, Ensuring that housing is built to the highest standard with access to green space and that the views of the existing PCC estate residents are considered, with the suggestion of an estate ballot where plans

involve the redevelopment of existing homes. Statutory consultee, Natural England, commented with reference to the area of Paulsgrove, one of the areas included within this policy, which lies directly adjacent to Portsdown SSSI, which is designated for chalk grassland and invertebrate assemblages. Natural England suggested development proposals in this area should include an assessment of any potential impacts to the SSSI, and where required, be accompanied by appropriate mitigation measures.

Question 44c: What elements of the existing estate areas are important and should be retained?	
	No. of respondents: 9

The comments that were received under Question 44c included; open space, gardens, community hubs and centres and the character of older buildings, if safe to do so.

Question 44d: What elements should be renewed for the future?	
	No. of respondents: 12

The comments that were received under Question 44d included; dated tower blocks, badly connected developments, the insulation of homes, the quality of build, green spaces and encouraging areas for residents to grow their own, community facilities such as doctors surgeries and shops, ensuring that older housing stock is renewed to ensure those living their can do so safely and healthily and reducing the height of buildings when redeveloping, where possible.

S7 - Estate Renewal - Council Response
The very low number of responses to this policy are noted. The majority of respondents agreed with the Council's approach to this policy. The responses to the regulation 18 consultation highlight the importance of housing estates within the Council's ownership, ensuring high quality builds and green and open spaces for residents to access. Natural England suggested development proposals within the Paulsgrove estate should include an assessment of any potential impacts to the SSSI, and where required, be accompanied by appropriate mitigation measures. The Council will investigate this further in preparation for the regulation 19 plan.
Policy Status: Green
The Council welcome the responses and suggestions received and will carry out further investigations of the points raised and will refine the policy accordingly. This will also need to be clearly shown through the regulation 19 plan and supporting documents.

S8 The Seafront

Portsmouth's seafront area – stretching from Old Portsmouth to Eastney – is one of the city's most important and valued assets. It plays a key role in shaping perceptions of Portsmouth, both as a visitor destination and as a home for residents. People come to the seafront to enjoy views of the Solent, experience the seafront environment, and take part in leisure, cultural, and recreational activities all year round.

In order to maximise the potential of the seafront as a whole and to create a vibrant area, there is a need to promote regeneration opportunities and enhance the seafront's leisure, culture, and entertainment offer to strengthen the seafront as a year-round destination for the benefit of local residents and visitors to the city. New sea defences are also planned, which will not only provide sufficient protection from future sea flooding events but will also provide opportunities to regenerate the seafront, and to review connectivity, movement, and accessibility around the seafront area and between the seafront and other parts of the city.

Policy S8 sets out the broad approach to development in the seafront area. The council adopted the Seafront Masterplan Supplementary Planning Document (SPD) in 2021, which describes development opportunities in further detail.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy S8.

Question 45a: Do you agree with the proposed approach in Policy S8?	
	No. of respondents: 52
Yes	38
No	7
Not sure/don't know	6
Question 45b: Do you have any further comments or suggestions about the suggested approach in Policy S8?	
	No. of respondents: 34

The responses to Q45b included: the lack of connectivity between the seafront from northern part of city; introducing free parking for residents; incentivise visitors to use train or Park & Ride; the importance of protecting the open and uncluttered character, and limiting development along seafront; the need for the sea defences; how it is critical to preserve the unique natural habitats; inclusion of more indoor visitor attractions; the need for more beach huts; highlighting the dominance of vehicle traffic which needs to be brought under control - reallocate road to restrict on-street parking in favour of sustainable/active travel and the suggestions of including the Clarence Pier site and area near Hovercraft - which has development potential; tree and wildflower-planting on some areas of Common; extend open top bus route to Gunwharf; idea for 'Pompey Pass' to cover discounted entry into attractions/buses and the idea for seafront to host 'Formula E' races. There was also the mention of pollution of sea by water companies.

RSPB and Hampshire & Isle of Wight Wildlife Trust comments include:

- The proposed approach to The Seafront needs to be undertaken with care. The supporting evidence, including the Masterplan and the HRA of the Seafront Masterplan, highlight the sensitive wildlife sites scattered throughout this area. This

includes Core Areas supporting brent geese and forming a network of SPA functionally linked land as well as the impact to Portsmouth and Chichester and Langstone Harbours SPAs. However we do not agree with the conclusions of the HRA of the Seafront Masterplan due to a lack of supporting evidence, particularly in the case of recreational pressure and loss of functionally linked land, which we feel should be further assessed. Therefore we recommend that the Draft Local Plan HRA screens in the additional impacts pathways of recreational pressure and loss of functionally linked land in respect of Policy S8, as we do not consider these effects can be ruled out at this stage.

- It is important to recognise the ecological sensitivities of these sites and how the objectives of Policy S8 can be achieved whilst not having a negative impact on important sites. We would support the inclusion of the additional text recommended by the Draft Local Plan Appropriate Assessment (para 6.38) in respect of Policy S8, and consider this would improve the soundness of The Seafront policy.

Historic England comments include: We have no specific comments regarding this policy. We commented on the now adopted Seafront Masterplan and we are content that our comments were sufficiently responded to in the Seafront Masterplan.

Woodland Trust comments include: We welcome the policy that development proposals must take into account of the proposed 'green corridor' for the seafront. We note the presence of a veteran tree (Ancient Tree Inventory ID 156232) and a notable tree (Ancient Tree Inventory ID 25700) within this area. We ask that these trees and their root protection areas should be safeguarded in any proposals for this site.

Portsmouth Labour Group indicated support for this policy.

Premier Marinas Ltd (via agent) indicated support for this policy.

Natural England comments include:

- We welcome the clear requirements for the protection and enhancement of the natural environment included in this policy, including reference to the Seafront Masterplan SPD (March 2021) which provides some additional detail on construction and disturbance impacts.
- Thorough consideration of the impacts of development on designated sites and supporting networks including SPA supporting habitat will be required, together with the need for mitigation and/or compensation. However, Natural England recommends construction work (including any noisy activities in excess of 69 dB LAF,max) should avoid the bird overwintering period which we advise covers October to March inclusive.
- The identified Seafront Area includes numerous parcels identified as supporting habitat for the Solent SPAs. To support existing approaches outlined in the Masterplan, and to inform any development coming forward in this area outside of the Masterplan, we advise Policy S8 includes a clear reference to the potential for development in this area to impact SPA supporting habitat. Similarly, any impacts to adjacent Habitats Sites should also be robustly assessed, and appropriate mitigation or compensation strategies developed. Project-level HRA may be required.

S8 The Seafront - Council response

Responses from the consultation indicate support for this policy. Concerns that have been raised overlap with and are addressed by themes from other policy areas, such as Transport, Biodiversity, and Green Infrastructure, which any development proposal should have due regard to as well as the policies of this plan as a whole.

Additionally, the council adopted the Seafront Masterplan Supplementary Planning Document (SPD) in 2021, which described development opportunities in detail. The Seafront Masterplan SPD is a material consideration for decision-making, and sets out the planning delivery strategy for guiding, shaping, and enabling future development, regeneration, and public enhancement opportunities in the seafront area. Notwithstanding this, the Seafront Masterplan SPD will be subject to review as necessary and as opportunities for future enhancements arise.

Policy Status: Green

The Council welcome the responses and suggestions received through the Regulation 18 consultation and will only make minor changes to this policy if necessary.

S9 Portsdown Hill

Portsdown Hill is one of the largest areas of open space in Portsmouth and forms the northern boundary of the city and adjoins the Winchester, Fareham and Havant authority areas. Over fifty hectares of the south face of the hill is a designated SSSI owing to its chalk grassland habitat. There are a number of features used by visitors and Portsdown Hill has significant history associated with the defence of the Naval Dockyard and is home to three historic fortresses, of which Fort Widley and Fort Purbrook fall within the city's boundary.

National Planning Policy states that access to a network of high quality open spaces, and opportunity for sport and physical activity, are vital for health and wellbeing. Policy S9 of the New Local Plan encourages the delivery of proposals on Portsdown Hill that increase and enhance public access to land, biodiversity or active travel, whilst protecting and enhancing the key characteristics including its landscape, ecological and heritage value.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy S9.

Question 46a: Do you agree with the proposed approach to Policy S9?	
	No. of respondents: 44
Yes	40
No	4
Not sure/don't know	2
Question 45b: Do you have any further comments or suggestions about the suggested approach in Policy S9?	
	No. of respondents: 15

Responses to Q45b included: support to improve public access to Portsdown Hill, as well as ways to better improve current access, in particular due to the unsafe nature of Portsdown Hill Road. It was believed that there should be better signposting, safer ways to cross the road with necessary safe cycling infrastructure implemented to better allow for both vehicles and cyclists. Further comments commended the efforts to make Portsdown Hill a visitor destination, with further encouragement for more leisure uses.

Fareham Borough Council supported the approach to Portsdown Hill which supports that contained within the submitted Fareham Local Plan.

Winchester City Council's comments promoted conservation and protection of Portsdown Hill for its recreation, landscape, heritage and biodiversity importance, the explanatory text supported the use of Brownfield Land for employment development which is not suitable for its remote nature. Winchester Council suggested *"the policy provides only for recreation-related development and defines in due course the extent of brownfield land on the policies map"*.

S9 Portsdown Hill - Council response

The overarching aim of Policy is to support for proposals on Portsdown Hill that increase and enhance public access, including the expansion of existing open access and creation of footpaths, whilst protecting the important features and characteristics of the area.

Further emphasis will be made within the policy for enhanced and improved safety for visitors, cyclists, pedestrians and road users. Enhancements to recreation, biodiversity or active travel should consider the safety of users and where possible reduce existing risks.

The council will take into account the comment raised by Winchester City Council and review the use of brownfield land for employment use.

Policy Status: Green

Overall, Policy S9 is considered to be suitable with very few amendments required.

S10 Coastal Zone

Portsmouth has a significant length of coastline within its boundaries which brings a range of benefits for the city, including health and wellbeing, tourism and recreation, heritage and marine and maritime related industries. The coastline environment will need management to address predicted sea level rise.

National Planning Policy states that Local Plans must set out the priorities for development and use of land within its area, including strategic policies for relating enhancement of the local environment and coastal change management. Therefore, Policy S10 allows for and recognises the expected coastal management changes over the plan period and sets out requirements for any development proposals within the Coastal Zone.

The Local Plan 2038 Regulation 18 consultation sought views through a number of questions on the Council's approach to Policy S10.

Question 46a: Do you agree with the proposed approach to Policy S10?	
	No. of respondents: 39
Yes	36
No	2
Not sure/don't know	1
Question 46b: Do you have any further comments or suggestions about the suggested approach in Policy S9?	
	No. of respondents: 15

One of the main themes of the comments in response to Q46b is the proposed boundary of the Coastal Zone policy area, with many questioning why the boundary is smaller from the policy in the 2006 Local Plan and no longer includes the boundary of the sports-fields abutting the St James' Hospital eastern boundary. With this in mind, comments asked that the policy boundary be reinstated to replicate the 2006 policy boundary.

Natural England suggest consideration is also given to the North Solent Shoreline Management Plan refresh and its associated sub-categories and the Southern Region Habitat Creation Programme. They also suggest that the following bullet point in the summary table:

“Avoid adverse impacts upon marine and maritime related uses, infrastructure and activities; and” would benefit from the inclusion of the term coastal fringe. As an example: “avoid adverse impacts upon the coastal fringe, marine and maritime related uses, infrastructure and activities; and”.

Policy S10 Coastal Zone - Council response

The Policy allows for and recognises the expected coastal management changes over the plan period and sets out requirements for any development proposals within the Coastal Zone.

The council will take on board the concerns raised in regard to propose boundary of the policy in particular with regards to including the boundary of the sports-fields abutting the St James' Hospital eastern boundary and amend the policy to reflect comments submitted by Natural England.

Policy Status: Green

Following the comments received and Portsmouth Council's response, there are only some minor changes required to be made to Policy S10.

10. Other Comments

To ensure the Draft New Local Plan Consultation was accessible and reached as many people as Portsmouth as possible, we used an online virtual room website, which included a feedback form. This feedback form asked 'Do you have any other comments on the Draft Local Plan proposals?' and is analysed below.

Question 47: 'Do you have any other comments on the Draft Local Plan proposals?'	
	No. of respondents: 28

The majority of comments received in relation to Question 47 were positive and included ensuring Portsmouth retain a bold vision for the future, noting how well the city's sea defences are progressing, the need for infrastructure (including schools and doctors surgeries) must be address through this plan alongside the proposed development, all Portsmouth Football Club ground and stadium enhancements are welcomed, the policies need to be linked to the four main aims and respondees would like to see housing for key workers reference in future versions of the Local Plan.

Agenda Item 10



Title of meeting:	Cabinet & Full Council
Date of meeting:	8 th March 2022 & 15 th March 2022
Subject:	Solent Freeport Full Business Case (FBC)
Report by:	Mark Pembleton
Wards affected:	All wards will be affected as all are in the Freeport zone.
Key decision:	YES
Full Council decision:	YES

1.0 Purpose of report

- 1.1 The Council as a partner and director of Solent Freeport Consortium LTD (SFCL) is required to have approval to the Solent Freeport Full Business Case (FBC) by Cabinet and Full Council before the submission of the FBC to Central Government can be made. The deadline for submission of the FBC to Central Government is 15 April 2022.
- 1.2 By gaining approval to the FBC by Central Government the Solent Freeport officially exists with all customs and tax powers for a period of 25 years. The main body of this report has been produced by the SFCL to ensure a consistent approach to approval by all Councils.
- 1.3 The Council is a major beneficiary of the Solent Freeport in that it is the owner of the Portsmouth International Port, a proposed custom site, and owner and developer of Dunsbury Park, a proposed tax site, both within the Solent Freeport.
- 1.4 It is also noteworthy that Portsmouth City Council is the Accountable Body for the SFCL.

2.0 Recommendations

Cabinet approves:

- 2.1 This report to go on to Full Council on the 15 March 2022 for approval.

Full Council approves:

- 2.2 To delegate to the Chief Executive and the S.151 Officer in consultation with the Deputy Leader of the City Council to approve the Solent Freeport Full Business Case

(FBC) on behalf of Portsmouth City Council, and to see it submitted to Central Government following consultation with the S.151 and Monitoring Officers of each of the tax sites.

3.0 Overview of Freeports

3.1 Freeports are a flagship HM Government programme that play an important part in the UK's post-Covid and post Brexit economic recovery. Its aim is to contribute to the Government's levelling up agenda by bringing jobs, investment, and high value opportunities to some of our most deprived communities across country, while at the same time generating national benefits through trade and innovation.

3.2 In November 2020 HM Government [formally launched the bidding process](#) for Freeports in England. This prospectus sets out the objectives of the Freeport policy, which are threefold:

- **Establish Freeports as national hubs for global trade and investment across the UK** – bringing new investment into the surrounding region and increase trade through generating trade growth and enable trade processes to become easier and more efficient.
- **Promote regeneration and job creation** – leveraging ideas and investment from the private sector to deliver jobs, sustainable economic growth and regeneration in the areas which need it most.
- **Create hotbeds for innovation** – leveraging both public and private investment in R&D to develop and trial new ideas and technologies in and around the Freeport.

3.3 Designated Freeports offer several policy levers, including:

3.3.1 **Tax sites** give businesses operating within them access to certain tax benefits i.e., Enhanced Capital Allowances, Enhanced Structures and Buildings Allowance, Stamp Duty Land Tax reliefs, Employers National Insurance Contribution relief, and Business rate relief

3.3.2 **Customs sites**, in our case this will be Portsmouth International Port and Portico, provide: -

- Simplified customs procedures
- Duty exemption
- Duty deferred
- Duty inversion
- VAT deferral

3.3.3 **Retained business rates** allows local authorities to retain the growth in non-domestic rating income in Freeport tax sites for 25 years above an agreed baseline, which are expected to be used to reinvest in supporting Freeport objectives.

3.3.4 **Seed capital funding** of up to £25m to kick-start delivery of Freeport objectives. Dunsbury Park is in line to obtain £4.4M towards new road and associated infrastructure and Portsmouth International Port is in line for £0.7M towards the

cost of a new right-turn from the Port and the demolition of a building and the establishment of a new customs zone building.

3.4 As the policy has evolved it has become clear that *Tax Sites* (3.3.1) and *retained business rates* (3.3.3) are the most significant elements of the overall package. In the March 2021 Budget, the Chancellor announced that the Solent Freeport bid was one of eight shortlisted by the HM Government, marking the start of the Freeport designation process for the Solent region. Alongside the other 7 English Freeports, the Solent has been working through the business case approvals process ever since.

3.5 Each of the shortlisted Freeports has also been provided with up to £1M of capacity revenue funding by Central Government to help them in the set-up phase and early years operation and to date £450k of this has been drawn down by the Solent Freeport mostly to support the work on producing the Outline Business Case (OBC) and FBC.

4.0 **The Solent Freeport proposition**

4.1 The following table summarises the tax and customs sites within the Solent Freeport, and where they sit within the Local Authorities of the Solent region.

Table 1. Solent Freeport tax and customs sites

Local Authority	Tax site	Customs site
Havant Borough Council	(1) Dunsbury Park	
New Forest District Council	(2) Southampton Water, including: <ul style="list-style-type: none"> • Marchwood Port • ABP Strategic Land Reserve • ExxonMobil • Fawley Waterside 	(1) Marchwood Port (2) Strategic Land Reserve (ABP)
Southampton City Council	(2) Southampton Water, including: <ul style="list-style-type: none"> • Redbridge 	(3) Redbridge / DP World Terminal
Eastleigh Borough Council	(3) Navigator Quarter	
Portsmouth City Council		(4) Portsmouth International Port /Portico

4.2 Since the bid was submitted it has become clear that the initial Customs Site regime will not provide additional benefits for container operations over what is available through existing UK customs arrangements. The Redbridge/DP World sites will not now be taken forward as part of the first wave of Customs Sites. Should the rules

change to accommodate container operations these (and other) sites can be brought forward subsequently.

- 4.3 It is estimated that the policy levers available through Freeport designation will deliver significant benefits to the region, including:
- **Leveraging c£1.6 billion in private sector investment on Solent Tax Sites, based on active discussions with private firms looking to invest in new manufacturing and port-based operations and infrastructure**, with this being enabled principally by an estimated **c£225m tax benefits to the private sector**, through a combination of accelerated tax reliefs on new investment, centrally funded business rate reliefs, lower employer national insurance payments on new employees and savings in stamp duty;
 - **Providing significant, additional funds** through pooled retained business rates, to deliver supporting infrastructure, innovation, skills, and a steppingstone to net zero programmes. These new funds are generated by an Enterprise Zone type arrangement on the Solent's tax sites, with the revenues being pooled for deployment across the wider Solent Freeport area. As with Enterprise Zones, these revenues are dependent on the Tax Sites attracting new investment and thus generating business rate revenues. Based on the private interest in Tax Sites to date, the estimated pooled business rate revenue potential currently stands at some [**£570m**]¹ over 25 years; **and**
 - **Delivering increased port capacity** and throughput of international trade through the region's key ports².
- 4.4 Collectively, this is expected to deliver a significant number of jobs both in the Solent and wider UK economy.
- 4.5 A top-down economic impact assessment at the time of the original bid and based on the size of and anticipated activity on tax sites, **results in an estimated 28,000 jobs and £2.0 billion GVA directly in the Solent.**
- 4.6 Using Office of National Statistics (ONS) multipliers to estimate indirect impacts (i.e., wider supply chain impacts) this results in c57,000 jobs and £3.6 billion in GVA across the UK (see Table 2 below). Current end-user interest is already estimated to deliver c16,000 jobs on tax sites. This is expected to increase when the Solent Freeport is formally designated, and the ecosystem of the Freeport and surrounding area develops. These wider impacts include the expected impact of the Freeport tax site programme on port capacity, especially for cruise traffic. Southampton is the UK's preeminent cruise port, and pre pandemic estimates put the number of jobs created in the Solent area by this activity at some 14,000. The investment in port capacity enabled by the Freeport tax sites is expected to allow Southampton to double the number of cruise passengers it can handle.

¹ Subject to further review, this figure will be updated

² Estimated increase provided includes automotive capacity (75%), cruise capacity (100%), container capacity (40%) and bulk capacity (100%+), through a combination of investment on Solent Tax Sites and via released capacity elsewhere along Southampton Water.

Table 2. Estimated job impacts from Solent Freeport (thousands) from the original bid

	Local Authority	Direct jobs	Indirect jobs	Total
	Havant BC			
Dunsbury Park		1.7	1.8	3.5
	Eastleigh BC			
Navigator Quarter		3.2	3.3	6.5
Southampton Water - total		23.4	23.2	46.7
Southampton Water - SCC	Southampton CC	1.8	1.7	3.5
Southampton Water - NFDC	New Forest DC	21.7	21.5	43.2
Total		28.4	28.3	56.7

Note: Numbers may not add due to rounding
Numbers subject to be updated at FBC stage.

4.7 Collectively this will generate a socio-economic dividend that will support the levelling up of coastal communities across the Solent, address a few identified market failures and long-standing structural challenges, and strengthen the Solent's contribution to the UK's path to Net Zero. It will also ensure the Solent continues to perform a critical role contributing to national ambitions for a global Britain.

5.0 **Freeport designation process**

5.1 For a Freeport to be considered formally designated it will require:

- Government approval of Outline Business Case (OBC) and Full Business Case (FBC) – 'the Business Case Process'
- Government approval of proposed tax sites – 'the Tax Site Process'
- Government approval of proposed customs sites – 'the Customs Site Process'

Figure 1 (page 7) summarises the timings of the Solent Freeport designation process

5.2 The business case process is led by the Department of Levelling Up, Housing and Communities (DLUHC). The purpose of the business case process is to enable prospective Freeports to fully consider all factors that are critical to the successful delivery of a Freeport and assure Government that public funding both directly (such as seed capital funding) and indirectly (such as forgone tax revenue) delivers value for money.

5.3 The focus of the OBC was on the overarching strategic vision for the Freeport as a whole, including how the Freeport levers will be used to address longstanding challenges in the region, and was a critical stepping-stone to the approval of the Solent's proposed Tax Sites, which is expected this month.

5.4 The other critical stepping-stone is the agreement of a series of Site-Specific Agreements between the Freeport Company the Solent has established to deliver the Freeport, the landowners of each of the Tax Sites, and the relevant Local Authority. These agreements are designed to ensure that activity on Solent Tax Sites delivers

genuinely additional growth and employment for the Solent and that those investing in these sites are fully engaged in the Freeport's objectives supporting skills, innovation, and net zero programmes.

- 5.5 Two of the three tax sites have their agreements signed, including that for Dunsbury Park Tax Site which was approved by Cabinet on the 8 February 2022 and signed by the Council, Havant BC and the SFCL.
- 5.6 The FBC involves adding further detail to the vision set out in the OBC, particularly regarding the use of seed capital funding and retained business rates, alongside refining the content of the OBC in line with government feedback.
- 5.7 As set out in Figure 1, the OBC is expected to be approved by DLUHC by the end of February 2022. This will allow the Solent Freeport to submit a FBC by 8 April 2022 (ahead of the formal deadline of 15 April) and proceed with tax site designation.³
- 5.8 Approval of the FBC (which may take 6 weeks from submission) will lead to the Solent signing a series of Memorandums of Understanding (MoUs) with Government on how the Freeport will operate, which in turn will unlock the central funding for business rates reliefs on Tax Sites; retained business rates from those sites for 25 years; and the £25m of Seed Capital funding.

6.0 Tax site process

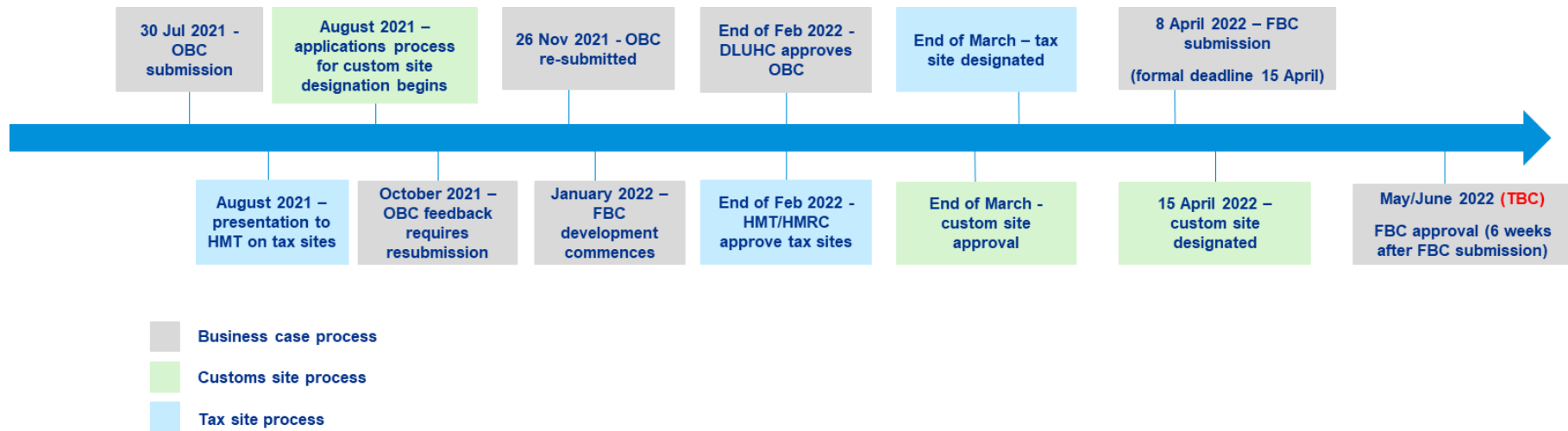
- 6.1 The tax site process is led by the HM Treasury (HMT), and its purpose is to verify that prospective Freeports' proposed tax sites adhere to the criteria set out in the Bidding Prospectus, in terms of both physical size and shape and potential to meet the policy objectives. This is important to ensure that the selected tax sites maximise the benefits of the Freeport whilst minimising any deadweight or displacement. The case provided by prospective Freeports will help the Government and Freeport governing bodies evidence the value of the policy. As noted above, the Solent is using Site Specific Agreements with landowners to mitigate risks in this area. Subject to approval by HMT by the end of February, approval of the OBC by DLUHC, it is expected tax sites will be designated by the end of March.

7.0 Custom site process

- 7.1 Each Freeport customs site will need to be approved by HM Revenue and Customs (HMRC) prior to designation. This will involve HMRC checks to ensure the operator is legitimate, the location is secured, and that the businesses operating within the customs site are complying with relevant security standards. There are also additional checks relating to specific conditions of designation, for example IT systems to ensure it can keep records in specified format. Businesses wishing to access the customs benefits of a Freeport will need a separate Freeport Business Authorisation. Each customs site operator is responsible for liaising with HMRC through its application process.
- 7.2 For the FBC to be approved, the Solent Freeport will need at least one customs site designated by the FBC deadline (15 April 2022). As noted above, there is no time limit on when other Solent customs sites can be brought forward once the Freeport is formally established following the approval of the Full Business Case.

³ Tax sites are designated via secondary legislation

Figure 1. Solent Freeport designation timelines



8.0 Retained Business Rates Memorandum of Understanding

- 8.1 FBC approval is required to access seed capital funding, central funding for business rate reliefs on tax sites, and retained business rates. Therefore, much of the additional requirements of the FBC (relative to OBC) relate to these areas.
- 8.2 At FBC stage, prospective Freeports are required to set out a policy for using income from retained business rates. This must cover three areas:

Table 3. Freeport FBC requirements – retained business rates policy

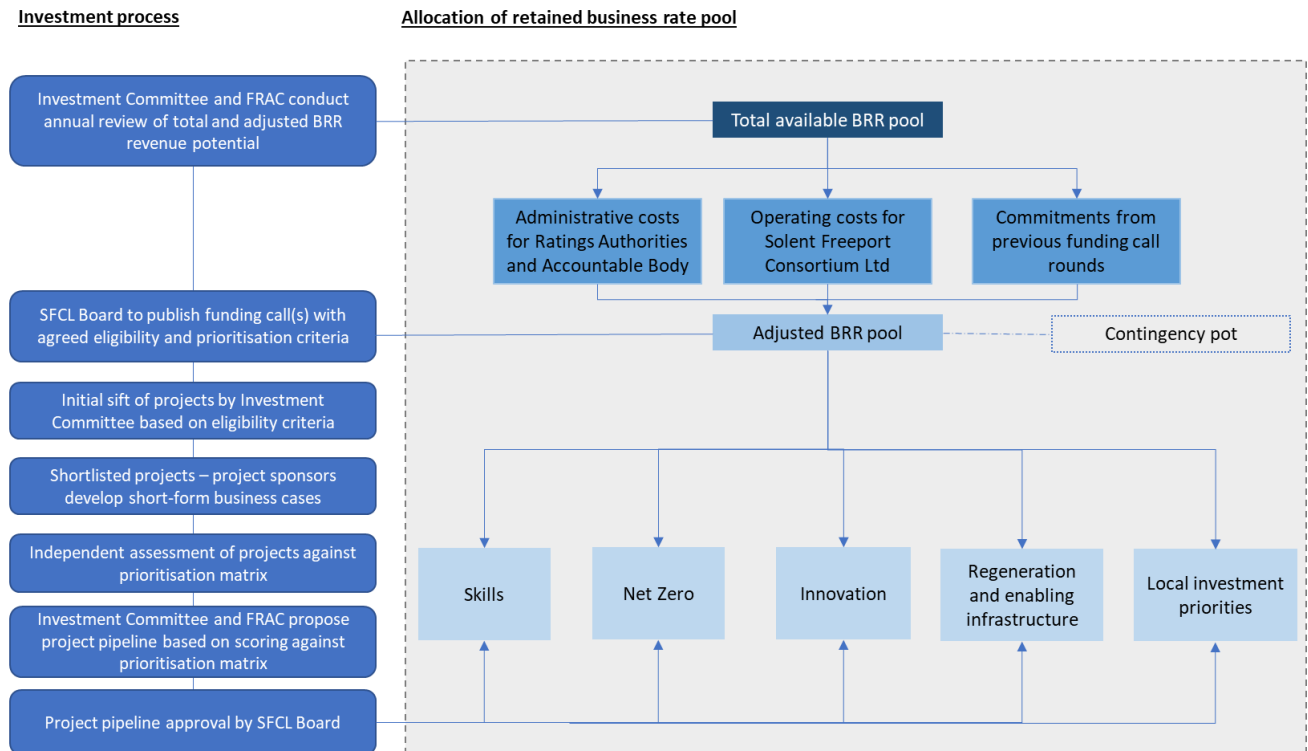
(1) Strategic Focus	<ul style="list-style-type: none"> • The objectives of the retained business rates fund and the rationale behind them, including how they relate to the objectives of the Freeport and the Freeports programme more widely. • The criteria projects must meet to be eligible for funding and how these uphold the DLUHC’s requirements and align with the objectives of the retained business rates fund.
(2) Financial Modelling	<ul style="list-style-type: none"> • The overall expected value of retained business rates profiled over time • Approach to borrowing against rates, including when it is appropriate to start borrowing, and who will borrow
(3) Governance	<ul style="list-style-type: none"> • How decisions regarding the use of retained rates will be taken and the process for prioritising and selecting projects for funding. • Where ownership of the business rates policy lies and including how and when it will be reviewed and evaluated. This should make clear how the Freeport governing body will ensure delivery of the policy.

- 8.3 As noted above, all prospective Freeports will need to agree a Memorandum of Understanding (MOU) with DLUHC on the operation of the Freeport, including the use of retained business rates to unlock both central funding for business rate reliefs, and retained business rates.
- 8.4 In advance of this, and as a critical part of the FBC, a Solent Freeport Business Rates MOU (See appendix 1 to this report for latest draft) is being drawn up to set out the proposed use and governance for the Solent’s retained business rates. This MOU has been collectively developed by:
- S151 officers from the four local authorities that will collect retained business rates within the tax sites (i.e., Havant Borough Council, Eastleigh Borough Council, New Forest District Council, and Southampton City Council)
 - Portsmouth City Council in its role as Accountable Body for the Solent Freeport
 - the Solent Local Enterprise Partnership (LEP); and
 - the Solent Freeport Consortium Limited Board.
- 8.5 Following FBC submission, DLUHC will set out the process for agreeing variations to its terms as required and appropriate before finalising and signing the MOU agreement between Solent Freeport and DLUHC.

9.0 Retained Rates Investment Committee (RRIC)

- 9.1 Alongside the Business Rates MOU there is the RRIC the draft Terms of Reference of the RRIC are attached as appendix 2.
- 9.2 The RRIC is the forum through which the Solent Freeport Consortium Limited and relevant Rating Authorities will work together to agree on the use of retained rates generated at tax sites.
- 9.3 Membership of the Investment Committee shall consist of six members with voting rights comprising of the following:
- The Leaders (or other democratically elected member as nominated by the Leader) of the Four Freeport Rating Authorities
 - The Chair of the Investment Committee (to be a member of the Freeport Board)
 - The Chief Financial (S151) Officer of Portsmouth City Council, the Accountable Body to the SFCL or their nominated representative who will have a financial veto right under affordability grounds but no voting rights regarding the type of or geography of investments.
- 9.4 Ex-officio Members will include the Chief Financial (S151) Officers of the Four Freeport Rating Authorities or their nominated representatives.
- 9.5 The Freeport Investment Committee will lead on the strategy and prioritisation of investments and make recommendations to the Board for final decision. This will include:
- Developing the prioritisation matrix to be used to evaluate proposed projects for retained rates funding
 - Assessing projects against the eligibility criteria and prioritisation matrix
 - Allocating funding to specific projects by workstream and ensuring equity of use, both across workstreams and geographic spread across the Solent
- 9.6 The role of the Retained Rates Investment Committee is both advisory and decision making, and there is an expectation that they will provide recommendations on matters relating to the use of retained rates for consideration by the main SFCL Board and the Chief Finance Officer of Accountable body for the SFCL. It is expected that the advice and recommendations of the Committee will normally be reached by consensus, but if a vote is required decisions shall be made based on a majority of those members attending and voting.
- 9.7 The Accountable Body has the right to veto an investment on affordability grounds to not place the SFCL at financial risk.
- 9.8 The following figure summarises process for deciding how retained business rates are invested.

Figure 3. BRR investment process



Note: FRAC stands for Finance, Resource and Audit Committee. This is a sub-committee within the Solent Freeport Consortium Ltd. (SFCL)

10. Reasons for recommendations

- 10.1 The FBC when approved by Central Government will bestow full benefits of Freeport designation on a 45 KM zone of the Solent, specifically on the customs sites and tax sites as listed in 1.4 Table 1, providing economic benefits to the Solent region.
- 10.2 The Council will benefit as landowner with the Council owned International Port becoming a customs site and Portico (a wholly owned company of the Council) becoming a Customs Site Operator.
- 10.3 The Council will also benefit as their industrial park, known as Dunsbury Park, will become a tax site with a wide range of tax incentives in place for future tenants.
- 10.4 Seed funding has been requested for both sites to ensure they can operate in line with the proposed FBC as soon as possible.

11. Integrated impact assessment

- 11.1 The council will also be the Accountable Body for the Solent Freeport with a very important role in the running of the Freeport, the management of the retained business rate pool, subsequent borrowing capacity and decisions regarding the investment pipeline.

See attached as appendix 3.

12. Legal implications

- 12.1 The site-specific agreement provides for a set of principles and conditions the council are obliged to adhere to in order for the relevant red line to benefits from tax site designation rate relief.
- 12.2 The agreement is between the (1) Solent Freeport limited (2) the Council and (3) Havant borough council as the rating authority. The Agreement recognises the Council's status as accountable body for and on behalf of the Solent Freeport and separates and distinguishes from this in cases of termination.
- 12.3 The obligations in terms of assurance of any end user to meet one of more of the Freeport objectives is not specific within the agreement in terms of evidencing and /or formalisation. There is an ability for any end user to utilise the site and to opt out of meeting such criteria but only in very specific limited express provisions for non-viability. The reality is it is an onerous set of obligations upon the council to pass onto any end user. In cases where the contractual Solent Freeport objectives cannot be evidenced in terms of Additionally the agreement provides the Solent Freeport can terminate the agreement and the council's directorship at the Solent Freeport board removed.
- 12.4 The terms of the agreement and the obligations and restrictions it places upon the council as landowner (and therefore stepped down to any end user), are to be balanced as against the benefit of the tax relief as observed and reviewed by the market and the viability if the project delivery at the site.

13. Director of Finance's comments

- 13.1 It is a requirement from Government that all Freeports have a designated Accountable Body in place to assure the financial transparency and accountability of the Freeport and that efficient systems and management controls are in place to support the Freeport and ensure that it can achieve its objectives.
- 13.2 The Council agreed as part of the bidding process that it would be very willing to be the Accountable Body for the Solent Freeport and following confirmation that the Solent was selected as one of the eight Freeports in the March 2021 Budget announcement the Council formally wrote to government to confirm it would carry out this role.
- 13.3 Officers from the Council have been providing financial and legal advice to the Freeport board throughout the outline and full business case preparation and this will continue once full designation has been achieved.
- 13.4 As the Freeport is in its infancy the Council has agreed to temporarily underwrite any operating deficit in the short term as long as there is a strong likelihood that the Freeport will remain financially viable (which continues to be the case).The Accountable Body oversee and report on all of the financial transactions of the Freeport and report the current and three year forecast financial positions, highlighting any risks and issues to both the Freeport's Finance, Resources and Audit Committee (FRAC) and then to the main Board.
- 13.5 The Council has also been instrumental in developing the Retained Rates MoU and The Retained Rates Investment Committee Terms of Reference as referred to in paragraphs 8

and 9 of this report and at present it is forecast that approximately £570m of retained rates will be available for use in the Freeport area.

13.6 In its role as Accountable Body, the Council has been proactive and agreed to undertake most of the borrowing and therefore the risk against these retained rates in order to stimulate early development of the area. The Retained Rates MoU and The Retained Rates Investment Committee recognise this role and the risk that comes with it and there is provision in both documents to ensure that PCC have the right to veto any investment that is not deemed viable or carries a level of risk that is unable to be managed adequately.

.....
Signed by:

Appendices:

- **Appendix 1** Draft of the Memorandum of Understand for Retained Business Rates by the Solent Freeport.
- **Appendix 2** is a draft of the Terms of Reference for the Retained Rates Investment Committee.
- **Appendix 3** is the 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:

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Solent Freeport Retained Rates Investment Committee

Draft Terms of Reference

(February 2022)

Background

The Solent Freeport represents a major opportunity to transform the Solent region, Britain's gateway to the world. It will rejuvenate our local areas and industrial clusters and will be the centrepiece for the Solent's strategy to build back better. The Freeport will directly:

- **deliver increased capacity and throughput of international trade** through the region's three ports, facilitating the growth of industries and supply chains in other UK regions, as well as locally within the Solent;
- **leverage significant levels of private investment** to unlock un/under-developed sites for development by facilitating new infrastructure and enabling private enabling investment;
- **catalyse the growth of innovative new industries** that will provide solutions for the challenges of our times, including how to deliver the benefits of growth to our hard to reach and left behind coastal communities, and also generate significant regional and national economic value, for which a strong pipeline private sector of proposals and enquiries already exists. These include examples of international additionality for the UK; and
- provide both a platform and significant additional funds, not least through pooled retained business rates, **to deliver supporting infrastructure, innovation, skills and a steppingstone to net zero programmes**, coordinated through a dedicated Freeport Company supported by appropriate and robust management resources and governance.

The local retention of incremental business rates generated on Tax Sites is expected to be one of the most valuable elements of the Freeports package in terms of delivering the Solent Freeport's medium and long-term objectives for the Solent's economy and communities.

The Retained Rates Investment committee has been established to ensure that the retained business rates growth is deployed in the most effective way to ensure that the overarching objectives of the Solent Freeport are realised.

Objectives

The Retained Rates Investment Committee is the forum through which the Solent Freeport Consortium Limited and relevant Rating Authorities will work together to agree:

- protocols by which retained rates collected by different rating authorities within the Solent Freeport Area may be pooled;
- a joint decision-making process relating to the assessment of applications for Retained Rates Funding and

- how the costs of rating authorities and the Solent Freeport Consortium Limited incurred in administering such funding and business rates relief will be funded.

The work of the Retained Rates Investment Committee will include advising the Board of Solent Freeport Consortium Limited on:

- The prioritisation of workstreams / specific projects for investment of retained rates funding
- Equity of Use
 - Top Slice for agreed significant investment priorities
 - Allocation for Rating Authority Programmes / Projects
- Prioritisation Matrix
- Scoring Matrix to be reviewed annually or for each funding call
- The content and management of funding calls
- Financial reporting on the availability and use of the pooled retained business rate growth.

Relationship with SFCL Governance Structure

The Investment Committee is an Investment Committee that is appointed by and reports and provides advice to the main SFCL Board.

The Investment Committee sits within the SFCL Governance Structure. This Committee will have regard for, and act in accordance with, the relevant scheme of delegation and any SFCL Assurance Framework established by Solent Freeport Consortium Limited or HM Government.

The Investment Committee sits below the SFCL Board with its main focus on the deployment of the SFCL resources with a key role in terms of the use of retained business rate growth to deliver the SFCL objective as set out in the Full Business Case.

It will provide advice to the Board on strategic and operational matters related to retained rates.

Membership and Structure

Membership of the Investment Committee shall consist of six members with voting rights comprising of the following:

- The Leaders (or other democratically elected member as nominated by the Leader) of the Four Freeport Rating Authorities
- The Chair of the Investment Committee (to be a member of the Freeport Board)
- The Chief Financial (S151) Officer of Portsmouth City Council, the Accountable Body to the SFCL or their nominated representative.

The s151 of the Accountable Body will have the ultimate veto on any investment under financial grounds but will not have voting rights on the type of geography of investments are agreed as long as they are compliant with financial regulations and within the risk appetite of the Accountable Body.

Ex-officio Members:

- The Chief Executive Officer of the SFCL / The SFCL Senior Responsible Officer
- The Chief Financial (S151) Officers of the Four Freeport Rating Authorities or their nominated representatives.

The Accountable Body will always have the right to veto an Investment on affordability grounds so as to not place the SFCL at financial risk.

Directions on Appointments to the SFCL Investment Committee

Retained Rates Investment Committee membership is at the discretion of the Board of Solent Freeport Consortium Limited. The Committee Chair must always be the Solent Freeport Senior Responsible Officer (SRO). Committee Members may nominate substitutes from their relevant organisations in the event that they are unable to attend a Retained Rates Investment Committee meeting. Nominees will have full voting rights. Members of the Retained Rates Investment Committee may resign their position at any time by giving notice in writing to the Chair.

Quorum

For the Investment Committee to be quorate at least four members will need to be present at meetings. This must include the Chair; two Rating Authority Leaders, and the Chief Financial Officer of Portsmouth City Council, or their nominated representatives.

Decisions and Voting

The role of the Retained Rates Investment Committee is both advisory and decision making, and there is an expectation that they will provide recommendations on matters relating to the use of retained rates for consideration by the main SFCL Board and the Chief Finance Officer of Accountable body for the SFCL. It is expected that the advice and recommendations of the Committee will normally be reached by consensus, but if a vote is required decisions shall be made on the basis of a majority of those members attending and voting.

Should a case arise where a proposed project is not wanted in their own LA boundary the Leader of that LA can oppose this and have the ability to make representation to the Board to set out the rationale for this opposition.

Attendance by Others

The work of the Retained Rates Investment Committee will be supported by the attendance of the SFCL Executive and Accountable Body Finance Team, supplemented by other representatives where agreed by the Chair. These attendees will not have any voting rights.

The Role and Responsibilities of the SFCL Retained Rates Investment Committee

The Freeport Retained Rates Investment Committee is the forum through which the Solent Freeport Consortium Limited and relevant Rating Authorities will lead work together to agree:

- a joint decision-making process relating to the assessment of applications for Retained Rates Funding and
- how the costs of rating authorities and the Solent Freeport Consortium Limited incurred in administering such funding and business rates relief will be funded.

The work of the Retained Rates Investment Committee will include advising the Board of Solent Freeport Consortium Limited on:

Deployment of Funding

- Ensure that the deployment of retained rates funding made by the SFCL is being used to deliver the agreed outcomes
- To receive and consider quarterly reports on progress against the deployment of retained rates funding, taking any necessary action within the limits of the delegated authority as granted by the Board
- The prioritisation of workstreams / specific projects for investment of retained rates funding
- Developing the Prioritisation Matrix and Scoring Matrix related to the use of retained rates
- The content and management of any funding calls related to retained rates as outlined in the MoU:
 - Contribution to Freeport Operating Costs
 - Administrative Costs for Rating Authorities and Accountable Body
 - Commitments from previous rounds
 - Contingency
 - Rating Authority Local Investment Priorities
 - Core Investment Programme
- Financial reporting on the availability and use of the pooled retained business rate growth.
- Equity of Use
 - Top Slice for agreed significant investment priorities
 - Allocation for Rating Authority Programmes / Projects
- To receive reports from other Solent Freeport committees as appropriate to inform consideration of retained rates related matters
- Providing advice to the SFCL Board on Retained Rates funding more generally

Prioritisation Principles for Business Rate Retention Funding

Funding calls to attract projects for retained rates investment will use the following criteria:

- Deliverability - evidence that the initiative is deliverable, with the appropriate level of procurement strategy, project management and governance in place
- Economic outcomes and growth potential - clear link to levelling up the Solent region through unlocking employment and/or improving economic opportunities for local residents
- Strategic fit with Solent policy objectives and relevant national guidance
 - Solent LEP e.g., world leading marine & maritime economy, decarbonisation, coastal renaissance, thriving visitor economy, world class talent base, outstanding business environment
 - Central Govt e.g., Levelling up, Net Zero, Innovation, Global Britain
- Additionality – clear market failure that cannot be addressed by the private sector alone or through alternative public sector funding streams (to also consider subsidy control)
- Private sector leverage – private sector contributions unlocked
- Public sector contributions – further public sector funding unlocked
- Availability of alternative funding – given the objective of closing gaps in wider funding mechanisms

- Affordability – scale of the funding ask

Investments will also be considered in terms of the geographic balance of projects and wider Freeport benefits across the wider Solent Freeport area and between workstreams (i.e., Infrastructure, Skills, Net Zero and Innovation)

Prioritisation / scoring matrix will be used by the Retained Rates Investment Committee and will include (but not exhaustive):

- Scale of matched funding investment would attract
- Private Sector investment (min %) / risk
- Level of Freeport resources required Deliverability
- Speed of delivery
- Job Creation
- Additional GVA
- Benefit Cost Ratio
- Geography

Projects with existing commitments to be honoured (e.g., s106) but could be topped up with pooled rates if agreed

Government Approved Business Case Templates will be required to be completed depending on size of the bid and should be Green Book compliant

- Low Value / Risk
- Medium Value / Risk
- High Value / Risk

Templates are available here: <https://www.gov.uk/government/publications/the-green-book-templates-and-support-material>

Investment Process

- Recommend a risk appetite for retained rates investment to the SFCL - to be agreed and reviewed at least annually by SFCL Board / AB (who will underwrite borrowing risk)
- Recommend allocation of funding for significant priority projects and for rating authority programmes
- SFCL Board to agree and publish retained rate funding call(s) with agreed eligibility and prioritisation criteria
- Initial internal assessment against retained rate funding call criteria via the Retained Rates Investment Committee before external, independent assessment starts to ensure projects meet the eligibility criteria.
- Full project assessment by external independent experts with broad range of skills (appointed by the Solent Freeport)
- Independent expert assessment presented to the Investment Committee with recommendations to SFCL Board (Relevant Authority S151 officers to brief their Board members)
- Project approval by Board including a pipeline of projects

Monitoring and Reporting

- The Accountable Body will hold and account for pooled business rates on a separate area of its balance sheet and report the status on a regular basis in an agreed format to the Finance, Resources and Audit Committee, the Retained Rates Investment Committee and the Solent Freeport Consortium Board.

To include:

- Rates received
- Rates deployed
- Rates committed
- Rates expected
- Status of reserves
- The Solent Freeport Consortium will publish an annual report, approved by the Accountable Body, on decisions, progress, expected costs and benefits, delivery and evaluation of projects, programmes and initiatives supported through retained business rates

Policy and Review Process

- SFCL Board to review the effectiveness of the Investment Committee on an annual basis
- Ultimate ownership by SFCL Board advised by AB in line with the principles set out in the MoU
 - Formal review on an annual (or exceptional) basis - advised by the FRAC
- Delivery of benefits realisation review - published in Freeport Annual Report
 - Regular item on FRAC to include:
 - Minimum annual forecast update
 - Rates received / deployed / due
 - Summary and broken down by tax site
 - Benefits delivered / forecast
 - Comparison to FBC
 - Recommendations to SFCL Board
- Changes to government policy - trigger for all parties to review

Governance and Risk Management

- Monitoring compliance with all terms and conditions attached to retained rates funding awards and recommending action where they are not fully complied with.
- Monitor and evaluate performance of retained rates funding investment against the SFCL Full Business Case and subsequent policies and strategies
- Annual review of the SFCL risk appetite to the use of borrowing against the growth in retained rates

Any other issues that are specifically delegated to the Investment Committee by the Board.

The Role of the Chair

The Chair will be responsible for agreeing the agenda for each meeting and deciding the order of matters to be discussed.

The Chair will agree in partnership with the SFCL Executive at the start of the new financial year the programme for the forthcoming year.

The Chair will chair all the meetings of the Retained Rates Investment Committee. If the Chair is unable to attend a meeting, the Chair will nominate a representative to attend and Chair the meeting on their behalf.

The Chair will decide the order in which members will be called to speak ensuring that all members present, who wish to, are given an opportunity to speak and also seeking to ensure that all views are fairly represented.

The Chair may suspend the meeting if in his or her view this is necessary; for whatever period of time, he or she thinks appropriate.

The Chair will act as an ambassador for the SFCL and the work of the SFCL in relation to the Retained Rates Investment Committee.

Conduct of SFCL Investment Committee Members

All SFCL Members are expected to follow "The 7 principles of public life" code of conduct and a SFCL Code of Conduct has been established which all Retained Rates Investment Committee Members are required to sign. A copy of the SFCL Code of Conduct is available [here](#)

Deputations at meetings

The Retained Rates Investment Committee may receive deputations on a matter from any organisation or individual, where notice has been given, which is deemed relevant to the role of the Committee. The following rules will apply:

- Notice of the intended deputation stating its purpose must be received in writing by 12 noon on the working day preceding the meeting.
- Decisions on whether to receive deputations on a matter will be made by the Chair and the Chair may waive the giving of notice in any case they consider appropriate.
- When the deputation is given it must relate to the agreed purpose in respect of which it is made.
- No person may speak for more than 6 minutes per deputation.
- The total time for those in favour and against a proposal will be 12 minutes respectively. If more than 2 people wish to speak for or against a proposition, the time allocated to each will be reduced proportionately, unless they agree otherwise amongst themselves how to apportion the 12 minutes.
- Those attending may make a written or verbal presentation which may be supplemented by a modest visual aid such as a single plan, photograph or video recording. This will be retained by the SFCL. Video recording presentations are included within the time allowed to deputations.
- Questions to deputations will be permitted, but only to clarify a statement.

Support and Administration Arrangements

The SFCL Executive team will provide the secretariat for the Investment Committee.

Portsmouth City Council is the accountable body for the SFCL and a protocol and service support agreement is in place between the accountable body and SFCL which is available [here](#).

Independent support may be commissioned by the SFCL and Portsmouth City Council to support them with the discharge of their roles and strategic advice in relation to support requirements may, from time

to time, be requested from the Retained Rates Investment Committee to inform such commissions. Equally, the SFCL and Portsmouth City Council will welcome, consider and respond to any advice from the Committee in relation to future commissions which have the potential to support the utilisation of retained rates in the Solent Freeport geography.

Working Arrangements and Meeting Frequency

The Investment Committee shall meet four times per year, or as agreed by the Chair in partnership with the SFCL Board.

Declarations of Interest

In accordance with the National Local Growth Assurance Framework, a register of interest has been established by the Solent Freeport Consortium Limited and all Directors have a statutory duty to declare their interests (direct or indirect) in transactions or arrangements involving the Solent Freeport. This requirement has been extended to all Chairs and Members of dedicated advisory committees, Section 151 Officers and Chief Executive Officers of any accountable body organisation operating on behalf of the Solent Freeport and Any other persons with significant influence over the activities of the Solent Freeport (for example, Solent LEP employees and senior points of contact at accountable body organisations such as legal and financial contacts).

Dated: _____ 2022

PORTSMOUTH CITY COUNCIL (acting as Accountable Body for the Solent Freeport Consortium Limited)

And

The Department of Levelling Up, Housing and Communities

MEMORANDUM OF UNDERSTANDING
for the Use of Retained Business Rates

THIS MEMORANDUM OF UNDERSTANDING is dated _____ of _____ 2022

PARTIES

(1) PORTSMOUTH CITY COUNCIL of Civic Offices, Guildhall Square, Portsmouth, Hampshire PO1 2AL (acting as Accountable Body for The Solent Freeport Consortium Limited ("SFCL") with company number 13266664; **AND**

(2) The Department of Levelling Up, Housing and Communities

(each a "**Party**" and together the "**Parties**")

BACKGROUND

(A) The Parties have agreed to work together to manage the Growth in Business Rates generated by the designated tax sites within the Solent Freeport [designated area as set out in Annex E] to achieve the aims and objectives of the Freeport as set out by HM Government (**Project**).

(B) The Parties wish to record the basis on which they will collaborate with each other on the Project. This Memorandum of Understanding (**MOU**) sets out:

1. the key principles of the Project;
2. the strategic focus of the collaboration;
3. the financial modelling; and
4. the governance structures of the Project.

THE PARTIES AGREE:

1 Interpretation

1.1 In this MOU the following expressions shall have the following meanings:

"**Accountable Body**" means Portsmouth City Council acting as Accountable Body for the SFCL;

"**Business Rates**" means the levy charged on non-domestic properties by local ratings authorities;

"**Business Rate Growth**" means the increase in Business Rates collected by a Relevant Authority over and above the agreed baseline for a Tax Site

"**Business Rates Relief**" means relief from Business Rates granted by the Rating Authority under section 47 of the Local Government Finance Act 1988 (as amended) to End Users occupying Eligible Premises in accordance with the terms of this Agreement and Applicable Legislation;

"**Investment Committee**" means the committee set up by the Solent Freeport Consortium Limited to provide advice to the SFCL Board as set out in the Terms of Reference in Annex D

"**Relevant Authority**" means the four local authorities participating in the Project namely: Eastleigh Borough Council, Havant Borough Council, New Forest District Council and Southampton City Council;

"**Retained Business Rates**" means the means the aggregate of:

Business Rates Relief granted by ratings authorities in the Solent Freeport Area to (i) End Users; and (ii) eligible end users of premises at other tax sites in the Solent Freeport Area which, are reimbursed to the applicable ratings authorities by HM Government during the term of this Agreement; and

Business Rates paid to ratings authorities in the Solent Freeport Area by such end users (once eligibility for Business Rates Relief has expired) and by any other end users of the tax sites in the Solent Freeport Area for a period of up to 25 years from the Commencement Date (to the extent that such Business Rates exceed the baseline level of rates as established by the Rating Authority received at those tax sites prior to the Commencement Date);

which, in each case, local authorities are entitled to retain to fund local investment and infrastructure projects for the purposes of furthering the Freeport Objectives;

"Solent Freeport Consortium Limited (SFCL)" means the Solent Freeport Company of 1 London Road, Southampton, United Kingdom with company number 13266664.

"Solent Freeport Designation" means the power to enable tax sites within Freeport locations to be designated and recognised in law as geographical areas where businesses can benefit from tax reliefs to incentivise investment and to boost employment.

"Solent LEP" means Solent Local Enterprise Partnership Limited;

"Tax Site" means a map of tax sites as set out in Annexe E;

"Wider Solent Freeport Area" means the area set out in the Map at Annexe E

2. Purpose of this MOU

The local retention of incremental business rates generated on Tax Sites is expected to be one of the most valuable elements of the Freeports package in terms of delivering the SFCL's medium and long-term objectives for the Solent's economy and communities.

Retained business rates over a 25-year period provides a step-change in resource funding available for initiatives that are key to the Solent's success and the objectives of the SFCL, including skills, infrastructure, net zero initiatives and innovation. This funding will be targeted to deliver sustainable growth, productivity and regeneration across the Freeport area, supporting meaningful and sustained levelling-up of harder to reach coastal communities and ensuring more of the benefits of the Solent's nationally significant port infrastructure and marine connectivity are retained within the region. The funding will be deployed in conjunction with other funding streams and be designed to gear in contributions from the private sector. The approach will also take advantage of the resource nature of a retained business rate stream, which means it can plug gaps in what is possible through central or devolved capital funding alone, and to act as a multiplier in terms of the benefits of that funding for the Solent.

The purpose of this MOU is to set out the SFCL's plans on the use of retained business rates generated on Tax Sites. This includes:

(1) Strategic Focus	<ul style="list-style-type: none">• The objectives of the retained business rates fund and the rationale behind them, including how they relate to the objectives of the SFCL and the Freeports programme more widely.• The criteria projects must meet to be eligible for funding and how these uphold the DLUHC's requirements and align with the objectives of the retained business rates fund.
(2) Financial Modelling	<ul style="list-style-type: none">• The overall expected value of retained business rates profiled over time and an indicative allocation between workstreams

(3) Governance	<ul style="list-style-type: none"> • How decisions regarding the use of retained rates will be taken and the process for prioritising and selecting projects for funding. • Where ownership of the business rates policy lies and including how and when it will be reviewed and evaluated.
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In recognition of the pan-Solent approach to delivery of the SFCL, this plan has been developed by the four Relevant Authorities that will collect Retained Business Rates within the Tax Sites, Portsmouth City Council in its role as Accountable Body, the Solent LEP and the SFCL.

This MOU sets out the terms by which the Relevant Authorities will manage the Growth in Business Rates generated by the designated Tax Sites within the SFCL to achieve the aims and objectives of the Freeport as set out by HM Government

3. Key Principles

This MOU is to be without detriment to the financial resources that would have been available to each Relevant Authority under the current local government finance regime in 2021/22 and any future changes that may arise out any Review of the Business Rate Retention Scheme. Details of this arrangement are set out in Annexe B

From the date of Solent Freeport Designation any growth in business rates within an approved Tax Site above the agreed baselines as set out in Annexe A will be determined annually based on the NDR 3 Return and passed to the Accountable Body within 14 days after the deadline date for the NDR3 Return. Should as part of the audit exercise there be any subsequent adjustments to any of the NDR3 returns that result in a change to the amounts transferred a reconciliation will take place and payments will be made to or from the Relevant Authority as necessary.

Portsmouth City Council will pool all such receipts and formally report the status of the pool to the SFCL and relevant subgroups on an annual basis. In addition to this each Relevant Authority will be required to provide an annual updated forecast of business rates expected to be received in each Tax Site for the period up to 2047/48

The value in the Business Rates pool and the forecast receipts up to and including 31 March 2047 will be reported to the SFCL to allocate, as set out in this MOU, including the relevant governance approvals, to promote the Freeport's objectives within the SFCL's outer boundary [as set out in] Annexe E

4. Strategic Focus

The objectives of the use of retained business and the criteria projects to be eligible for funding are set out below.

Objectives

The objective the business rates programme is to allocate retained business rate revenues to maximise long-term sustainable and inclusive economic net gains to the Solent, by supporting public and private initiatives within the SFCL's outer boundary in line with the Maps at Annexe E that promote:

- skills and employment,
- productivity, including through innovation,
- trade and investment,

- regeneration, and
- a successful net zero transition.

Project eligibility

Consistent with the Government’s guidance on its expectations for the use of retained business rates, a potential investment will need to fall within one or more of the following categories in order to be eligible for support from the business rates programme:

- Freeport operating costs.
- Physical or digital infrastructure that will facilitate investment in the Freeport area or wider area of impact.
- Land assembly or site remediation works that will facilitate investment in the Freeport area or wider area of impact.
- Skills and workforce development.
- Innovation initiatives.
- Regeneration or the development of economic assets within the Freeport area or wider Solent area.
- Mitigating any displacement and/or negative externalities associated with the Freeport.
- Activity in support of the SFCL's Net Zero ambitions.
- The delivery of Freeport-specific planning measures.
- Co-funding project and programme development and design.

Furthermore, to be eligible for investment from the business rates programme, potential schemes and/or initiatives will need to demonstrate that they:

- i) would not otherwise occur, or occur at a much slower rate or on a smaller scale,
- ii) require public funding (e.g., owing to market failures), and
- iii) are most appropriately funded from retained business rates, wholly or in part.

The SFCL will be open to making funds available to public sector entities, private sector entities, not-for-profits, charities and other types of organisation. In all cases, appropriate due diligence of recipients will be undertaken prior to the release of funds.

Investments will be considered that take the form of a one-off grant, a multi-year grant (for example to support borrowing undertaken by the project’s sponsor), equity investments, co-investment, and - in exceptional circumstances - loans. Investments of both a capital and revenue nature will be considered.

It is expected that the promoters of potential investments will be required to demonstrate their commitment to the project, especially through the availability of matched funding to support a contribution from the business rates programme.

5. Financial Focus

This section summarises the current expected value of retained business rates and proposed approach to any planned borrowing against future income from retained rates.

Value of Business Rate Growth

The following table summarise outputs from financial modelling on the size and profile of the business rates programme. This is broken down by Tax Site and Relevant Authorities.

Table 1. Summary of estimated retained business rates revenue

Tax site	Rating Authority	Estimated BRR over 25 years (£m)	Hectares	£m BRR per ha
Dunsbury Industrial Park	Havant	<i>tbc</i>		
Navigator Quarter	Eastleigh	<i>tbc</i>		
Southampton Water	SCC/NFDC	<i>tbc</i>		
Southampton Water - SCC	Southampton	<i>tbc</i>		
Southampton Water - NFDC	New Forest	<i>tbc</i>		
Total				

Note: finalisation of figures in progress

For annual Business Rate Retention cash flows refer to Annexe C. These figures remain forecasts only and will in practice be driven by the timing and pace of investment, the rateable values determined by the Valuation Office Agency (subject to appeals and review), and any future reform of the business rates system (including changes to the multiplier).

This forecast will be updated on an annual basis in line with the NDR forms submitted to Government and agreed by the SFCL.

Allocation of the retained business rate pool

Prior to the commencement of each investment round, the Investment Committee will consider the overall quantum of funding that is to be made available to the SFCL for investment during the relevant period, based on information provided by the Accountable Body as to the retained business rates receipts on each Tax Site.

The allocation of retained business rates is expected to be:

1. Contribution to SFCL operating costs

The first priority for allocation from the business rates pool will be any contribution required to support the ongoing operating costs of the SFCL.

The quantum of business rates allocated for this purpose will be based on consideration of a budget and forward financial plan for the period submitted by FRAC, alongside key assumptions and sensitivity analysis, which will indicate the contribution to SFCL operating costs that is requested from the business rates pool.

2. Administrative costs for Relevant Authorities and Accountable Body

As set out in its Terms of Reference, the membership of the Investment Committee will comprise

- The Leaders (or other democratically elected member as nominated by the Leader) of the Four Freeport Rating Authorities
- The Chair of the Investment Committee (to be a member of the Freeport Board)
- The Chief Financial (S151) Officer of Portsmouth City Council, the Accountable Body to the SFCL or their nominated representative.

The s151 of the Accountable Body will have the ultimate veto on any investment under financial grounds but will not have voting rights on the type of geography of investments are agreed as long as they are compliant with financial regulations and within the risk appetite of the Accountable Body.

Ex-officio Members:

- The Chief Executive Officer of the SFCL / The SFCL Senior Responsible Officer
- The Chief Financial (S151) Officers of the Four Freeport Rating Authorities or their nominated representatives

Given the time commitments of members to developing and administering the Investment Process (see Figure 2) funding will be agreed towards administrative costs for Relevant Authorities and Accountable Body.

3. Commitments from previous rounds

Where allocations from the business rates programme are provided on a multi-year basis which outlast a single investment plan period, these will need to be accounted for in subsequent rounds.

4. Contingency

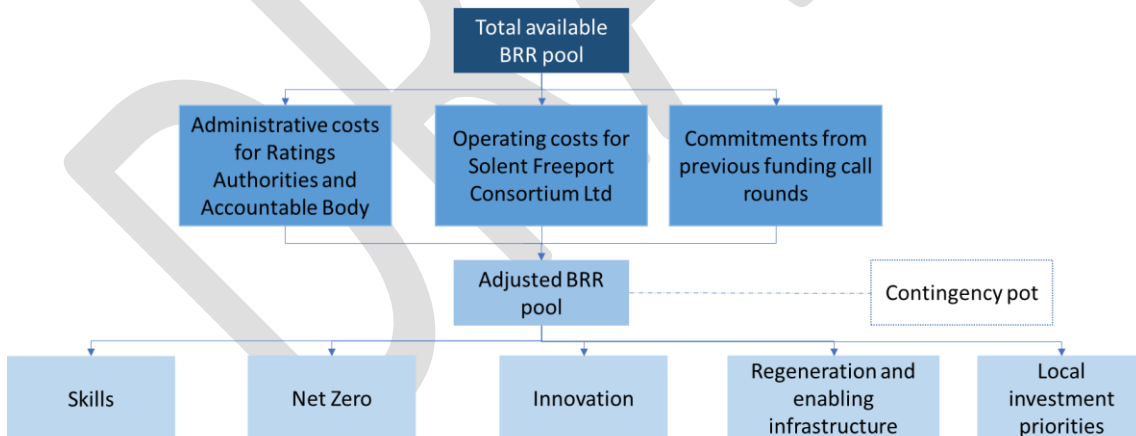
An amount of funding may be kept aside within each investment round for contingency

5. Core investment programme (adjusted BRR pool)

The remaining funds will then be allocated to support a suite of investments designed to deliver the objectives of the programme. The workstreams are expected to be:

- 1) Skills
- 2) Net Zero
- 3) Hotbeds of innovation
- 4) Regeneration and enabling infrastructure
- 5) Local investment priorities

Figure 1. Allocation of retained business rate pool



The SFCL have not developed an indicative allocation between workstreams at this stage. This is because we consider that doing so now would be premature as there are likely to be overlapping initiatives (e.g. a Green Skills project) and it will ultimately depend on the funding needs on a project-by-project basis. In addition, as set out in the Governance section of this document, one of the key considerations of prioritising projects for BRR funding is the balance of projects across the SFCL area and between workstreams. Therefore whilst it is not anticipated that the SFCL will have a predetermined allocation of funding to each theme, over time it is expected that projects across all themes will be funded.

Financial Risk

The Accountable Body will underwrite the borrowing risk in line with the following:

- The actual rates growth received, and the forecast of rates growth will be reviewed on a regular basis to inform any investment decisions in terms of affordability and risk. The expectation is that borrowing will be more front ended as it can't exceed the life of the pool.
- The approach to risk will include the certainty of business rate growth forecasts including the strength of covenant of tenancies in the tax sites. This approach should ensure that funding can be deployed early to stimulate growth and deliver the Freeports objectives.
- The Accountable Body will ensure that the fund is not over committed over the life of the Freeport and any interest costs on advance commitments will be charged to the Pool.
- No investment can take place unless it is ultimately agreed by the Accountable Body and the SFCL Board. This will be advised by the Investment Committee.
- Should the rates pool fall into deficit (actual or forecast) the first call on future pooled rates will be to bring the pool back into a surplus position.
- Where business rates are proposed to support capital projects or initiatives with uncertain costs and revenues, contributions from the business rate pool may need to be capped and only approved subject to an agreed full allocation of risks. The Investment Committee will provide advice to the Board should this situation arise.

Any planned borrowing against future income from retained rates including why borrowing is needed, when it occurs, who will borrow and from whom.

Use of Borrowing

- Borrowing will be used to invest in projects recommended by the Investment Committee and approved by the SFCL Board within the geography (see maps at Annexe E) of the Solent Freeport as set out in the FBC approved by Government
- Borrowing will be used to enable and accelerate development
- Borrowing will be used to meet the key priorities and themes priorities set out in the FBC
- Projects and programmes to be funded from borrowing will be considered by the Investment Committee in line with the eligibility criteria in section 4 and the scoring / prioritisation matrix referred to in section 6 and agreed by the Investment Committee.

Pooling Mechanism

- Each Relevant Authority will be required to pass on the actual growth in business rates over the agreed baseline within 14 days after the deadline for the NDR3 (or equivalent) return
- The Accountable Body will hold and account for these pooled business rates on a separate area of its balance sheet and report the status of the pooled rates on a regular basis to the Finance, Resources and Audit Committee, the Investment Committee and the SFCL Board
- Any interest earned on pooled rates held will be added to the pool on an annual basis and become available for reinvestment into eligible SFCL projects or costs associated with the operation of the SFCL.

Borrowing

- The Accountable Body will undertake all of borrowing on behalf of the SFCL at the most favourable (subsidy control compliant) rate and on the condition that the Relevant Authorities have passed on the growth in Business Rates every year.
In exceptional circumstances there could be occasions where borrowing could be jointly underwritten with the relevant Billing Authority where either the investment might exceed the risk appetite of the SFCL and Accountable Body or where the investment might generate financial and or economic benefits beyond the life of the Pool upon which the underwriting is then passed over in full.
In some circumstances this approach could generate additional business rates in the area but outside of the tax site which should then make the ability to borrow more flexible.
Any proposal of this nature would be separately considered by the Investment Committee.
- Any borrowing for Investment will be a full financial appraisal and appropriate due diligence and in accordance with the Accountable Body's Treasury Management Strategy
- Borrowing will be used for Projects of a lower risk nature, with Projects of a higher risk nature being funded from cash receipts to the Pool
- Any borrowing undertaken will be for periods not exceeding the life of the Pool or the life of the economic benefits generated by the investment, whichever is the shorter
- Borrowing should be undertaken on the most favourable terms
- Borrowing needs to be tested for subsidy control compliance before any investment is agreed

Worked Example:

A worked example of how business rates growth will be calculated by each Relevant authority at the end of each financial year is set out at Annexe F

6. Governance

This section sets out how decisions regarding the use of retained rates will be taken, the process for prioritising and selecting projects for funding, and where ownership of the Business Rates policy lies.

Investment Committee (Terms of Reference are included at Annexe D)

The Investment Committee will lead on the strategy and prioritisation of investments and make recommendations to the SFCL Board for final decision. This will include:

- Prioritisation to workstreams / specific projects contained within the FBC and the Site-Specific Agreements
- Equity of Use
 - Top Slice for agreed significant investment priorities
 - Allocation for Rating Authority Programmes / Projects which will consider proportionate levels of investment in line with Business Rate Growth.
- Prioritisation matrix and to be used by the Investment Committee
- Scoring Matrix to be reviewed annually

Principles of prioritising projects for Retained Business Rate funding

The plan is to prioritise Projects using the following criteria:

Pass / Fail - is the project eligible based on the objectives of Retained Business Rate funding

- 1) Deliverability - evidence that the initiative is deliverable, with the appropriate level of procurement strategy, project management and governance in place
- 2) Value for money - benefits generated against costs of the project (benefits delivered will vary by workstream e.g. skills developed, productivity uplift, reduced carbon emissions, employment unlocked, land value uplift, agglomeration)
- 3) Strategic fit with Solent policy objectives and relevant national guidance
 - Solent LEP e.g. world leading marine & maritime economy, decarbonisation, coastal renaissance, thriving visitor economy, world class talent base, outstanding business environment
 - Central Govt e.g. Levelling up, Net Zero, Innovation, Green Growth, Global Britain
- 4) Additionality – clear market failure that cannot be addressed by the private sector alone or through alternative public sector funding streams (to also consider subsidy control)
- 5) Private sector leverage – private sector contributions unlocked. Preference of 50% but a minimum of 20% in specific circumstances
- 6) Public sector contributions – further public sector funding unlocked. Preference of 50% but a minimum of 20% in specific circumstances
- 7) Availability of alternative funding – given the objective of closing gaps in wider funding mechanisms
- 8) Affordability – scale of the funding ask
- 9) Delivering the strategic outcomes across the whole geography of the Freeport

Consideration will be given to the geographic balance of Projects and benefits across the wider SFCL area and between workstreams (i.e. Infrastructure, Skills, Net Zero and Innovation)

- Projects with existing commitments to be honoured (e.g., s106) but could be topped up with pooled rates if agreed

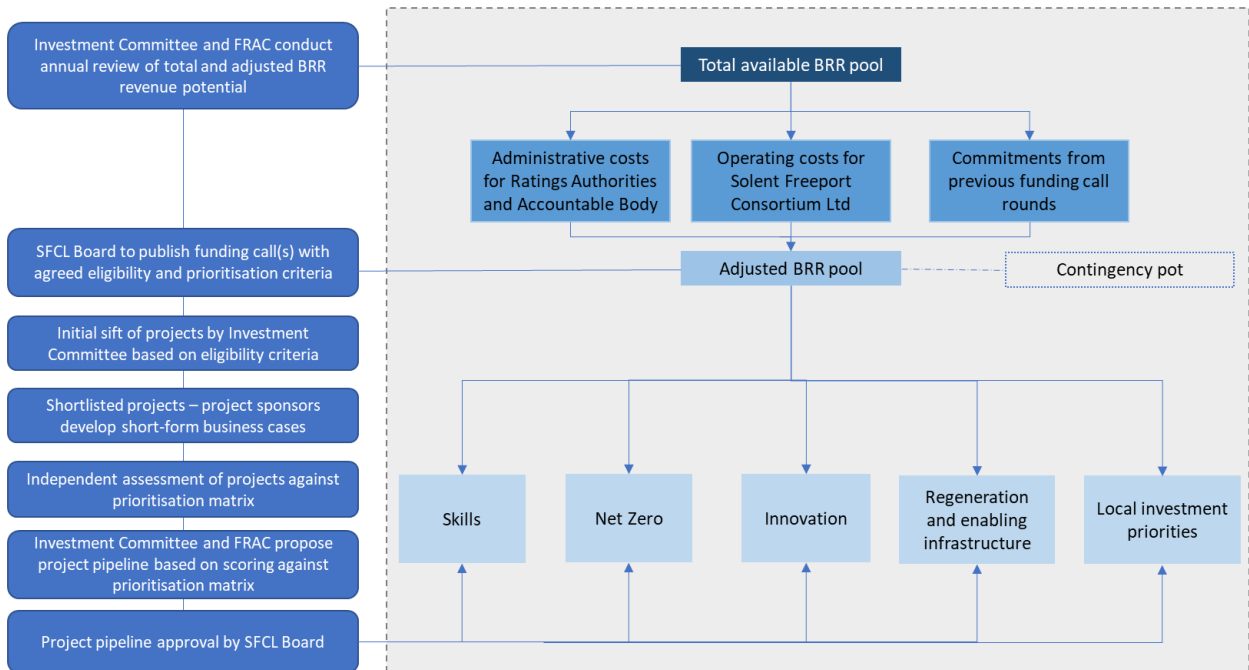
Investment process

- Agree risk appetite for SFCL - to be agreed and reviewed at least annually by SFCL Board / Accountable Body (who will underwrite borrowing risk)
- SFCL to agree top-slice for priority projects based on recommendations from the Investment Committee and the Finance, Resources and Audit Committee.
- SFCL Board to agree and publish funding call(s) with agreed eligibility and prioritisation criteria
- Initial internal assessment against funding call criteria via the Investment Committee before external, independent assessment starts to ensure projects meet the eligibility criteria.
- Full project assessment by external independent experts with broad range of skills (appointed by the SFCL)
- Independent expert assessment presented to the investment Committee and the Finance, Resources and Audit Committee with recommendations to SFCL Board (Relevant Authority S151 officers to brief their Board members)
- Project approval by SFCL Board including a pipeline of projects

Figure 2. BRR investment process

Investment process

Allocation of retained business rate pool



Monitoring and Reporting

- The Accountable Body will hold and account for pooled business rates on a separate area of its balance sheet and report the status on a regular basis in an agreed format to the Finance, Resources and Audit Committee and the SFCL Board.
To include:
 - Rates received
 - Rates deployed
 - Rates committed
 - Rates expected
 - Status of reserves
 - Interest Earned and Accountable Body Treasury Management Policy
- The SFCL will publish an annual report, approved by the Accountable Body, on decisions, progress, expected costs and benefits, delivery and evaluation of projects, programmes and initiatives supported through retained business rates

Policy and Review Process

- SFCL Board to review the effectiveness of the Investment Committee on an annual basis
- Ultimate ownership by SFCL Board advised by Accountable Body in line with the principles set out in this MoU
 - Formal review on an annual (or exceptional) basis - advised by the FRAC
- Delivery of benefits realisation review - published in the SFCL Annual Report
- Regular item on FRAC to include:
 - Minimum annual forecast update
 - Rates received / deployed / due
 - Summary and broken down by tax site
 - Benefits delivered / forecast
 - Comparison to FBC
 - Recommendations to SFCL Board

- Review of Borrowing risk appetite to take place annually or by exception should circumstances dictate
- Changes to government policy - trigger for all parties to review

7. Term and Termination

7.1 This MOU shall commence on DATE, and shall expire on DATE.

8. Dispute Resolution

- 8.1 If any issues, concerns or complaints arise of in or in connection with the MOU, that Party shall notify the other Parties and the Parties shall then collectively seek to resolve the dispute by a process of consultation. If the dispute cannot be resolved within a reasonable period of time, the matter shall be escalated to the SFCL Board, which shall decide on the appropriate course of action to take. If the matter cannot be resolved by the SFCL Board within 14 days of notification of a dispute, the matter may be escalated to the senior officers of each respective Party.
- 8.2 If any Party receives any formal inquiry, complaint, claim or threat of action from a third party (including, but not limited to, requests for information made under the Freedom of Information Act 2000) in relation to the Project, the matter shall be promptly referred to the Investment Committee (or its nominated representatives). No action shall be taken in response to any such inquiry, complaint, claim or action, to the extent that such response would adversely affect the Project, without the prior approval of the Investment Committee (unless otherwise required by law)

9. Variation

This MOU, including the Annexes, may only be varied by written agreement of the Parties.

10. Status

- 10.1 This MOU is not intended to be legally binding, and no legal obligations or legal rights shall arise between the Parties from this MOU. The Parties enter into the MOU intending to honour all their obligations.
- 10.2 Nothing in this MOU is intended to, or shall be deemed to, establish any partnership or joint venture between the Parties, constitute any Party as the agent of the other Party, nor authorise any of the Parties to make or enter into any commitments for or on behalf of the other Party.

11. Governing Law and Jurisdiction

This MOU shall be governed by and construed in accordance with English law and, without affecting the escalation procedure set out in paragraph 8, each Party agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

Signed for and on behalf of Portsmouth City Council

Signature:
.....
Name:
.....
Position:
.....
Date:
.....

Signed for and on behalf of The Department For Levelling Up, Housing and Communities

Signature:
.....
Name:
.....
Position:
.....
Date:
.....

DRAFT

Annexe A - Agreed Baselines

Relevant Authority	Tax Site	Agreed Baseline
Eastleigh Borough Council	Navigator Quarter	<i>tbc</i>
Havant Borough Council	Dunsbury Park	<i>tbc</i>
New Forest District Council	Southampton Water	<i>tbc</i>
Southampton City Council	Southampton Water	<i>tbc</i>

DRAFT

Annexe B - Calculating 'No-Detriment'

The pooling and use of the growth in the retained business rates from each Freeport Tax Site is without detriment to the resources that would have been available to each Relevant Authority prior to full designation of each tax site within the Solent Freeport.

To the extent that in any individual financial year the business rates collected in any tax site falls below the agreed baseline then no sum would be required to be added to the business rates pool that year.

The 'no detriment' calculation will be undertaken as part of the end of the financial year reconciliation [refer to worked example / NNDR forms?]

Principles:

To calculate whether the 'no detriment' clause is triggered, for each authority within each designated tax site there will be a comparison between (A) and (B) for each financial year, where:

- (A) Are the actual rates received for an individual tax site by a Relevant Authority at the end of each financial year [refer to calculation / worked example?], and
- (B) Is the baseline for the same tax site for the same relevant Authority as set out in Annexe A

If the sum of (A) minus (B) is zero or a negative figure then no business rates will be required to be paid into the pool that financial year (what about cumulative??)

Annexe C - Business Rate Growth (retained) Forecast

To be finalised

DRAFT

Annexe D - Investment Committee Terms of Reference

Document provided to s151s for comments - to be added

DRAFT

DRAFT

Annexe F - Business Rates Growth Calculation Worked Example

Work in progress with s151s - to be added when complete

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Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

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:

Economic Growth

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

Solent Freeport

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

- Existing
- New / proposed
- Changed

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

It is to boost economic growth in Portsmouth and the Solent via designation of the area as a Freeport with specific customs sites and tax sites bestowing huge economic benefits for businesses and hence increasing GVA and employment.

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?

There has been extensive consultation with key stakeholders - the proposal has been greatly revised.

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 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?

Yes as it will bring more economic opportunities and because of this it will reduce crime, disorder, ASB and fear of crime.

How will you measure/check the impact of your proposal?
There will be monitoring of many socio-economic metrics.

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 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 will mean greater demand for homes in the Solent and could mean that Homes England designate our area a Strategic Partnership area for more funding for new homes.

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 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?

As it will increase numbers of well paid jobs in Portsmouth and the Solent it will have a positive impact on physical and mental health.

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

The impact of the proposal will be monitored with a whole range of socio-economic metrics.

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 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?

As it will create a lot of new jobs and will increase inward investment and attract new businesses to Portsmouth and the Solent it will have a positive impact

How are you going to measure/check the impact of your proposal?
The proposal has a whole set of socio-economic metrics which will be measured.

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 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 will provide new employment opportunities right across the Solent so will enable all groups in the area to benefit. As it will encourage global inward investment it will have a positive impact on equality and diversity.

How are you going to measure/check the impact of your proposal?
There are a huge set of socio-economic metrics which will be measured broken down by groups.

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 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?

Net Zero is a critical strand of the Solent Freeport. At its heart it aims to be the greenest Freeport in the UK. It will set up a Green Growth Institute to ensure green growth is maximised. Each site must have a net zero plan

How are you going to measure/check the impact of your proposal?
We will be measuring impact on Net Zero.

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 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?

It will not reduce energy use as it will bring new development to currently under or un-developed sites. But each with be developed as far as possible to make sure they are net zero.

How are you going to measure/check the impact of your proposal?
We will be monitoring impact on CO2.

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 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?

All of the sites will mitigate against climate change and flooding.

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

This will be measured and checked via the planning process and EIS which will be done.

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 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?

Yes as part of the planning process for all the new sites that are un-developed the development will include some green space.

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

This will be measured via the S106 process.

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 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?

It will not improve air quality as it is about bringing currently empty sites into productive use.

How are you going to measure/check the impact of your proposal?
Air quality will not be measured.

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 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?

As it will increase economic activity and traffic movements by sea, road and rail it will not address road and transport safety. Although all new roads and rail and sea routes will be carefully designed to ensure they meet stringent rules on road and transport safety

How are you going to measure/check the impact of your proposal?
It will be measured via the planning process.

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 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?

Inevitably as more development takes place on un-developed sites they will produce more waste. But all businesses will have strict waste conditions as part of planning

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

Via the planning process and S106 conditions.

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 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 making the city more successful economically it will increase wealth in the city and hence support cultural assets, events and attractions.

How are you going to measure/check the impact of your proposal?
The socio-economic impact will be measured as regards GVA and impact on above via separate reporting.

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 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 whole reason for the Freeport is to increase employment and skills. The sites will all have employment and skills plans.

How are you going to measure/check the impact of your proposal?
All will be measured.

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 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?

Yes the Solent Freeport will encourage growth of key industries and sectors and it will improve the local economy as we have two sites one at Dunsbury and one at the Port.

How are you going to measure/check the impact of your proposal?
GVA by sector and employment by area and sector will be measured.

Q8 - Who was involved in the Integrated impact assessment?

Mark Pembleton, Economic Growth Manager

This IIA has been approved by: Tristan Samuels, Director of Regeneration

Contact number: 8857

Date: 14.02.22



Title of meeting:	Cabinet
Date of meeting:	8 March 2022
Subject:	Regeneration of the City Centre
Report by:	Tristan Samuels - Director of Regeneration
Wards affected:	Charles Dickens
Key decision:	Yes
Full Council decision:	No

1. Purpose of report

- 1.1. This report sets out the role the city centre plays, in accommodating the Cities growth needs.
- 1.2. The development of the city centre, has for many years been a Council priority, defined in the current and emerging local plans as an area of housing and economic growth with the areas of City Centre North identified for regeneration and redevelopment.
- 1.3. The report provides an update to the 13th October Council decision and asks members to note progress made on the new masterplan, and planning applications which are due to be submitted to the Local Planning Authority (LPA) in early Spring.
- 1.4. The report seeks Cabinet approval of a series of recommendations to ensure progress from planning to the delivery stages of an extended City Centre Regeneration project also known as City Centre North.

2. Recommendations

The Cabinet is recommended:

- 2.1. To note the progress made on land assembly to support the development in paragraph 7 of this report and that land assembly continues as approved by Full Council on the 13th October 2021.
- 2.2. To note work done by officers to support the wider City Centre's economic recovery through the multiple workstreams listed below and the role of the new City Centre North development in that programme of work.
- 2.3. To note the progress of all work to complete the planning application and submit it in Spring 2022.

- 2.4. To delegate authority to the Director of Regeneration and the S151 officer to deliver meanwhile uses in all PCC owned assets where possible and viable to do so, to further support the economic recovery of the City Centre.
- 2.5. To delegate authority to the Director of Regeneration and S151 Officer on the advice of the City Solicitor in consultation with the Leader to investigate funding and delivery options including internal delivery and potential partnering options for the City Centre North Development.

3. Background

- 3.1. The regeneration of the city centre has been a long-held ambition of the city council. Previous papers have detailed the development history of the area and approved the teams approach to site assembly with the ability to rely on a Compulsory Purchase Order for the area should it be required as a last resort.
- 3.2. Since then, there have been significant progress, with the RIBA 1 designs approved by the portfolio holders in September 2021 enabling the team to progress with RIBA 2 and remain on track to submit an outline planning submission for the City Centre North project in early Spring 2022.
- 3.3. The City Centre North programme of improvement and regeneration is complex with multiple workstreams, this paper looks to update Cabinet on how these are progressing in parallel, see the benefits map in Appendix A.
- 3.4. This report will highlight the key workstreams involved in the City Centre and provide updates on those that are ongoing.

4. Local Plan

- 4.1. The City Centre makes up a significant proportion of the land allocated to meet identified needs within the City. The Cross-Party Members working group is currently reviewing the emerging Plan looking for opportunities to increase the efficiency of land uses and has considered increasing scale and delivery within the City Centre as part of a sustainable spatial strategy.
- 4.2. The emerging Plan also highlights sites where their current lack of green coverage and proposal for significant redevelopment presents an opportunity to deliver additional greening. The City Centre is one such site and an Urban Greening Factor tool has been developed to assist with achieving betterment in green infrastructure provision through on-site net gains.
- 4.3. The development management team has determined several recent large scale applications supporting growth in the City Centre and is in discussion on a number of other key sites. This

includes the Council's own City Centre north site, discussed elsewhere in this report and the LPA is satisfied that the proposal is being positively prepared, and a Planning Performance Agreement (PPA) has been agreed to steer the application to determination as soon as possible.

5. Planning Application

- 5.1. A planning application for a development masterplan, building on the Phase 1 designs is currently being produced, with submission expected in early Spring 2022. Images are included at Appendix E.
- 5.2. The development is designed to evolve around aspiring to be the most sustainable city district in the UK. It will knit into and support the local communities and provide substantial green open space for all. It will be pedestrian and cycle led, with a revised transport network designed to improve air quality and the navigation within the city centre.
- 5.3. This new quarter of Portsmouth will have recognisable urban forms, with more formal facades creating high class urban frontages. The residential units (circa 2000+) will open to the green space, which will, in turn anchor the new neighbourhood, blurring the boundaries between homes and nature.

6. **Economic Growth within the City Centre**

- 6.1. The redevelopment of the north of the City Centre is an essential part of the wider growth aspirations for the City but is one part of a wide array of projects of regeneration, enhancement and improvement. These are summarised in the brochure (see Appendix B) that has been prepared to detail the interventions the Council is delivering and supporting in the City Centre.
- 6.2. The investment in the City Centre, as the city's primary 'high street' is of course against the backdrop of a changing nature of retailing. It is self-evident and has received national media reporting that chain/multiple retailers have been in decline in the high street, with the net rate of permanent closures of multiple retailers compared to new multiple retailer stores opening reaching its highest rate in 2020. This reflects the trend of retailing moving away from high streets towards online sells exacerbated by the unique challenges of the pandemic. Across the retail sectors there is significant variation with some shop types, such as electronics fairs particularly badly and other sectors such as retail sale of food and beverage showing greater resilience. While available data shows that the closure rate of retail stores in Portsmouth was likely higher than the regional average in 2020, like the wider region the net rate of opening has recovered well in 2021 with more stores opening than closing in the city. The Economic Growth team continues to work with the retail sector in the City Centre, where we operate our largest market provision, and work with partners to continue investment and support.
- 6.3. A comprehensive enhancement of the market in Commercial Road is being carried out. The first phase of the market move was completed in 2020 and trader numbers remain positive.

Traders are in the process of applying for grant funding to improve business resilience and the Council is working with them to upgrade the look of the market, using the new power infrastructure. The ongoing pandemic situation has considerably pushed back the original timescale of the second phase of the move into 2022, with a relaunch of the improved market will occur and work is ongoing with the Licensing team to streamline Street Traders and manage the outdoor trading in the high street more effectively. Working with the High Street Task Force inspection and discussions with specialist and key city centre stakeholders occurred in January with guidance from that Task Force expected in March.

- 6.4. The Future High Streets Fund as part of the package of wider measures to improve the offer of this high street awarded £265k in 2021 for public realm improvements in the north of Commercial Road where the market was situated, see appendix C. The remaining funding of £2.86m will be allocated towards the site assembly works, subject to confirmation by the Department for Levelling up, it is anticipated that an agreement will be reached in March 2022.

7. Land Assembly

- 7.1. The purchase of Delancey's land holdings have now been completed bringing these key assets into the Council's ownership. These assets combined with the previous purchase of the Sainsburys building means that the council now controls most of the site it requires deliver its regeneration proposals for the City Centre.
- 7.2. The acquisition of the Delancey assets completed on 28th January 2022, and negotiations are now ongoing with several owners of premises identified as required for the early development phasing.
- 7.3. Officers are procuring the relevant support to secure a successful CPO, and engagement has commenced with landowners within the red line boundary, as per the Land Assembly Strategy cited on the October report.

Meanwhile Use and Asset Management

- 7.4. The Former Sainsburys site opened over the Christmas period to promote its use as an indoor Skatepark, following which the organisers have been successful in securing some funding to commence fit out work scheduled for February & March. The operator continues to source more external funding and is pursuing several funding streams, including Sports England with support from Hive.
- 7.5. The property Asset management Team have allocated an officer as the lead contact to manage the newly acquired assets and ensured a smooth transition to PCC. An analysis of each asset has been made to assess the suitability and most efficient use of the unit.
- 7.6. Where appropriate the existing tenants will remain in situ, where vacant officers will work with the Economic Development team to establish meanwhile uses including an interim Enterprise Centre subject to the business case being agreed and discussions are progressing

with community support groups to see how these assets could be best used to enhance the City centre whilst removing holding costs for the Council.

7.7. Other meanwhile land uses are under consideration, including a possible urban tree nursery which is currently being investigated to kick-start the new parks planting programme with home grown semi-mature trees.

7.8. Innovative meanwhile use of land in this area will deliver early place making change and support the wider green agenda of the city council.

8. Engagement Strategy

8.1. A new city centre regeneration website has been created to continue effective communications and engagement with a wide range of stakeholders. The website is only in its first phase of development, with the basic requirements completed in time for the recent engagement event (4 February). You can see the current and live version here: <https://portsmouthcitycentre.co.uk/> However, there is much more to be developed and included, e.g., more city centre regeneration projects, city centre history and facts, and news stories. When this has been developed, an updated version will be shared.

8.2. A new internal city centre news bulletin has been created to continue effective communications and engagement with a wide range of stakeholders. An external version of the news bulletin is being developed. You can view the latest edition here: <https://sway.office.com/HOVfWuwPx7gYVOF0?ref=Link>

8.3. Ward councillors and opposition group leaders continue to be engaged and updated on the project, via monthly briefings.

8.4. The project had a presence at the Shaping Portsmouth conference on 28 January, engaging with a wide range of stakeholders.

8.5. An engagement event took place in the city centre on 4 February. The green themed event focused on several PCC projects that are working towards a greener, more sustainable future for the city centre. This was also an opportunity for City Centre North to engage stakeholders at an early stage of the project and ahead of a more formal public consultation. Press release: <https://www.portsmouth.gov.uk/2022/01/28/working-together-for-a-greener-portsmouth/>

8.6. The event was also promoted via F2F engagement with local communities, all city centre businesses, and on social media.

8.7. The event was attended by a range of stakeholders, including cabinet members, ward councillors, local community and local business. Early analysis shows an overwhelming support for the proposed green space/park and a desire to find out more about the proposed housing. Analysis has shown that 92% of people engaged at the event thought that a large green space in City Centre North was a good use of the area. 4% of people

engaged were unsure and 4% did not think it was a good use. A presentation will be shared with cabinet members and eventually externally via social media and the website.

- 8.8. Effective community engagement continues to be a priority for the project going forward. Early relationships are being built and rebuilt with the local communities through F2F introductions and discussions. The support of community leaders, representatives and groups have been identified as crucial to the success of the project, and the engagement strategy will endeavour to engage those people through different channels, forums and events.

9. Delivery Strategy

- 9.1. To develop the Delivery Strategy, officers have commenced soft market testing to investigate and inform a future decision on the preferred delivery option.
- 9.2. This entails interrogating the viability of the scheme against several models for delivery, developing a procurement strategy to ensure expeditious commencement of the proposals and understanding what type of partnership / delivery model is right for the administration.
- 9.3. At a high level, several options are available to deliver the development, clearly sub-sets of these are also possible. These include:
- 9.3.1. PCC self-delivery of the development in its entirety.
 - 9.3.2. PCC self-delivery of specific phases with the potential disposal of others.
 - 9.3.3. PCC partnering with external body or bodies.
 - 9.3.4. PCC disposal of the site with planning to a 3rd party.
- 9.4. Conversations have commenced with several potential partners, funders and contractors including Homes England, to be able to recommend on possible options for delivery to enable the development.

10. **Transport Update**

- 10.1. Lake Road, City Centre North and South that will enable the development of the South East Hampshire Rapid Transit (SEHRT) corridor entering Portsmouth city centre. This will enable effective and attractive bus services linking to wider bus corridor improvements in Portsmouth.
- 10.2. Consultation ended on the 31st of January with works on site planned to start in October 2022.
- 10.3. To achieve the wider regeneration scheme, the proposed road improvements are integral in releasing land by removing and repurposing general highway for developable land.
- 10.4. The transport modelling for the transport assessment has commenced, this is due to be reported Mid-February and will then begin to feed into the localised modelling assessments

and provide the AQ, Noise and Carbon outputs for the other consultants on the development and road teams.

- 10.5. A strategic outline business case is currently being prepared for submission to DFT alongside an option assessment report.

11. Program

- 11.1. The key target dates for the City Centre Regeneration scheme are:

- Planning application submission - April 2022
- Land referencing - Commenced December 2021
- Preparatory CPO work (including engagement with landowners) - In hand
- Target planning application submission - Spring 2022
- SEHRT Construction - 2022 / 23
- Procurement of the chosen delivery route - 2022
- Detailed planning of phase 1 - 2022 / 23
- Construction commences - 2024

12. Reasons for recommendations

The main body of the report gives specific details to the background of the recommendations all of which are considered by officers as important to ensure the timely delivery of the City Centre Regeneration scheme and its associated regeneration benefits.

13. Integrated impact assessment

An integrated impact assessment has been completed for the report of 5th October and is attached at Appendix D.

14. Legal comments

There are no direct legal implications from the recommendations contained in this report. Legal Services will continue to provide legal oversight and support to the project as it develops.

15. Director of Finance's comments

- 15.1 There are no direct financial consequences of the recommendations to be approved within this report.

- 15.2 As the main body of the report states the Council have now acquired the interest in the sites previously owned by Delancey. This is a mixture of Land and residential & commercial properties. Some of these are already tenanted but some are vacant.

- 15.3 In order to meet the cost of borrowing and other holding charges it is key that the Council look to maximise the income it can from these new assets. To achieve this the Council may need to invest in some of these assets to bring them back into use or to update them. This report asks that delegated authority is given to the section 151 officer the ability to approve upon production of a business case the use of borrowing to maximise the income potential of these sites for meanwhile use.
- 15.4 The planning permission for the site will be submitted in early 2022, which means a larger development is unlikely to be developed before 2024, in the meantime the Council need to ensure that they maximise the income potential from these assets.
- 15.5 The team are currently working with consultants to devise a financially viable development on the various sites, this will also help to inform the need to acquire additional sites and the timing that those sites need to be acquired. Once again, the Council need to appraise what the likely holding costs and income should be and the speed at which development could come forward before acquiring. A business case for the development of these sites will need to be approved by the Section 151 Officer.
- 15.6 Any development that comes forward will need significant investment, this investment may not necessarily come from the Council, in fact the scale of development may be outside the Council's risk appetite, which is why Officers are looking at other partnering opportunities and funding sources to see this come through, in a way that does not compromise the speed that a development could come forward.

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Signed by:

Appendices:

- Appendix A - Benefits Map
- Appendix B - City Centre Brochure
- Appendix C - Appendix 26 - Draft Public Realm Plan
- Appendix D - Integrated Impact Assessment
- Appendix E – Planning Application Images

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

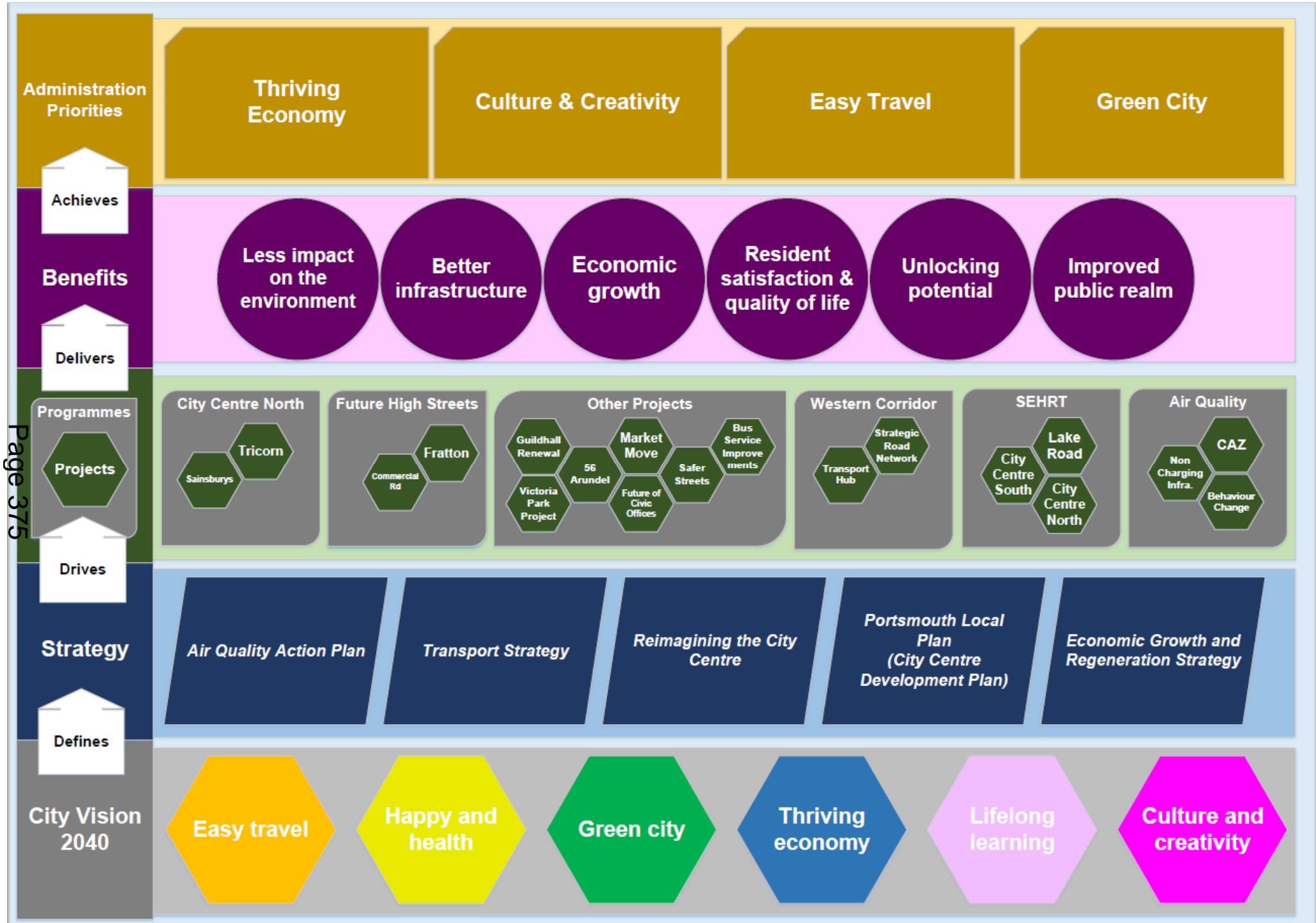
The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Cabinet & Full Council Decision	
City Centre Map of Projects	brochure

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

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Signed by:

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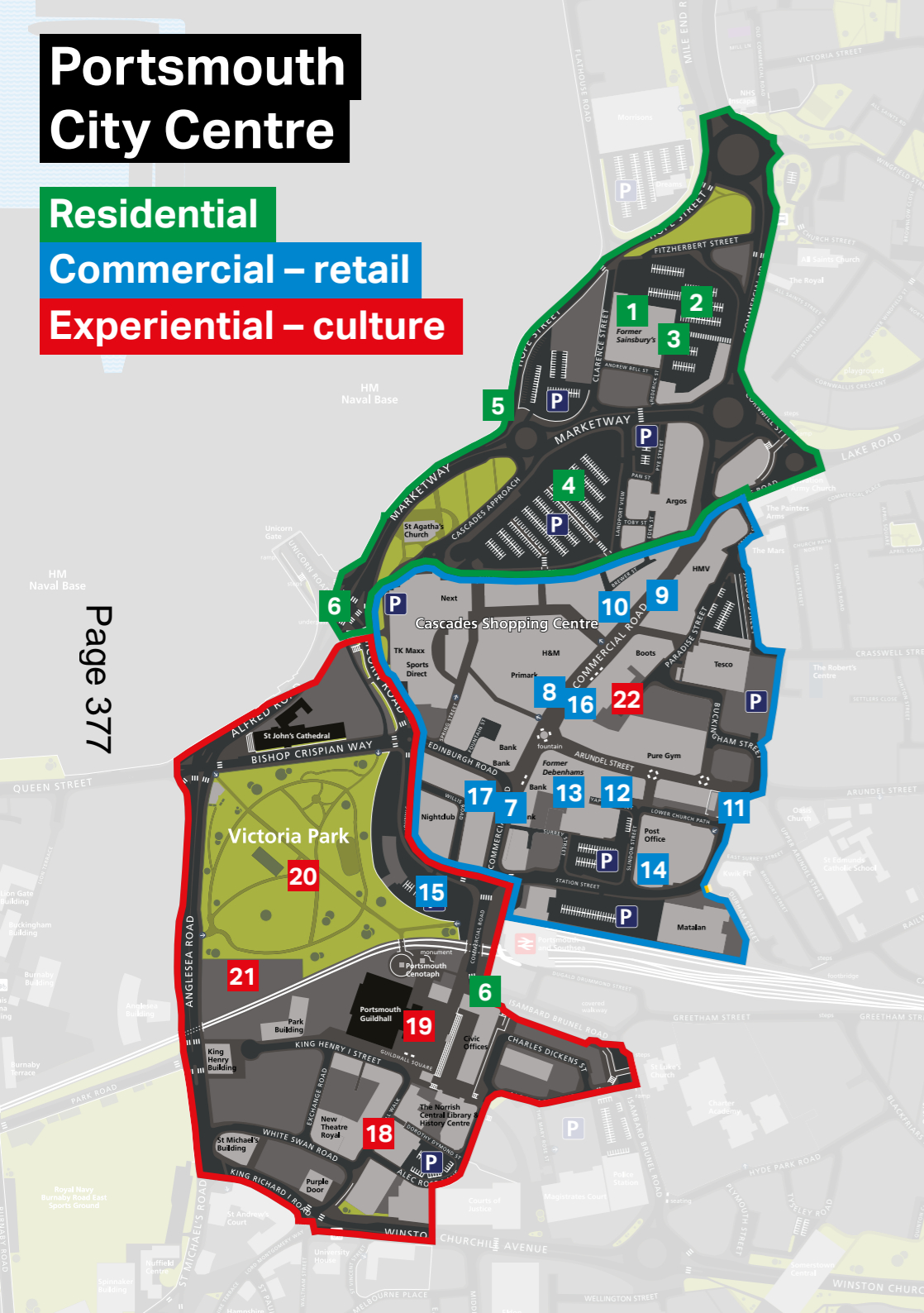
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Portsmouth City Centre

Residential

Commercial – retail

Experiential – culture



	Project	Owner	What are we doing?	
Regeneration – Residential (city centre North)	1	Sainsbury's temporary building use	PCC	New indoor skatepark and community hub.
	2	Sainsbury's temporary car park use	PCC	Covid testing site.
	3	Sainsbury's redevelopment	PCC	Residential development with green public space.
	4	Tricorn redevelopment	PCC	Residential development with green public space.
	5	City centre transport improvements	PCC	Cleaner air, less congestion, and prioritisation of public transport & cycling.
	6	Improved facilities for public transport	PCC	More reliable and quicker connections by public transport.
Commercial – Retail (city centre core/central area)	7	Market relocation	PCC	Phase 1 - repositioned and revitalised high street experience. Phase 2 - staff/traders licence review, rebrand, new display and layout, opportunities for new traders and for additional specialist 'event' markets by end of 2021.
	8	Future High Streets - Commercial Road building	PCC	Awarded funding to improve commercial/residential developments.
	9	Future High Streets - public space	PCC	Awarded funding to improve public space developments.
	10	University Practice GP relocation	Ext	Providing a new, enlarged GP practice to meet the needs of the city centre communities.
	11	56 Arundel Street redevelopment	PCC	A modern 22-floor residential tower to be delivered by the council's housing company.
	12	'Fusion Student housing' Arundel Street redevelopment	Ext	A private development 28 storey residential tower for student housing and retained shops.
	13	Debenhams Commercial Road redevelopment	Ext	A private development opportunity for a tall building including new homes, hotel, shops and restaurant.
	14	Slindon Street redevelopment	Ext	A private development of tall buildings for private and affordable housing, and a new hotel and post office.
	15	Land south of Catherine House redevelopment	Ext	A private development of new homes, offices, shops and retail space.
	16	High Street premises of employment and skills inc Youth Hub	PCC	Supporting the city's businesses and unemployed individuals. Placement in high street will change how we engage with our community/businesses in the future, widening engagement and overcoming barriers to ensure inclusion at all levels.
	17	City centre co-working space	PCC	Need identified for co-working space and new co-retail space for independents.
Experiential (city centre south area)	18	Reopening High Streets	PCC	Welcome back project including micro site, engagement with businesses to upload information to the micro site, banners across the city, review of infrastructure and possible improvements.
	19	Guildhall renewal	PCC	Refurbishment and improvement of the Guildhall by the Guildhall Trust.
	20	Victoria Park Project	PCC	Park revival, restoration of historic monuments, and improvement to community facilities and engagement.
	21	UoP Victoria Park building	Ext	A new iconic university building including restaurant and roof terrace.
	22	Safer Streets	PCC	PCC investment in public and community safety in targeted areas, e.g. street lighting and CCTV.

City Development
 Regeneration Directorate
 Portsmouth City Council
 Civic Offices
 Guildhall Square
 Portsmouth
 PO1 2AU
 023 9284 1641
 CityCentre@portsmouthcc.gov.uk

City centre regeneration

Overview of projects being delivered by Portsmouth City Council, private investors and partnerships in the area

Residential
Commercial – retail
Experiential – culture



You can get this information in large print, Braille, audio or in another language by calling 023 9284 1641

Designed by: design@portsmouthcc.gov.uk • Published: September 2021 • Ref: 219.1

Project	What are we doing?
Business Liaison – city centre traders	Regular discussion with relevant invited guests from PCC - external support agencies, newsletter, e-bulletin.
City centre events	Christmas light switch-on events, summer activities, additional event style markets.
Trees and planning maintenance	Trees outside of Victoria Park – Arundel Street and Commercial Road, liaising with Colas and Gristwood, and monitoring pruning schedules.
City centre market management	Exploration of new/additional event style markets, liaison with trading standards re regulation of sales, ensuring H&S of stalls, attracting new traders, upgrade of canopies, rebranding, electrical testing and maintenance.
Street cleansing	Regular cleansing schedule, monitoring of SLA and performance. <i>(Owned by PCC and External)</i>
Parking enforcement	Operate civil parking enforcement, and employs Civil Enforcement Officers to ensure parking schemes and restrictions are followed.
Trading Standards	Helps to protect residents from unscrupulous traders and consumer issues, and also help to ensure that businesses comply with the law.
Licensing	Responsible for regulation of street traders, charitable collections, licensing of alcohol, entertainment and gambling premises, and tables and chairs on the highway.
Food hygiene	In addition to enforcing food safety legislation, officers encourage maintenance of satisfactory food standards, offer technical advice to existing and prospective food business operators, and also provide information and access to training on food hygiene and labelling matters.
Community safety	Community warden patrols (daily on weekdays and at other times by demand). Team in uniform visible to the public. Proactive and reactive patrols.
Vacant unit response (inc. Pompey Heroes)	Liaison with vacant unit owners/property management with a view to adding vinyls to units whilst unoccupied, to help design out crime and lift the appearance of the area whilst properties are marketed or developed and then tenanted.
PCC commercial landlord activity	Managing the space/agreements with third parties. This will continue to enable use of the buildings/space and continue to provide income.
Business Rates collection and Future BID	Explore potential of a Business Improvement District – city centre manager post to do this.

All owned by PCC except Street Cleansing

NOTE: All dimensions to be checked on site prior to commencement of any work
 *** DO NOT SCALE FROM THIS DRAWING ***
 Notify C.A. of any discrepancies before ordering materials.

ORDNANCE SURVEY COPYRIGHT
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Seating module options



Rev	Date	Revision Details (Amended by:)	Approved by
Project			
FUTURE HIGHSTREETS COMMERCIAL ROAD			
Drawing Title			
SEATING & PLAY OPPORTUNITIES			
Date	APRIL 20	Scale	1/250@A1
HOUSING NEIGHBOURHOOD & BUILDING SERVICES			
Portsmouth CITY COUNCIL Director		JAMES HILL Director	
DEPARTMENTAL SECTION: LANDSCAPE ARCHITECTS: Susan Whitehouse Dip.L.A. M.L.L. Tel No: 023 9283 4092			
Design/Survey by	AKE	Drawn by	AKE
		Checked by	VM
Drawing No			
FHS-5300-1			
SURVEY	DESIGN	WORKING DRAWING	
FEASIBILITY	TENDER	AS-BUILT	
INFORMATION	CONTRACT	A.L.	

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Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

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:

Strategic Developments

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

New Landport development: The land assembly strategy proposed will support and enable the redevelopment and regeneration of the area known as New Landport.

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 regenerate the area to the north of the city centre known as New Landport to create new homes and regenerate the area, whilst providing good links to the rest of the city, ensuring sustainable transport links.

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: Consultation for the proposed scheme will form part of the process to deliver the scheme.

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 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?

At this stage of the programme we do not have a detailed knowledge of the impact of the development in terms of safety and reduction of crime within the area.

It is critical to ensure that our design principals focus on the development being safe for residents and visitors. In addition to that, we believe in the importance of enabling strong, inclusive communities where social and physical activity are encouraged as a way to prevent mental health issues and support people to develop in a healthy environment.

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

We will produce a procurement delivery scorecard which outlines all ours KPIs. This will be continually reviewed prior to a planning submission.

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 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?

The plans for New Landport address the city needs for housing, with a large focus on health and well-being for a new sustainable community. We do not just want to build homes. We want to build a community that flourishes and much thought has gone into how people can live in a more environmentally conscious way. We hope this will set the bar for future developments in Portsmouth.

We are aiming to be policy compliant as a minimum.

Within the Strategic Developments team, we are committed to delivering safe homes that provide natural light, ventilation, noise protection and affordable heating.

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

We will produce a procurement delivery scorecard which outlines all our KPIs. This will be continually reviewed prior to our submitting to planning.

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 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?

New Landport will promote health and wellbeing and good quality of life - delivering work, live and play in close proximity to high quality open spaces and water, (blue and green concept).

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

We will produce a procurement delivery scorecard which outlines all our KPIs. This will be continually reviewed prior to our submitting to planning.

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 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 proposal is to regenerate an area of the City to provide additional homes and create commercial space & opportunities for businesses which is anticipated to attract investment in the area, creating additional employment opportunities.

How are you going to measure/check the impact of your proposal?
We will produce a procurement delivery scorecard which outlines all ours KPIs. This will be continually reviewed prior to our submitting to planning.

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 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?

As we are currently in the concept phase there are no negative impacts on specific protected characteristics being reviewed. As we move forward into the design of the development it will be critical that we involve protected characteristic groups to ensure mitigations are put into place.

This programme is not envisaged to negatively impact on the equality groups but we will ensure we get people views so these groups are not put at a disadvantage and get the opportunity to give feedback.

How are you going to measure/check the impact of your proposal?
We will produce a procurement delivery scorecard which outlines all ours KPIs. This will be continually reviewed prior to our submitting to planning.

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 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?

In line with the Portsmouth Climate Change Strategy, we are committed to reduce the construction carbon footprint, using renewable and sustainable energy and materials, as well as implementing innovative construction methods to guarantee we are complying with the "net zero" government strategy.

By linking into the surrounding mixed landscape, the blue and green spaces on site will be linked directly into the neighborhoods, It will establish a complementary mix of natural habitat and recreational amenities that are designed to allow for long-term resilience and will encourage physical activity.

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

We will produce a procurement delivery scorecard which outlines all our KPIs. This will be continually reviewed prior to our submitting to planning.

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 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?

At this stage of the programme we do not have a detailed knowledge of the impact of the development in terms of energy use. However, we are committed to the Portsmouth City Council Climate Change Strategy and we are aiming to use a high proportion of energy coming from renewable/decentralised sources.

How are you going to measure/check the impact of your proposal?
We will produce a procurement delivery scorecard which outlines all our KPIs. This will be continually reviewed prior to our submitting to planning.

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 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?

At this stage of the programme we do not have a detailed knowledge of the design of any mitigation requirements, but the scheme is aware of the flood zone and mitigation measures will be incorporated into the designs. The proposal will also seek to achieve the highest BREAM rating .

How are you going to measure/check the impact of your proposal?
We will produce a procurement delivery scorecard which outlines all our KPIs. This will be continually reviewed prior to our submitting to planning.

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 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 proposal is to introduce new low maintenance "Blue & Green" (Water and park) spaces for residents and the wider community.

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

We will produce a procurement delivery scorecard which outlines all our KPIs. This will be continually reviewed prior to our submitting to planning.

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 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?

In line with the councils climate change strategy the proposal for New Landport is to reduce vehicular movements into the city, by creating more city centre homes and local work places. Also creating sustainable traffic links such as footpaths and cycle routes linking neighbourhoods.

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

We will produce a procurement delivery scorecard which outlines all our KPIs. This will be continually reviewed prior to our submitting to planning.

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 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 proposal is to review the current road network within the area and to make improvements where necessary.

A comprehensive public transport strategy has been developed that reflects the aspirations of Portsmouth City Council to deliver a Bus Rapid Transit (BRT) network and encourage emerging trends including Mobility as a Service (MaaS).

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

We will produce a procurement delivery scorecard which outlines all our KPIs. This will be continually reviewed prior to our submitting to planning.

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 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?

We are currently working with colleagues in our waste and energy team to establish a waste management strategy for New Landport which also looks at the agenda of the city as a whole.

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

We will produce a procurement delivery scorecard which outlines all our KPIs. This will be continually reviewed prior to our submitting to planning.

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 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?

We are in an early stage of the design of the programme and as part of the stakeholder management plan, we will have an engagement strategy to facilitate that the key stakeholders support us to understand the site and the heritage of the location and its significance to the wider area.

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

We will produce a procurement delivery scorecard which outlines all our KPIs. This will be continually reviewed prior to our submitting to planning.

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 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 proposal is to regenerate an area of the City to provide additional homes and create commercial space & opportunities for businesses which is anticipated to attract investment in the area, creating additional employment opportunities. We will encourage the creation of apprentice, work experience and placement opportunities which we are already scooping with the education team.

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

We will produce a procurement delivery scorecard which outlines all our KPIs. This will be continually reviewed prior to our

submitting to planning.

C - Regeneration of our city

Yes

No

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 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 proposal is to regenerate the area with a view to attracting investment in businesses and opportunities within the development and wider city.

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

We will produce a procurement delivery scorecard which outlines all our KPIs. This will be continually reviewed prior to our submitting to planning.

Q8 - Who was involved in the Integrated impact assessment?

Anne Cains -Head of Acquisitions & Disposal
Anne Limburn - Strategic Project Manager

This IIA has been approved by: Tom Southall - Assistant Direct of Regeneration & Property

Contact number: 07555 012510

Date: 31st August 2021



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- Central Park
- Hope Street Urban Forest
- Green Avenue
- Urban Square
- Laneway
- Courtyard Garden

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Agenda Item 12

Business Confidential - subject to change



Title of meeting:	Cabinet Meeting
Date of meeting:	8 March
Subject:	Museums Strategy Consultation
Report by:	Director of Culture, Leisure and Regulatory Services
Wards affected:	ALL
Key decision:	No
Full Council decision:	No

1. Purpose of report

To share the findings of the recent consultation to inform thinking around the Museums Strategy.

2. Recommendations

- 2.1 That the number of people contributing their views and the findings of the consultation are noted.**
- 2.2 That the Museums Strategy 2022-2026 is approved without further change.**

3. Background

- 3.1 A Museums Strategy is one of the documents required for Accreditation, the national benchmark for museums in England. It will also underpin our application for National Portfolio Organisation (NPO) funding with Arts Council England (ACE).
- 3.2 The Museums Strategy was presented to the Cabinet Member for Culture, Leisure and Economic Development at the meeting of 16 November 2021 and approval given for public consultation.
- 3.2 Although the development of the Museums Strategy was informed by a Peer Challenge review, undertaken by Derby Museums, and two facilitated workshops with a small number of community stakeholders this is insufficient to meet council requirements or those of potential funders such as Arts Council England or the National Heritage Lottery Fund.
- 3.3 The consultation was undertaken by The Audience Agency (TAA) during January 2022. It comprised a short survey created by TAA and set up and distributed by via the council's website, and social media channels and on social media ads. 1,612 responses were completed. In addition, 15 interviews took



place with a range of stakeholders thought able to provide informed feedback on the needs and preferences of themselves and the communities they represent. Each interview lasted 40 minutes.

- 3.4 The main focus of the consultation was on relevance and inclusivity and participation - how people engage with the museums service now and how they might like to be involved in the future.
- 3.4 Details of the consultation, its findings and recommendations are shown at Appendix 1. The Museums Strategy is at Appendix 2.

4. **Reasons for recommendations**

- 4.1 The results of the consultation are wide-ranging and informative. The recommendations identified by TAA range from the importance of outreach work for communities in danger of exclusion to creating a new building in the vein of Plymouth's The Box. Officers will further review the findings and incorporate them into action plans going forward.
- 4.2 The alignment of the findings of the consultation with the aspirations expressed in the Museums Strategy is very encouraging. For example, the Museums Strategy expresses an aspiration to work in partnership with communities; the survey indicated that the most popular way people would like to be involved with Portsmouth Museums was by **deciding what should be on display and assisting with exhibitions** (47% of respondents), followed by **taking part in a forum or visitor consultation group** to inform future developments at the museums (46% of respondents).
- 4.3 In addition, although people largely feel welcomed by staff and volunteers, and most survey respondents felt Portsmouth Museums is relevant and relatable to, there is also a recognition that some communities are under-represented and sometimes invisible. This is something that the Museums Strategy aims to address.
- 4.4 Due to the alignment between the strategy and the views of respondents and stakeholders it is proposed that no further changes to the Museums Strategy are made at this stage and that the emphasis should now be on action planning, fundraising and implementation.

5. **Integrated impact assessment**

An IIA was completed to accompany the CLED CM report, 16 November 2021.

6. **Legal implications**

- 6.1 The Public Libraries and Museums Act 1964 ("**PLMA 1964**") and the Local Government Act 1972 give powers to local authorities to provide museums.



- 6.2 Under section 12(1) of the PLMA 1964, a local authority may provide and maintain museums and art galleries within its administrative area or elsewhere in England and Wales and may do all such things as may be necessary or expedient for or in connection with the provision or maintenance thereof.
- 6.3 The Core Purpose, Vision and Strategic Objectives set out in the draft Strategy are considered consistent with the Council's statutory powers as set out above and with the Council's statutory duties in relation to equalities.

7. Director of Finance's comments

There are no financial implications directly resulting from this report. However, it should be noted that the final Museums Strategy should include any proposed costs and associated funding, either from within existing budgets, or identified alternative budget sources.

.....

Signed by:
Stephen Baily
Director of Culture, Leisure and Regulatory Services

Appendices:

- Appendix 1, Portsmouth Museums Stakeholder and audience consultation.
- Appendix 2 Portsmouth Museums Strategy 2022-26.

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:

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Portsmouth Museums

Stakeholder and audience consultation

Fran Blythe, Research Manager

Sophie Hobson, Research Officer

Adrienne Pye, Associate Consultant

February 2022

Contents

1. Introduction	3
1.1 About the Audience Agency	3
1.2 Research aims	3
2. Methodology.....	3
2.1 Topic Guide Outline	4
2.3 Stakeholder consultees.....	4
2.4 Qualitative analysis	5
2.5 Sample size and margin of error	5
3. Recommendations	6
4. Detailed Findings.....	7
Purpose of a museum	7
Participating/contributions	13
Relevance of Portsmouth Museums	18
Inclusivity/exclusivity.....	22
Appendices	28
Appendix 1: Survey data demographics	28

1. Introduction

1.1 About the Audience Agency

This report has been produced by The Audience Agency. The Audience Agency is a mission-led organisation, which exists to give people better access to culture, for the public good and the vitality of the sector.

We hope to contribute in increasing the number and diversity of people engaging with a broad range of culture, and the depth and scope of their involvement.

Our purpose is to lead insight-driven, audience-focused practice and policy. We put our knowledge and skills in creating and using insight at the disposal of the sector, as agents for positive change.

1.2 Research aims

Portsmouth Museums, part of Portsmouth City Council (PCC) have developed a new museums strategy, one which sets out the ambitions and focus for the next 4 years, until 2025. The strategy was informed initially by a peer challenge from Derby Museums who have led thinking across the sector in user centred consultation in museums. This was followed by community consultation in the format of two facilitated workshops to inform thinking around the strategy.

As a local authority museums service, the museum is also required to undertake a public consultation before the strategy is finalised. Following a conversation with Arts Council England regarding the NPO funding round (Jan-Apr 21) they have also highlighted the requirement for further consultation to inform the business planning process.

The Audience Agency (TAA)-undertook the following to further support the consultation process. The following report shows how The Audience Agency has supported Portsmouth Museums to further meet consultation requirements during January 2022.

2. Methodology

A short survey, lasting about 10 minutes, was created by TAA and set up and distributed by PCC via their website, through their social media channels and on social media ads. This survey was aimed at the general public living in Portsmouth and analysis included in this survey is taken from data collected between 14th January and 1st of February.

A set of 15 interviews took place, facilitated by expert TAA researchers with a range of stakeholders thought to be well placed to provide informed feedback on the needs and preferences of themselves and the range of communities they represented. Each interview last up to 40 minutes and took place via Zoom between 17th and 29th of January 2022.

2.1 Topic Guide Outline

Purposes of a museum

To your mind, what are the overall *purposes* of a museum?

And what does a museum mean to you personally? And to your community

Participating in museum activities/events etc.

What are the ways, if any, that you/your community would like to take part in or contribute to the Portsmouth Museums [or any museum for those who haven't been to a Portsmouth Museum]?

In what ways did you or your community engage digitally with Portsmouth Museums during the pandemic? Any drawback of these? Any unique benefits?

If there was the option to attend evening events such as 'Meet the Expert', Artist Q&A's, Night at Museum gallery tours or late opening hours, would this be of interest?

Relevance, do Portsmouth Museums represent them?

Those who have been to a Portsmouth Museum

Which of the Portsmouth Museums have you been to/are you aware of? What were your motivations/reasons for visiting?

Do you feel these represent you? How?

What do you think about the range of stories and activities that are available through the museums?

What do you think about the way that Portsmouth is shown through the stories the museum tells and the activities they put on?

Everybody

How inclusive or exclusive do you think the Portsmouth Museums are?

2.3 Stakeholder consultees

Below is a list of all of the stakeholders with whom TAA held a discussion including their name and the organisation they work for

Column 2

Member of the Portsea Action Group

Enable Ability

PCC HAF

Wildlife Trust

PCC Libraries Service

PCC Independence and Wellbeing Team

CEP/Aspex

University of Portsmouth x2

The Hive

Resident of Paulsgrove

Dinosaur Isle Museum

Chat over Chai

The Parenting Network

University of Portsmouth

Polish Community School

2.4 Qualitative analysis

Data gathered through the discussions has been analysed thematically alongside comments from participants to illustrate some but not all of the analysis.

Acronyms

PCC - Portsmouth City Council

PHD - Portsmouth Historic Dockyard

NMRN - National Museum of the Royal Navy

TPN - The Parenting Network

LCT - Landing Craft 7074

HAF - Holiday Activities and Food Programme

2.5 Sample size and margin of error

1612 survey questionnaires were completed; this gives a margin of error of c. 2% at the 95% confidence level. This means that we can be 95% sure that if we had asked any of the questions shown to the entire population (i.e. the population of Portsmouth), a proportion of no more than between 2% higher and 2% lower than the one given would have also picked that answer.

The margin of error is affected by the number of responses that you have in your sample. If a question has less than 100 responses, then the margin of error will be quite high so you should use the results in an indicative way only.

3. Recommendations

These recommendations are drawn from what interviewees and survey respondents have said to us; we recognise that some ideas may be financially impossible and others are already in your plans, however, they have the endorsement of your users - people with whom you have partnered, or will in the future, and of members of the public - and so have interest and potential value.

- Outreach work is key for communities in danger of exclusion - taking interesting and appropriate activities and artefacts to centres in the north of Portsmouth for example
- Mapping excluded or diverse areas could be a useful exercise (perhaps for a student group?) as in addition to established such communities in the city, these can change, expand or are added to over time
- Ensure, in consultation, that these areas and communities all have representation in the museums as appropriate
- Discuss potential student involvement with Claire Sambrook, possibly including feasibility studies for some of her wider-ranging ideas
- Investigate partnership working with The Parenting Network to access their audiences
- Create a stronger identity for the PCC museums as a group - create a physical trail linking them? (cf Lymington town trail by Trudi Lloyd Williams) and also revisit names - Portsmouth Museum is still identified by most as City Museum
- Re-purpose a museum building into a hotel, or sell one of the buildings to fund changes

- Deliver pop-up cafes in summer in the gardens of Portsmouth Museum and Art Gallery and Cumberland House
- Continue family activities in the museum spaces and in, e.g., north areas of Portsmouth, possibly in collaboration with other cultural organisations
- Explore possibilities around a free bus service to bring people to the Museums or create a new building in the vein of Plymouth's The Box.

4. Detailed Findings

Purpose of a museum

- Interviewees had many thoughts around the purpose of a museum and, more specifically, the purpose of Portsmouth Museums. A theme that connected most interviewees' responses was **to share the history of its local community**, and to preserve those stories and related objects for future generations.
- These ideas were around **sharing a story and knowledge with visitors**, whether that was the immediate local community looking to learn more about where they live, or for tourists from further afield finding out about the place they are visiting. This corresponded with results from the survey, in which **85% of respondents felt that Portsmouth Museums tell the stories of local people, wildlife and place**.
- There was an element of purpose as showcasing here, of **displaying Portsmouth's history and developments and instilling a sense of identity and place** to those who visit, but also of acknowledging and exploring any difficult or challenging aspects of that history too.
- Two interviewees had further thoughts around a museum's role in wider research, and the impact it could have on specialist subjects. **Sharing research** was an important role of a museum's duty as was **aiding the research of others**, for example, students found the D-Day Archives to be a helpful resource for their academic work.
- Museums should **offer a sense of what is to come** in ways that are surprising and engaging.
- And of course there was a sense that museums purpose is to **preserve** the artefacts they hold and make sense of them for the public.

Showcasing. Things are of interest to both local community and tourists...There are specific ones, the D Day Museum.

It should be a record of information of our history.

A museum is for maintaining the collections of a place - people's own collections, collections bought in - to make them accessible to local people and to visitors e.g. tourists

You should be able to go to a museum to understand more about the world.

The key word there is local, to celebrate the history and the culture of the local community or city in this case, and to tell its story... There's an awful lot of people understand where their family fit into this kind of the city and its story... They want to understand, how does that fit into the bigger story of what was going on in the city at that time? I think people just the number of social media sites that you find just wanting to understand, why is that building where it is? Why is that road name like it is? There's that kind of folk history stuff almost, that I think people searching for.

Hold old objects in trust for the benefit of the public... That's what that's what museums do. But they should also exhibit them and provide additional services in relation to those collections as well.

A place to think, be educated, to learn, to be creative, to be surprised. A key part of the cultural infrastructure of any city

Museums up and down the country are important [replace the oral tradition up to a point], for making sure things are remembered, recorded, and kept safe and that they safeguard these items and make sure they are not forgotten about, or disappear into private collections, or that information can be misconstrued and rewritten incorrectly - they provide that accurate knowledge base where people can come together, share their experiences and keep history alive.

A museum is there to inspire people to be curious.

It's a city built of immigration, it's a city built of war... To provide that sense of identity that museums should do, [Portsmouth Museums are] probably very well placed to do that, because of the breadth of what they what they present in their different venues.

A good museum collection should be enabling research. That might ultimately lead out to just a small part of society, those people who are interested in that particular subject but it can be broad enough... It's to provide that material evidence background, to enable people to research and therefore maybe publish on an aspect

of the history of Portsmouth, and that may feed through to feed back to a broader population.

Should be surprising, should make you think of the past, but not be stuck in the past - show heritage, things that have gone before e.g. the Science Museum is very much about today and the future, but that makes me think back to the past as well

A way of preserving history, making sure it's not confined to school books, a place where you can physically see and touch - makes that learning much more alive, particularly for young people, but also for everyone, which addresses various learning styles. Need to be more hands-on, more visual. A museum can do that, providing a social space, where you can experience together. Not necessarily these boring places where things are collecting dust - these days they are exciting, for instance, the D-Day Museum who put us on to this - their new exhibit [LCT 7074] is amazing! The way the technology has kind of come together there - you have the projection of the soldiers that were in the landing craft.

Museums should collect, curate and preserve items/artefacts; written, fabricated, filmed, recorded in whatever ways possible and available, which reflect aspects of the human condition, the way we have lived and continue to live of our lives past and present in various contexts and environments. They should reflect our relationship with, use of, and custodianship of the natural world.

Museums should inform, educate, enlighten and give room for exploration - they should be a place of questions more than answers. They should present things with as much honesty and objectivity as possible

In ancient times stories would be passed down from person to person - and that doesn't really happen these days, so museums...are important for making sure things are remembered, recorded, and kept safe and that they safeguard these items and make sure they are not forgotten about, or disappear into private collections, or that information can be misconstrued and rewritten incorrectly - they provide that accurate knowledge base where people can come together, share their experiences and keep history alive.

Personal meaning

- Thinking of their personal feelings about museums, respondents tended to consider museums as the best possible source of informal learning, of material that reflects

their own professional interests, of a store house for their own memories, and as a positive corrective to 'fake news' in historical terms.

For me personally, I like to see the collections, not just the local history but also the art and sculpture - I'm more interested if that has local connections, but still really interested whatever its origins

If you go in, you should find things that connect to who and where you are, sharing artefacts and resources that you wouldn't necessarily otherwise get to see

I suppose I gravitate towards the natural history stuff, my background and degree is in environmental science: Cumberland House represents that, but more in-depth information lacking

For me, it's the art - and the representation of different parts of society

For informal education it's the best ever source e.g. the Natural History museum and children

As a child, I found history quite boring, as I grew older, it became so important to me and I love it and I've always been a personal supporter of it...museums are so important.

D-Day is very accurate - the only problem I would say is, in the age of the internet, people can present information in a very convincing way that sounds factual and true, with 'fake news' and right-wingers who want to misuse history to meet their own modern agenda e.g. certain factions who will misconstrue the facts around the Holocaust. People can go into D-Day Museum and fact-check, without relying on something they have been told on the internet. A museum can counter this.

Personal responses to specific museums

- There was praise for the range of activities put on for families and children in the city museum over the years. There was also the suggestion that more could be made of the art gallery section of this venue, and one who missed the old exhibits that showed Portsmouth through the ages from the ice age and in chronological order.
- There was a feeling that the D Day story is too expensive for some local people, and that there could be a scheme to cater to this part of the population. The Overlord Embroidery and Landing Craft were seen as key parts of the collection there.

The activities and displays which have been put on over the years have been very good free entertainment for children and great for parents too. I think more could be made of the art gallery. I wonder if perhaps the City Museum is trying to do too many things in a limited space and if some sympathetic extensions could be built - given the funding of course!

Cumberland House Museum is all the poorer for losing those fascinating if rather ghastly specimens which used to occupy one of the rooms, The geology bit around the dinosaur gallery was very tired last time I was there, my children are in their late 20s now and it looked tired when they were small. I took them there frequently when they were small and wonder if there is perhaps more space and less content now? The butterfly house is lovely and may be an improvement on the old one in some ways but there doesn't feel like much room to discover anything, just a little too neat and tidy maybe.

I haven't visited the City Museum for well over a year so there may be changes I don't know about. There isn't a great deal of space there but I miss the older exhibits which took us through the history of Portsea Island, explaining the geography and gradual development. My children used to be fascinated by that section and it had a natural progression as we went from the ice age and through 'early 'human life then jumped to the snoring man and wife in the upstairs room! The D Day story is, too expensive but it is a great attraction - we are so fortunate to have the Overlord Embroidery, and the Landing Craft is a superbly renovated additional feature of which the museum must be very proud - it is fascinating and well worth seeing. Should consider free or at least reduced rates for Portsmouth residents.

Community meaning

- Museums are **community resources that have a civic responsibility to the whole population**. To enable the stories and the history held by museums to be shared and learned about, a number of interviewees found it important to discuss themes of accessibility and inclusivity. Considering how museums can be enjoyed and utilised by a range of people was important, ranging from designated quiet times, exhibits and events which are child friendly, and prices which are suitable for low-income households. One interviewee noted that it was important for people with disabilities to be represented in museum staff, whilst another discussed the

advantage of play areas to entertain children whilst the adults could relax with a drink.

- The museum was seen as **an important part of the community**, not just for sharing knowledge and history, but as a social space in which to make memories and spend quality time together. One interviewee described how visiting the museum was a core part of her children's lives, and how she'd like to bring her grandchildren in future too.
- Beyond the exhibition content, one participant **described the importance of helping the community in other ways**, referencing a recent event which enabled families - who she presumed were from deprived areas of Portsmouth - to visit the museum and have **food** whilst they were there.

They should be preserving what they hold and always looking for new ways to make the collections more accessible e.g. taking elements of the collection out to different parts of Portsmouth.

For the community at large, it should give ownership of those spaces, they belong to the city and should help understand our place in the city

It really doesn't relate to them

It is relevant to the TPN 'family' - a lot of families may be struggling financially at the moment for things to take their children to and for their children to do - the cost of living is going up - and Portsmouth is a very historical city to which they have access. (Pleased that PHD has now allowed free admission to general grounds again, opening up a bit). Making these things accessible where possible - e.g. Portsmouth Museum and Art Gallery and Cumberland House all these places are free for families to go to. The dinosaur in Cumberland House is still a draw - a bit dilapidated now but I still love seeing it!

I think these are important to families, I think if they were to go, the city families would be outraged. It's part of Portsmouth life as a kid, to go to Portsmouth Museum, which teaches you about where you live.

It's nice when they do like little things like the fun days or even just little trails...then the kids join in and it keeps us in there longer. And it is nice that they're free, because we wouldn't go to them if they were charging for it because they would charge a lot of money.

It'd be really sad if they weren't there. Just because it's like some sort of sort of routine that we've built up with the kids. And eventually, when my children start to

have grandkids, I'll probably bring them there as well, you know, it's, it's, it's just nice to go somewhere where you're there with the children, and you're spending time with them, rather than going to the park where I can't join in.

They were involved in a project, I don't know if it was a one off or anything, where [families] could get something to eat and they could go along to the museum.

Participating/contributions

Survey

- The most popular way people would like to be involved with Portsmouth Museums was directly related to the exhibitions and collections. **Deciding what should be on display and assisting with** exhibitions was the most selected choice in the survey, with **47%** of respondents indicating they are potentially interested in this.
- This was closely followed by **taking part in a forum or visitor consultation group, to inform future developments at the museums**, of which **46%** of respondents were potentially interested in.
- **Volunteering behind the scenes** (e.g. working with collections, exhibits, helping at events and activities or online / social media) was also appealing for survey respondents, with **44%** showing potential interest in this.
- Whilst there was a lot of interest in these opportunities, only a very small percentage were already involved in any of these.
- **Donating towards the upkeep of the museums, their collections or a display** was the option which received the least interest from survey respondents (**26%**).

Interviews

- Similar to the themes discussed earlier, much of the discussion around participation and contribution within the museums revolved around sharing stories, objects and history, and opportunities for the local community to do so. One interviewee suggested the importance of local publication - such as the Parish Magazine, which holds written experiences as told by people living in the city - would be a key way to participate. **An opportunity for people to tell their stories, personal and shared histories.**
- **Volunteering** in general was also discussed here, and the importance of this opportunity for all walks of life - from students and young people beginning their

careers, to older people in retirement or individuals seeking the company of others.

- A parent interviewed described the appeal of **drop-in voluntary work**, which didn't require a regular commitment, to enable her to fit it in flexibly around her other commitments. She also suggested voluntary opportunities such as litter picking, which could involve her children and provide a sense of 'giving back' to the museum and the community.
- Other **voluntary elements discussed were centred around students**, particularly with the proximity to the university. One interviewee described the interest in students to work with exhibition revamps or events, on both practical and consultation/discursive levels. Another felt that there was an opportunity for a research community, which helps to find new ways of telling the story of Portsmouth.
- One interviewee discussed the opportunity for **consultation** with people with disabilities, to enable museums to learn about how they can become more accessible. He emphasised that informal events, including refreshments, may work best and help people to feel comfortable in sharing their experiences.

I think for me, the interesting question in terms of history, and museums and archives, is what we archive now for the future. Because social media is a very transient kind of thing, but that's where we are recording our daily life...It's no longer in a written document that can be filed away somewhere and 100 years later, dusted down and read. (Bob)

If it was a concern about accessibility, one of our service users who has spent many, many years in a wheelchair would be more than happy to come along and give feedback.

If you make it kind of informal and casual, and almost like an open event, so that we could then put out to a number of our service users and say, Portsmouth museums are at four o'clock on next Wednesday, are offering refreshments. And we'd like feedback and input as to what they can do...I think doing in an informal way is much better. Because I think if you make it too formal, then it will put certain people off if they got to get up and speak in front of people.

It would be good for local people to volunteer...I'd like to do it with the children, it would be good for the children...Maybe litter picking or something...Because I want to do more with the kids, I want them to give back a little bit...Maybe do it where they're not committing each week, maybe do certain days where people could turn

up if they wanted to...I'd be too scared to commit to something and then let people down...Because I can't tell whether I'm going to feel bad or good.

I'm sure there'd be lots of people out there from Portsmouth that would be interested in taking part in the group's discussions about what's going to happen.

I think Portsmouth Museums are incredibly well placed [for volunteers] because it's a university city...the university covers a wide range of natural sciences, history, architecture, all sorts of subjects...It seems natural to me to build up relationships between universities and the museum's service.

When they were doing a revamp of the D-Day story, they obviously did a lot of consultation in terms of getting feedback from people who used it, or would think about using it. And the group of students who were working on the D-Day project that year were part of that consultation. They went down earlier, and I chatted with them about what they wanted...A lot of our students, because we do social cultural history, really wanted to look at the people and their experiences...We're excited that sort of stuff...sort of the personal element to it.

Digital engagement

- Whilst a number of interviewees felt that **engaging digitally** was important - particularly **online activities and digital tours** - others felt that there was an oversaturated market of online activities already, or that the challenge was in making something meaningful and functional with limited budget or infrastructure to do so. Prior digital engagement with museum output wasn't high among these respondents, although for the most part they were busy professionally and potentially time poor.
- It was noted that the **digitisation of archives** was a key activity for the heritage sector going forward, albeit it can be difficult and costly to then make that archive accessible to professionals and the public.

Online activity has a double-sided impact - amazing that people could bring the Museum into your home when you were not able to visit - good for people who had never visited to see what it was all about, but not a true introduction

The museums were so creative during lockdown with social media - kept people engaged - could try social media take-overs?

I may have seen the Museum on social media - nothing consciously? Oh but, yes, a number of things on the anniversary of the Blitz - old photos of Portsmouth, memories, records . . . and the VE Day posts. Nothing on LCT.

No, not really, other than from following on social media and checking in every now and again and passing on details - there was an interesting thing on 3D models, but I didn't get involved with it, just follow on social media, check what's happening and then, when having coffee with parents, I pass on what I've seen is coming that week - anything that comes through on Facebook, Instagram, twitter, Youtube etc.

None, except for lovely piece with DBP - virtual HAF work - lovely piece offering a gateway - Dinner with Dickens

Maybe one hour once a month (in the evening? Not professionally). Interested in natural history (my background is environmental science). Cumberland House does represent this up to a point, but more in-depth information would appeal.

Online activity has a double-sided impact - amazing that people could bring the Museum into your home when you were not able to visit - good for people who had never visited to see what it was all about, but not a true introduction

There's so much online now, it'd probably be wasted money.

I'm sure there's lots of people out there, but around me...people, they'd rather come to a meeting. The volunteers that I work with, we don't do Zooms or anything like that, we meet.

Digitisation has been identified over recent years as really a very important part of how you sell your collections, as it were. And therefore, lots of money has been spent on digitisation...It's very challenging for small museums, mostly due to money and infrastructure...As local authorities they have they have a wide range of responsibilities, and making a picture of few fossils available may not be a priority to them.

Events

- There was a mixed response to the suggestion of the events programme (specifically tested events were Q and A events with visiting artists or experts, night at the museum tours and late opening hours). While many found these to be a good idea, there was the sense for around half of respondents that they wouldn't be able to partake themselves due to a lack of time, or that there would need to be careful considerations around both timing and content. However, **there was a sense that it would be an exciting opportunity overall for the people of Portsmouth**, and a new way to engage with the museums.

Again, absolutely, but a time thing - so much competition for one's time

No, Time poor; distance

Yes, probably evening opening combined with events and workshops

Depends on time commitments, time of day and of week - an hour in the evening might be do-able

I think you have to have a varied programme. Our dads will work days and are more around at weekends. Different timings suit different people - working dads might like evening events, young mothers with children want daytime activity - school hours and days also dictate when to a lot of families . . . never going to find one time that suits everybody, so mix it up?

There would be an interest in [events]. It's finding the right things and topics that people would be interested in. From where we're situated in the city there's a question of whether you'd get a better response [in the community] than having to get people down to the museum.

[My children would] find [night tours] quite interesting, I think and quite cool.

I can see in Portsmouth as a wider city that people would be interested in that. [Respondent lives close to the museum]. People would go for a coffee if it was open late, or little family groups after school.

Other suggestions around ways to participate [quotes]

Tours of the archives, 'backstage' access, taken by the fantastic and dedicated staff

An ice rink

Fine dining pop-up restaurants

An online shop selling things commissioned locally

Students are making illustrations currently for PHD - University support could suggest speculative exhibitions

Outdoors could have table tennis in the garden, with advice sessions offered while playing; customise the bats and balls

Merchandise: things they own that they could commercialise - high res photos and prints for example

Creative workshops for ceramicists, anything similar that produces things that are portable

Make it a destination - like going to the V and A primarily for lunch

D-Day Museum café is good, but Portsmouth Museum and Art Gallery could be improved

Research the idea of a museum hotel...a destination - work with artist-in-residence hotels - in Brighton, Cornwall etc. they are curating hotels

You could sell Cumberland House as a boutique hotel to fund changes - or a new purpose-built museum

Relevance of Portsmouth Museums

Survey

- **63%** of survey respondents felt that Portsmouth Museums are relevant to them and their lives (by selecting 'agree' or 'strongly agree'), whilst 5% disagreed or strongly disagreed. When prompted to expand upon their answer, it was apparent that they valued the local history and there was a sense of pride of Portsmouth, amongst those who had lived there a long time and those who had recently moved or visited.
- **69%** thought Portsmouth Museums have exhibitions and events they can relate to, whilst 4% disagreed or strongly disagreed. The participants enjoyed the opportunity to see pieces which related to their family history, their childhood or certain places they had grown familiar with.
- **85%** of survey respondents felt that Portsmouth Museums tell the stories of local people, wildlife and place, whilst less than 1% disagreed or strongly disagreed.
- **80%** of respondents felt welcome at Portsmouth Museums, and the majority of comments related this to friendly and helpful staff and volunteers.
- Just over a quarter of responses felt they only attended Portsmouth Museums when they had friends or family visiting (**27%** agreed or strongly agreed). The majority felt this was not the case for them (**46%** disagreed or strongly disagreed), and the comments suggested that many liked to drop-in whilst in town; frequently took their children/grandchildren; or kept an eye out for any exhibitions which were of special interest to them.

Interviews

- Interviewees were keen to emphasise **the importance of social history and the role this plays in making a museum feel relevant to its visitors**. One described how much his wife enjoys the 1950s exhibit, whilst another enjoyed reminiscing about a childhood spent at the seaside. It was clear that these types of exhibits

instilled a sense of nostalgia that the participants enjoyed exploring, and it seemed that exhibitions including personal experiences were the ones they felt successfully portrayed Portsmouth.

- **Whilst sharing information about the past was seen as important, so were more contemporary exhibits.** One interviewee appreciated that modern paintings and the stories they told of modern life, referencing themes such as homelessness. This interviewee presumed the artists were local, which added to the appeal.
- Interviewees felt that **Portsmouth Museums were relevant in terms of the local history they shared about the community and some participants personal histories.** However, there was a sense amongst some that there is a **lack of awareness** of the range of museums available in Portsmouth, and that the D-Day Museum is often the main focus whilst others are ‘lost’ behind it. Interestingly, this didn’t appear to be the case from the survey, as Portsmouth Museum & Art Gallery was the venue most respondents had visited at least once in the last 5 years (69%), closely followed by Cumberland House (57%). The D-Day Story was the third most visited, with 48% having visited in the last 5 years. Finally, 16% had been to Charles Dickens’ Birthplace in the last 5 years.
- Respondents were keen to stress the **diversity of Portsmouth**, socio-economically, ethnically and in the diversity of grass roots cultural activity which was thought to be missing from the museums.
- When asked if there is therefore anything missing from the Portsmouth story in their opinion, people concentrated on appealing more widely and including a **more varied social picture of the city over the centuries**, as well as making the way the information is presented in the museums more appealing to more people through immersion and interactivity.
- There were a few responses around the idea of Portsmouth being a city made of many distinct villages, in which people identify more with their ‘village’ than the city often, and in many cases do not move out of their locales regularly. These respondents wondered if the museums were cognisant of this phenomenon and whether outreach or targeted work was happening to address this and include people from all areas of the city. Additionally there was interest in Portsmouth stories that reflected these neighbourhoods’ micro-cultures.

Portsmouth has two sides to it - amazing culture and many residents are very poor, struggling, so many artists, so many places to go; but old Portsmouth such a contrast to other areas, full of culturally interesting folk - but awareness of this is low.

My experiences of Portsmouth are very personal - my schools attended, my experiences. The Museum collections do represent these to an extent, but are not up-to-date enough for someone of my age - they nudge up to the 60s and 70s but it's not the Portsmouth of my life, it's that of my parents and grandparents

What it needs is an appealing event in the north of the city.

Portsmouth is an island city - unique in UK

It has high levels of deprivation - council estates and other areas of poverty, and crime. It is a small, community-led city, which leads to a mixed demographic in schools

Needs more about trade and not just wars

I think the social history of Portsmouth is missing - its development over the last 2-500 years, with Henry VIII and the Mary Rose

They could be telling a different story and things need to be hands-on, living, not stuck in a cabinet. Paulsgrove people are very tactile, the children like to dress up, to pretend

Or there are Bronze Age artefacts, and other time periods, that could be illustrated by e.g, more immersive experiences for the younger generation - UV puppet shows in the dark, making Iron Age shields - getting people involved in this way has to be the way forward

More micro local relevance

Young people and families

- A number of interviewees felt that that **the museums had a lack of younger visitors**, and described the importance of engaging parents with children so they could be involved from a young age. However, the parent interviewed felt that the museums were already exciting for younger children, but it was more difficult to keep their interest when they became teenagers. For the teen age groups there is a common thread of the need for modernisation, of a more contemporary 'vibe', a request for greater interactivity with the collections, particularly in order to seem attractive and relevant them.

The D Day Museum is what it is. And, you know, it's completely relevant to Portsmouth. And it is very popular, and it's very good.

There's a 1960s room and it's easy for people my age to relate to that, so it provides a talking point for us...And one of the things I do like about that museum is the seaside connection...They've got some seating from an ice cream that used to be in the city centre and I probably sat on those seats as a boy. So I relate to it really well.

Something that is community orientated...If I saw in the newspaper there was a particular Charles Dickens I might think, yeah I've lived here for years and I want to learn a bit more about this...Something that is topical and relevant to the area.

I'm not originally from Portsmouth but the stuff is really interesting. My partner is [from Portsmouth] and obviously the kids are born here...With the fundays. they tell stories, like there was a zoo in Portsmouth which I never know and it is really, really interesting. The old war time stuff and things like that. And the kids really enjoyed it as well.

Some of the artists...It's quite modern stuff...There's one of a homeless man, and it just almost tells the story of him, the way it's painted. So that's really, really interesting...I think they must be local artists.

The museums used to come out to the youth club with projects, so the museum coming out to the community. Say it was a dinosaur project, they brought it to the youth club so we could study that...That would have been about 12 years or more ago.

The local school, the grammar school right opposite...get some of their young people...involved in some way and you're hitting a younger audience.

They need to be a bit more interactive, more modern, to appeal to young people - like the new Mary Rose Museum

Need more interactivity e.g. anything instagrammable for 18-24 year olds

Need more contemporary appeal

I'm different - I spent last Friday in the Dockyard archive room - I get a lot more from archives than most - but needs more modernity

Portsmouth is the sea, but also different cultures e.g. skateboarding

My own personal view is that Cumberland House is not particularly interactive, it has very static displays - nothing changes. This may partly be because of budget and covid restrictions, of course. But without changing displays he will soon lose his interest in visiting.

Inclusivity/exclusivity

There was a range of opinion about the performance of Portsmouth Museums in terms of inclusivity and exclusivity. In this section we explore the themes of the conversations in three parts: 1. Discussion around other inclusive and exclusive experiences of Portsmouth Museums, 2. quotes that reflect geographical, economic and ethnicity exclusionary factors, and 3. Some suggestions from respondents about ways they feel the Museums could become more inclusive.

- **Many find Portsmouth Museums to be inclusive** and people from across the spectrum of those interviewed had positive and inclusive experiences within the museums, saying they were made to feel welcome, and that the Museums have made positive efforts to include people from across the communities.
- Some of the discussion around inclusivity stemmed from the theme of **staffing**. It was felt amongst several interviewees that to aid inclusivity, museum staff should reflect ethnicities, disabilities and genders, and that diversity training should be available too. Several interviewees said that whilst they felt welcome there themselves, it may not be the case for other people.
- One interviewee was enthusiastic about **paid work and voluntary opportunities for people with disabilities**. He described his own experience of a contact with autism who'd had the opportunity to work at another museum, and how much that had helped his confidence and employability, whilst the museum had benefitted from his knowledge and commitment.
- Another interviewee questioned whether **uniforms for museum staff & volunteers have the potential to be intimidating**, particularly for those who don't often visit. Cumberland House was provided as an example by this participant. However, it was acknowledged that uniforms can be useful in highlighting who you can ask for help if needed.
- For another interviewee, a key part of the museum's appeal is that **Portsmouth Museum staff are welcoming** and have an understanding that children may make noise. The fun days added to the feelings that the museum was family-friendly, and helped to motivate the children to attend. Even small elements, such as the availability of fizzy drinks and sweets, helped to make this feel like an exciting day out for children.
- The **cost of entry** to the Portsmouth Museum and Art Gallery ensures it is inclusive, however the D Day story entry cost is seen as exclusive of many.

- The **cost of travel** to and from the museums can exclude some in the communities of Portsmouth.
- For some respondents there was **sense of improvement in the ability of the Museums to attract more diverse audiences.**

I have never had any problem walking through the door and I think there has been an effort to reflect many communities of the city.

I feel they are very open, once you are motivated to go. When there have been events in the past that I have been to, a very wide range of people were there. Often, in Portsmouth, it is about letting people know what is available - it can be difficult to know how to make people feel a sense of ownership, so they feel 'this place is for me' - which is essentially what inclusivity is all about. Schools are often the first port of call for museum visits

It's reasonably inclusive. I haven't had that much direct involvement with them, or particularly done that assessment...But I get the feeling they're on the right track.

The fun days are really, really good. I love them. It's doing something special to get the kids there, saying this is happening and it will get them there...If I say 'we're going to the museum, we're going to have a picnic, we're going to play table tennis'.

There have been discussions about diversifying the workforce. All of this is a consideration for resources.

One of the one of the things is being able to identify when you're in a museum has been able to identify somebody you can speak to ask a question to even if it's where the toilets are...So there is an advantage to having uniforms...It's worth talking about whether uniforms for the staff are relevant, whether they're welcoming or intimidating.

The staff, they are really, really welcoming and they are so lovely, and that makes such a difference. Because my children are hectic...Kids do make noise...They're understanding of the kids needs as well.

Accessibility and to ensure that, ideally, [everyone] can access all of the museum...So they have the same equality that everyone else has. The second thing would be, if we consider people with autism...advertise times that are quieter, rather than necessarily make it more specific, so that people who are anxious with a lot of people around know when they can access it...Special events that attract local people with disabilities.

Very under confident, probably in his early 30s, never really held a job down. But had a photographic memory, and a massive interest...He goes to the museum...And slowly but surely, he gets to know his way around, and he helps out...Within a month or so, he was actually confident to be speaking in front of people...And by the end of it, he was even doing tours for schoolchildren.

I've never seen anything to indicate people would be excluded, or a section of society wouldn't be able to attend the museums e.g. Cumberland House has made efforts to make itself more accessible physically. Portsmouth Museum and Art Gallery has lifts

No sense that it isn't, after all D-Day worked with us on the Polish project - trying to tell some non-English stories (the soldier's violin that he brought back with him)

Probably not very - collections are very white middle class - though some working class representation too. Not representing other communities, though I know it is hard to get collections from diverse communities

That Portsmouth Museum is free takes away a barrier, opens it up especially to large families. D-Day should be as well - it is excluding low income folk. But understand that money may be short and income necessary.

Public transport isn't much of an option when you don't really have much money.

Paulsgrove folk find it expensive to get to museums - £7 bus fare is a barrier

Recent projects have surprised re the demographics they have revealed - more cultural diversity and more disability than realised

Geographical, economic and ethnic exclusion

Diversity referenced included age, ethnicity, social class and disability:

Paulsgrove was very white British - social class mainly working class; now a higher level of black and Asian groups in the area, not represented

Travellers used to live around here - their descendants still part of the community

We get lots of information from the south of the city, but the travel times and costs are a definite barrier.

Portsmouth Museum and Art Gallery is not representative of the city, which has an incredibly diverse community

My Bangladeshi colleague feels her community is under-represented and that there is lack of access

When I've been in to the Museums I've not seen anyone much not white British, not seen a diversity of visitors, nor of staff. C House, some of the volunteers younger - college or university age -diversity of age range

There is the project with D-Day, relating to the Polish involvement - the violin carried by a Polish soldier - otherwise I don't think there is much of specific relevance to the Polish community who exist in high numbers in Portsmouth

I grew up in a council house in Paulsgrove with my mum and I relate to not feeling part of Portsmouth, even the museums on the hill are only accessible by car, public transport is not great and you can feel disconnected

The current generation of young people is a challenge to connect with, all doing their Tiktok dances on their phones. So more events? Activities? More in line to what they are growing up with. Open up the museums? Have only seen' attempts' to include everyone in our society

As I haven't visited for quite some time, I am not sure how to respond to this question, but I do think it would be refreshing to see how the diversity of Portsmouth has changed. I am not originally from here, moved to Portsmouth in the 1980s and it has changed (for the better) since then. So many cultures, so many languages spoken. I would hope to see the Museums reflecting these wonderful changes.

Suggestions for a more inclusive Museums' service

There were a number of specific suggestions around how respondents felt Portsmouth Museums could become more inclusive to the communities they serve. It should be acknowledged, however, that many respondents said they weren't familiar with all of the programming and marketing associated with the museums, indeed, some felt they were unaware of much of this, and so perhaps the museum is already doing some of this work. However, some of the respondents were from communities that are minority communities in the UK and felt they hadn't seen much programming from Portsmouth Museums that addresses them personally.

- Update of content to represent the diversity of people in Portsmouth, e.g. the Polish, Bangladeshi, Chinese and African communities
- Create a wider range of current local stories
- Address the storage but non-display of items precious to colonised communities

- Events held in languages other than English, such as Urdu, which would address the Gurkha community. Marketing in other languages and through a more diverse range of channels would also be beneficial.
- More diversity among staff members
- Programming that is contemporary and explore topics around e.g. fashion for a more diverse appeal
- A common thread coming through is that of taking the museums TO people, which might also address the barriers of the cost of transport.
- Open up both research and the collections to a broader range of people

Content needs adapting - working with community to steer programming and make representative of experience

Create local stories

Hold auctions of valuable items which are stored but have meaning for certain identified groups like those colonised and immigrants

There is a big Polish community in Portsmouth and a massive Bangladeshi community, and I've not been aware of anything celebrating those two cultures- if there was, it passed me by, which raises the question of how these things may be being communicated and marketed? If they are not doing that we would certainly encourage that. They are as much a part of Portsmouth as anyone else, and they engage with TPN, especially the monthly theatrical events at the Guildhall, we have very diverse multicultural audiences. We hoped that might happen and we thought we might have to do a lot of outreach but within a few months it was happening organically.

Needs the permanent collections to contain material from e.g. Chinese and African communities, with activities to represent them. Should take work out to the various communities.

Would need it to tell more of a Polish story, to explore city life, to give a clear history of Portsmouth that includes our experience, for me to bring my pupils to PM; but they probably visit with their English school, so maybe not so relevant

To change this, events could be held in other languages? I once evaluated a project for HCC about persuading the Gurkha community to use the countryside more, and the majority of that community have English as their second language and don't use English very often, so to go to a countryside outdoor event in English was almost a no for them,

they wouldn't understand it, would feel out of place. However, the project was praised in that it had interpreters at those events and that made it feel more inclusive.

I think there is very little to appeal to our diverse community. I've only seen people I would take to be White British in the museums - no diversity evident of staff or of visitors - older folk too, except at Cumberland House where there are some younger volunteers, probably college age. But Portsmouth Museum has been closed and it is a skeleton staff, so maybe that's why they are not as representative.

Touring exhibitions can add to a good mixture

The anticipated silver collection will be coming soon - this could be related to fashion and contemporary culture

Need to revisit comms and have materials translated e.g.

Need diversity and different languages for diversity of engagement

Different comms methods

Revisit how devise work and select artists

Need to raise a lot more money to address these issues

Take exhibitions out [to communities].

Taking things out to communities would be good

Need to take work TO the community centres - show that's there a door open

Tell stories, encourage people to tell their own stories and to listen to those of others. Recall that which is no longer visible but is still in the minds of those who were there, like long lost factories and shops, forgotten industries, memories and voices, open up the possibilities of research, make more things/archives and artefacts, more accessible to more people.

Appendices

Appendix 1: Survey data demographics

The below information details the demographics of the survey respondents.

Gender identity

- 27% male
- 71% female
- <0% in another way
- 2% prefer not to say

Age

- 16-29: 4%
- 30-45: 30%
- 50-69: 49%
- 70 and above: 17%

Ethnic group

- White: 93%

Contacts

London Office

2nd Floor, Rich Mix
35-47 Bethnal Green Road
London E1 6LA
T 020 7407 4625

Manchester Office

Studio 14, Fourth Floor
14 Little Lever St
Manchester M1 1HR

hello@theaudienceagency.org

www.theaudienceagency.org

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Portsmouth Museums Strategy 2022-26

Introduction

The past five years have seen the successful delivery of the project to transform the former D-Day Museum into The D-Day Story. The highlights of our journey have been creating a compelling and evocative narrative based on the stories that accompany many of the objects we hold complemented by the personal accounts of the people who were there. We worked to ensure that the story engaged families, schoolchildren and young people and the Disability Advisory Forum helped to ensure that the exhibitions could be enjoyed by people with disabilities. Feedback from visitors and being shortlisted as a finalist for European Museum of the Year 2019 are testimony to our success.

The 2015-2020 Museums Strategy Unlocking Potential Transforming Lives identified six key aims that defined the direction we wanted to take underpinned by twenty-five objectives. They referenced diversity, learning, profile and reputation of the city, resilience, developing staff and digital access.

These have largely been addressed through the delivery of the Transforming the D-Day Museum project. Through its delivery for example we have: added to the reputation of Portsmouth as the Great Waterfront City: created a shared inclusive space in which people feel welcome: involved young people as paid interns and through the youth organisation UnLoc: provided a range of volunteering opportunities and further broadened engagement through special projects which took place in both the community and museum: delivered access for all through the involvement of the disability advisory forum in the development of the exhibitions and through events programming once the museum opened: supported Portsmouth D-Day Museum Trust with fundraising; digitized collections and made items from the D-Day Collection accessible online.

Although the D-Day project was almost all-consuming we also made progress elsewhere. Access to the Natural History Collection is being transformed through improved standards of storage and documentation following the appointment of a curator of natural history although we have made only limited improvements to the main museum store. Income generation has been overhauled at Southsea Castle through relationships with commercial partners. Partnerships have contributed to programming at Portsmouth Museum and Art Gallery with loans from institutions such as the Royal Collections and TATE and an exhibition featuring Sherlock Holmes and the city's Conan Doyle Collection was developed in partnership with the late Neil McCaw, Professor of Victorian Literature at the University of Winchester. Inspirational learning programmes have taken place across our sites catering for a range of audiences from schools to families to adults and we opened a new Butterfly House at Cumberland House and obtained a Zoo Licence for its operation. We have developed our social media platforms. Building maintenance work has taken place at Cumberland House, Southsea Castle, Dickens' Birthplace and Eastney Beam Engine House.

Where we have perhaps underachieved is against our ambition to reflect the diversity of the city's culture and communities in what we do. Although we have broadened involvement through activities such as the D-Day 75 community projects, which engaged people from BAME groups and people experiencing isolation and have acquired objects relating to communities under-represented in the city's collections, Paulsgrove for example through our support of the capturing the spirit project, there has been a loss of momentum in terms of community engagement. We have yet to live up to our 'unlocking potential, changing lives' ambition.

Pressures on council budgets continue to take their toll. Following cuts totalling £611,780 between 2009/10 and 2014/15, a further loss of £180,800 has occurred during the life of the current museum strategy (ie from 2015/16 to 2019/20); a reduction of almost £800,000 in 10 years. And 25% of the council's current funding pays for business rates. Although the service has increased the amount of earned income and has continued to attract support from a range of funders - notably the National Lottery Heritage Fund - this does not equate to the loss of revenue funding from the council. The cuts have resulted in reductions in our offer for schools for example and activity in the community.

Digital access has become of greater importance during the coronavirus pandemic and digital ways of working are now the new norm. Our approach to digital needs to be embedded across the service. Training is needed for staff and volunteers on how to use digital platforms and greater sharing of skills across the staff and volunteer team to make for a digitally empowered workforce. Staff need to be enabled to work remotely and flexibly to build on the changes brought about by Covid-19.

As we emerge from the coronavirus pandemic, should we rethink the purpose of Portsmouth Museums; to become more about transforming lives through engagement with heritage and culture and less about property management? Can we find alternative uses for less efficient cultural assets - now further compromised by the need for social-distancing and the impact of reduced visitor numbers? Can we use digital more to develop audiences? Can we harness the new sense of community that has arisen during the pandemic?

Prior to lockdown and to kick-start the review process a facilitated workshop was held with museum staff and Tony Butler the CX of Derby Museums Trust was invited to undertake a 'peer challenge' review of our current activity. During lockdown we held two facilitated virtual workshops with community representatives. These all inform what follows.

Core purpose and values

We want Portsmouth's museums and the collections they hold to be relevant and inclusive, used and valued by the city's communities. We shall not be limited by our buildings and gathering engagement will require the service to be visible in the streets and on the doorsteps. We shall recruit 'feet in the street' volunteers and we will be proud to be in the thick of it. Our purpose therefore is:

To give local communities and individuals the opportunity to engage with the city's amazing heritage and people, to tell their story, be inspired, learn new things, gain new skills and feel happier and more optimistic about the future.

We will do this by:

- Being inclusive and reaching all parts of the city and society
- Benefiting residents and communities - enhancing wellbeing, raising aspirations
- Working together - as a team, with communities, with partners
- Embracing new opportunities and being a catalyst for change
- Proving that we are doing it

Vision

To create a new Museum of Portsmouth in partnership with the city's communities which captures the spirit of Portsmouth and is at the heart of the city.

Strategic Objectives

- 1. Be more relevant to all our residents**
- 2. Be more in the thick of it**
- 3. Be more environmentally sustainable and resilient**

By 2026 (ie measures of success)

- Communities from across the city recognise that they have something to contribute to the city's museums.
- Museum collections will be cared for and developed to tell a wide range of stories relevant to people across the city.
- We will have increased income from other sources while council funding is maintained at current levels and will be a National Portfolio Organisation funded by Arts Council England.
- Portsmouth Museums will be the partner of choice for organisations and communities across the city
- Museums will deliver projects, programming, and site management with an environmentally sustainable and responsible approach.
- Every school in Portsmouth engages with at least one of the museums in the city.
- We will increase the visibility of the contribution we make to council priorities and initiatives and be acknowledged as a significant contributor to the City Vision.

Be more relevant to all our residents

There are many reasons for people to feel excluded or neglected, undervalued or under-represented. We can provide opportunities to address these divisions, even celebrate

rather than ignore them, and build a better understanding of a sense of belonging that all can share.

In the facilitated workshop staff asked: How can we help people be part of the story? How can we help people connect with each other? How can we be relevant and current? How do we maximise volunteering opportunities? The Peer Challenge report recommends that we create a new narrative for Portsmouth Museums; one that identifies the qualities, characteristics and distinctiveness of place; ie Portsmouthness. This should further convey the idea to residents that history happened where I live, on my street, my doorstep and therefore it makes me matter.

Although Portsmouth Museums has a track-record of community participation - over at least the past 25 years - this has been largely delivered 'to' or 'for' the community (ie largely on our terms) and dependent on external funding. If we are to become relevant to communities across the city we need to embed participation and involve residents in what we do, transforming into a service working 'with' the local community for the longer term.

To achieve this the museum team will need the confidence and flexibility to work more collaboratively with communities across the city. The separation between frontline / visitor services and collections staff roles will be reduced. The museum team needs to be more representative of the communities it serves. If we can reduce our preoccupation with buildings, capacity will be increased and opportunities to create new posts will emerge.

The peer challenge report also noted that access would be enhanced by the relocation and transformation of Portsmouth Museum to a more central location to enable its habitual use by people from across the city and the provision of facilities that drive footfall. This in turn would contribute to the regeneration of the city centre. Developing the main museum store would be an alternative (or complementary) option.

Alongside these developments is the need to create an effective digital strategy and clear delivery plan. Delivering the strategy will improve access and virtual visits and promote our identity.

Objectives

- Achieve ACE National Portfolio Organisation status as the opportunity to build upon a good track record and high quality public engagement to help transform cultural and creative life across the city.
- Work with stakeholders to elucidate Portsmouthness.
- Deliver co-production initiatives involving the core museums team and the community which explore new mutually beneficial ways of working, the barriers to access, and increase the range of ways in which people can volunteer.
- People find themselves reflected in the city's museum offer.
- Develop a digital strategy and delivery plan as a means of strengthening digital engagement and participation, developing and equipping staff and volunteers to undertake the roles required.

- Develop momentum and consensus for the development of a new Museum of Portsmouth in partnership with the city's communities.

Be more in the thick of it

In the facilitated workshop staff asked: How can we be relevant and current? How can we have influence at city council level? Enthusiasm was expressed for connecting people and collections. Having a presence in community spaces and developing an identity for the service is key to maintaining a relevant public profile.

The peer review recommends that we improve internal advocacy and contribute more to public policy areas such as learning, health and wellbeing and community cohesion. The report suggests several immediate actions: relocation of the museum manager to civic offices where the opportunities to network are more readily available, improving data collection and using it for advocacy, investing in non-user market research, strengthening the role of the Cultural Development Project Officer to focus on internal and external advocacy and by helping to revitalise the Portsmouth Cultural Education Partnership.

Objectives

- Proactively engage and network with colleagues and services across the council, seek and initiate opportunities to contribute to citywide projects and initiatives.
- Develop the workforce so that people can work flexibly, are empowered to make a positive contribution, and can articulate the difference museums make.
- Utilise and develop the collections to make meaningful connections with underrepresented communities.
- Extend and build strong partnerships with other cultural providers and provide support and leadership for museums across Hampshire through our networking and mentoring activity.
- Advocate and evidence what we do, the difference we make and improve data collection to underpin this.

Be more environmentally sustainable and resilient

In the facilitated workshop staff asked questions around sustainability and how we make best use of resources, specifically space: How can we make sustainability central to all our decisions? How can we create spaces that groups and communities can use? How can we use our space in a more versatile way? Work to improve the main museum store was felt to be of particular importance.

Space is a finite and valuable resource. Our current use of space is not sustainable. The legacy of material accumulated by former staff for various purposes although often neither processed or used is an issue which we have now started to address in earnest. In addition the peer challenge review suggests that a more dynamic approach to the development of

collections in which decisions are made with the community would enable us to thin out irrelevant objects and make room for contemporary collecting.

The peer challenge report also highlights the number of museums run by Portsmouth City Council compared to other cities - Portsmouth six, Derby three, Bradford four and Plymouth and Exeter one each - and notes that this prioritises asset management over programming and public engagement. The report suggests that the council explores the re-purposing of inefficient cultural assets (buildings and collections) to free up resources to deliver better services and notes that this would be easier to justify alongside a major capital project.

The report also recommends we improve onsite programming to stimulate repeat visits and secondary spend through more readily affordable options involving community groups or artists collectives, pursuing external funding to buy in exhibitions also developing further our relationship with major lenders such as Tate and the British Museum to encourage more high-profile 'spotlight' loans.

Objectives

- Continue to drive footfall and income generation at The D-Day Story through events programming and hire of The Dulverton Room and explore ways of improving footfall and secondary spend at other sites especially Portsmouth Museum and Art Gallery.
- Streamline the permanent collection to reflect community priorities and create space for contemporary collecting around current issues such as climate change. Review and rationalise handling and other collections which are not accessioned and do not form part of the permanent collection. All acquisitions and any disposals will be made in accordance with the council's Collection Development Policies.
- Improve the condition of the main museum store and the facilities it offers for collections and people with the support of Property Services.
- Use the natural history collections to explore climate change and biodiversity by providing opportunities for public engagement and by contributing to environmental research.

Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

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 & Leisure

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

Museum Strategy 2022-2026

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

- Existing
- New / proposed
- Changed

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

Updated / new Museum Strategy for next five years.

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 facilitated workshop with staff has informed plans, also a peer challenge review undertaken by CX of Derby Museums Trust and two facilitated workshops with a small number of community representatives. The next step is more extensive consultation.

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 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?

Through implementation of the Museums Strategy our aim is to engage with a diverse audience drawn from across the city, providing positive life-enhancing activity that will benefit individuals, families and community groups and contribute towards making our city more cohesive and therefore safer.

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

Capturing data re the demographic of those taking part to ensure increasingly representative of the city and its communities. Feedback from partners and participants.

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 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 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?

This is growing evidence to suggest that participation in cultural activity benefits health and wellbeing. Our aim is to increase the level and quality of participation through working with communities in a co-creative way to create content with them (rather than for them). Participation will increase confidence, self-esteem, feelings of wellbeing.

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

Feedback from participants and partners.

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 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?

We aim to work with communities across the city including low-income families and those vulnerable to falling into poverty through participation in council initiatives such as the Holiday Activity and Food programme, also through activity taking place in the community.

How are you going to measure/check the impact of your proposal?
Feedback from participants and partners.

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 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?

We aim to ensure that the city's museums represent and reflect the diversity of the city - in terms of collections, programming, audiences, volunteers and staff.

How are you going to measure/check the impact of your proposal?
Measuring the change in demographic of visitors, participants, volunteers and staff over time. Feedback from participants and partners.

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 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?

We aim to be more environmentally sustainable through upgrading M+E equipment, encouraging people to travel to our sites using public transport, walking or cycling, by delivering activity in community venues, and through displays which explore environmental issues.

How are you going to measure/check the impact of your proposal?
This requires further thought.

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 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?

Implementation of the Museums Strategy will see improvements to the museum store that will reduce energy consumption.

How are you going to measure/check the impact of your proposal?
Reduced utility costs - specifically electricity.

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 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 Museums Strategy references our role in raising awareness of current environmental issues - and actions we might take to address - through programming. The Historic Environmental Record and its use in planning may also have a role to play.

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

Feedback from participants and partners.

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 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 museum collections include a natural history collection with data which provides an invaluable tool for tracking changes in biodiversity. Programming based on the collection allows us to explore the city's habitats and wildlife and the issues affecting them.

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

The number of specialist environmental groups receiving data from us and the number of biological records shared.

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 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 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 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 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 focus of the Museums Strategy is the city's heritage - specifically collections - and how they benefit individuals, communities and the city itself through museum displays and other programmes of activity. We contribute to protecting the city's archaeological heritage through the management of the Historic Environmental Record and its natural habitats through sharing environmental data (ie biological records).

How are you going to measure/check the impact of your proposal?
Feedback from users / non-users of the service and our partners.

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 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?

Implementation of the Museum Strategy will contribute to the development of a confident and skilled workforce through its engagement and participation programmes which provide a variety of lifelong learning opportunities for a diverse range of people.

How are you going to measure/check the impact of your proposal?
Feedback from participants and partners.

C - Regeneration of our city

Yes

No

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 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?

Museums contribute to the cultural life of the city and help to make Portsmouth a desirable place to live, work and visit. A new museum of Portsmouth, located in the heart of the city, would be a major contributor to the revival of the high street. And in working with communities and venues across the city we will animate local high streets.

How are you going to measure/check the impact of your proposal?
Feedback from residents and visitors.

Q8 - Who was involved in the Integrated impact assessment?

Museums and Visitor Services Manager, Jane Mee.

This IIA has been approved by:

Contact number:

Date:

Agenda Item 13



Title of meeting: Cabinet

Date of meeting: 8th March 2022

Subject: Integrated commissioning and governance arrangements with Portsmouth Clinical Commissioning Group

Report by: Jo York, Managing Director, PCCG

Wards affected: All

Key decision: No

Full Council decision: No

1. Purpose of report

- 1.1 To update the Cabinet on work that is taking place to achieve greater integration of commissioning and governance arrangements between Portsmouth Clinical Commissioning Group (PCCG) and Portsmouth City Council (PCC), in the light of the new operating context for health services and to seek agreement to enter into a s75 agreement in respect of these arrangements.

2. Recommendations

2.1 The Cabinet is recommended to:

- Note the work undertaken to bring about greater integration of health and care services in the city
- Approve in principle (on the basis of the summary document attached) the s75 agreement between Portsmouth City Council and Portsmouth Clinical Commissioning Group, with delegated responsibility to the Chief Executive to agree final amendments and to authorise the execution of the agreement in final form.
- Delegate authority for associated schedules to be completed and signed off by the relevant Director in consultation with the s151 officer or his authorised delegate.



3. Background

- 3.1 Since 2015, the place-based working in Portsmouth has been defined by the Blueprint for Health and Care in Portsmouth, which set out:
- A strategic case for change
 - Commitments to residents
 - A vision for health and care provision in Portsmouth
 - A set of suggestions for structural changes to support integration between NHS and local authority partners
 - A series of local delivery priorities
 - Some shared ways of working
- 3.2 Progress against the Blueprint was regularly monitored, including through the Health and Wellbeing Board and it led to many positive developments in the city, including:
- Integrated Primary Care Service incorporating the acute visiting service and GP enhanced access service
 - Development of the Wellbeing Service (public health)
 - Establishment of Positive Minds service to provide better support to people requiring emotional and mental health support
 - Roll out of SystmOne across all GP practices, Solent NHS trust and Adult Social Care.
 - Increased partnership working across health and social care in both adults and children's services including increased number of joint roles.
 - Integrated approach to discharge to assess and establishment of the PCAT service to support people coming home from hospital, significantly reducing the number of bed days lost in the acute sector arising from any delays.
 - Development of an integrated 0-19 early help service for children and families
- 3.3 In the new context of the Hampshire and Isle of Wight Integrated Care system (HIOW ICS), thinking has been underway about how we need to refresh this vision for improving health and wellbeing outcomes and working together in Portsmouth and with wider partners across the ICS, where it makes most sense to come together at scale.
- 3.4 In the new arrangements, it is expected that the ICS will take on the statutory functions previously exercised by the CCG, and some functions also previously provided by NHS England. Services in the future will be commissioned at the level where it makes most sense to do so to ensure the best outcomes, and it is expected that there will be a focus on place-based working as part of these arrangements. It is expected that the new way of working will strengthen integration between health and care services.

3.5 A first draft of a refreshed Blueprint was produced in November 2020 and presented to the Health and Wellbeing Board. Since then, the White Paper and associated guidance have now given us more insight into the expectations and opportunities for place-based partnerships in the context of the ICS. Therefore, in 2021 work took place considering how the Blueprint needs to look for the future, in a series of conversations and discussions linked to the development of the ICS, and helping us to explore the priorities for Portsmouth within that.

4. Stakeholder engagement and feedback on the Blueprint Refresh

4.1 In August 2021, as part of our wider work on developing the role of Portsmouth as a place in the Integrated Care System, we asked for some feedback on principles for working that had been developed in previous workshops, and on the commitments that had been developed as part of the Blueprint for Health and Care Portsmouth. Many partners contributed thoughts and ideas back.

4.2 The original Blueprint document set out a vision for Health and Care in Portsmouth:

Our vision is for everyone in Portsmouth to be enabled to live healthy, safe and independent lives, with care and support that is integrated around the needs of the individual at the right time and in the right setting. We will do things because they matter to local people, we know that they work and we know that they will make a measurable difference to their lives.

4.3. We heard loud and clear that the vision still feels like the right one and is broadly supported by partners.

4.4 We also sought feedback on some key principles for how we work together as a city in future - these were considered to be broadly the right ones for the city:

- **OUTCOMES** - improving outcomes for Portsmouth people will be at the heart of
- place-based working
- **EQUALITY** – Our place-based working will seek to shape service delivery to ensure it is inclusive and reduce inequalities in the city
- **EVIDENCE** – Place-based working will be informed by the needs of local communities and evidence of what works
- **INTEGRATION** – Place-based working will integrate service delivery around the needs of individuals and families
- **PREVENTION** - Prevention and early intervention services will reduce dependency on public service delivery

- **PARTICIPATION** - Residents will be active participants in the co-production of services, and we will be led by patient and service user demands and experience
- **ACCOUNTABILITY** - Resource allocation decisions will be transparent, contestable and locally accountable
- **VALUE FOR MONEY** - Decisions will be driven by the goal to achieve optimum quality, value for money and outcomes
- **PARTNERSHIPS** - Strong and effective partnership is key to place-based working.

4.5 There was considerable feedback given on the draft commitments for the refreshed Blueprint. In the feedback it was noted that:

- People want a seamless health and care service and to tell their story once and to have a clear and personalised care plan that they agree to - these desires need to be reflected in the commitments.
- The commitments should reflect the sense of place for Portsmouth and also that in some cases, it is right that things are done at scale - commit to doing the right thing at the right level.
- Important to reflect that services should be designed from the customer perspective
- Need to be clearer about what the actual commitment around urgent care is - needs to feel realistic as we move forward
- Commitments need to be a basis for honest conversations around expectations - maybe one of the commitments needs to be about being honest and open?
- We need to recognise that as a result of the pandemic, much of the workforce is exhausted
- Do the commitments as currently written feel like they reflect the passion and energy that you sense in Portsmouth - they could be framed differently to provide more of that sense?

4.6 In response to the feedback, and in light of the discussion at the Joint Commissioning Board in December, it is recommended that the following commitments are adopted as the cornerstone of the Blueprint for Health and Care in Portsmouth.

- Our local health services will reflect the diversity of populations and needs in our communities
- We will build services as locally as possible to reflect the needs of the community, but recognise that it will make sense for some things to be led at a different scale.
- We will always design services from the perspective of the person using them, and make these as seamless as possible, joining up functions and organisations for better experiences and outcomes for service users



- We will remove barriers to accessing services so that everyone can get the help and support they need
- We will involve people in designing services for them and those they care for
- We will make sure that we have a well-led, well-organised and well-supported workforce that we empower to work across organisational boundaries to improve the experiences and outcomes for service users
- We will be honest about what we can and can't do, and explain why
- We will work with people in their communities to develop the relationships and opportunities they need to stay healthy, independent and active in the places they live.

5. Next steps

- 5.1 Linked to the ongoing discussions around the development of the ICS, it is recommended that in Portsmouth, we now complete the refresh of the Blueprint, linking it to the outcomes we are seeking through the Health and Wellbeing Strategy and the health and care priorities that have been agreed for the city, across children's services, services for adults and public health priorities. This will also take into account the ways organisations are working together, and move forward the prospectus for health and care integration that was considered early in 2021.
- 5.2 The Health and Wellbeing Board will propose a revised Blueprint as our local prospectus for place-based working at its next meeting.

6. Enhancing integration with Portsmouth Clinical Commissioning Group

- 6.1 In 2021, the Joint Commissioning Board which brings together commissioners from PCC and the CCG, initiated a piece of work to streamline the current contractual arrangements that exist around shared health commissioning in the city to enable joint working to be as broad and deep as possible, within an overarching enabling framework. Advice provided by Bevan Brittan clarified that the most appropriate form for this is an overarching s75 agreement which sets a framework for joint working, with a series of individual schedules developed to set out key areas below that (so for example, Better Care Fund, Continuing Health Care, Vulnerable adults, Children 0-19, Health and Wellbeing, Enabling functions).
- 6.2 The advice also made clear that a single agreement can comprise a range of arrangements, the services that can be included within arrangements under S75 of the NHS act are limited by the exclusions set out in the Regulations made under s75¹ (S75 Regulations); and that the primary care commissioning arrangements

¹ NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 SI 617 of 2000



are delegated by NHS England and required to be exercised through a primary commissioning committee - further delegation is not possible.

6.3 In broad terms (so allowing for some exclusions where there are specific statutory provisions), the scope of which health specific budgets can be included is:

- NHS Community Services
- NHS Mental Health Services
- Commissioning and other staff
- Acute sector services including non-elective care, and rehabilitation
- Primary care commissioning

6.4 From a local authority perspective, any budgets can be included where it is considered that there is, or may be, a benefit in alignment. This includes the ringfenced public health grant and associated functions, budgets related to Adult Social Care, Children's Services (children's social care, SEND, early intervention), areas which could be considered relate to community safety (including domestic abuse) and some services relating to housing (including support around rough sleeping).

7. **Developing the s75 agreement**

7.1 On the basis of this advice, an overarching s75 agreement has been developed, having regard to current operational and governance structures. A summary is attached at Appendix 1. Bevan Brittan have been instructed to act on behalf on both PCCG and PCC to draft this document.

7.2 The overarching agreement is nearing completion, with key points of note:

- provision has been made to enable s256 agreements to be made around this and this is reflected in a separate schedule
- critical to this work is robust financial governance and these arrangements have been pulled into a separate schedule for clarity. In respect of risk sharing, the agreement is clear that each partner is responsible for covering its own overspends only with no requirement to pick up those incurred by the other partner; and that agreed underspends can - subject to partners agreeing they should not be used in respect of other functions in the commissioning scheme - be returned to the partner who made the contribution. Each scheme will be overseen by a partnership management group who will have responsibility for budget monitoring.

7.3 The Cabinet is asked to approve in principle the s75 agreement as the key enabling document for joint working with Portsmouth CCG in the future.

7.4 We are now moving to concentrate on updating the schedules that will be attached to this, in particular:

- CHC - The present CHC s75 agreements comprise two documents covering provision and commissioning and are working from the 2015 version with an open-ended variation to the contract to accommodate the Covid Scheme 2 funding. In developing the overarching s75 agreement, the recommendation is that these agreements are brought together as a single document, reflecting the way that this is managed in practice, and the integration that has developed since the original documents were put in place.
- BCF - the refreshed plan was submitted to NHSEI in line with requirements - at this stage no significant amendments are proposed although in future it may be that some areas currently covered by the BCF schedule are removed and incorporated into different schedules if it makes sense to do so. We will as part of the work consider whether there are some immediate amendments that should be made to enable coherence of the wider agreement, without destabilising the current BCF agreement (for example, bringing the CCG below the minimum contribution required).
- Health and Care Portsmouth/enabling schedule - this is the schedule which brings the commissioning functions together and covers the staffing arrangements, in complement to the s113 agreements for the executive team. There are complexities in confirming where this budget is pooled and where there is alignment, and identifying posts which are in or out of scope. Broadly, we are seeking to cover all of the enabling functions for the joint working in this schedule, including data and intelligence and safeguarding and quality.
- Children's services - bringing together services including mental health services, social care, early intervention and SEND support, structured around our existing Children's Trust Plan
- Vulnerable adults - including substance misuse, rough sleeping, mental health, learning disabilities, domestic abuse and community safety
- Health and Wellbeing - pulling together public health, primary care and acute services.

7.5

Under the oversight of the Joint Commissioning Board, officers will continue to develop the s75 and associated schedules. It is recommended that Cabinet delegate authority to complete these schedules to the relevant Directors in consultation with the s151 officer (or his delegate). This will include developing the necessary assurance mechanisms to ensure that financial and service performance is transparent to all partners.



8. Reasons for recommendations

- 8.1 Integration of health and care services in the city is a priority, to ensure that residents experience seamless services as far as possible. The current Blueprint for Health and Care in Portsmouth was agreed in 2015 and it is therefore appropriate that it is reviewed in the light of the changing context for health and care services.
- 8.2 Alongside this, it is important to ensure that the mechanisms for broad and deep local integration are in place. A key enabler for this is a broadly drafted s75 agreement between PCC and PCCG which enables visibility of statutory health and care resource in the city, and allocation of these resources against agreed priorities.

9. Integrated impact assessment

- 9.1 An integrated impact assessment is not required on this document as it is a high-level statement, and policies and initiatives following from the Blueprint and the associated s75 agreement will be assessed in their own right at the appropriate time.

10. Legal implications

- 10.1 Section 75 of the National Health Service Act 2006 allows local authorities and NHS bodies to enter into partnership arrangements to provide more streamlined services and to pool resources, if such arrangements are likely to lead to an improvement in the way their functions are exercised.
- 10.2 The flexibilities provided by Section 75 and the Regulations made under that section enable the Council and the PCCG to work effectively in partnership to deliver integrated commissioning and provision of services in accordance with the aims of the Blueprint for Health and Care Portsmouth in the context of prescribed NHS functions of the PCCG and prescribed health-related functions of the Council.
- 10.3 The partnership arrangements which may be established under Section 75 include arrangements—
- (a) for or in connection with the establishment and maintenance of a fund (a "pooled fund") which is made up of contributions by one or more NHS bodies and one or more local authorities and out of which payments may be made towards expenditure incurred in the exercise of both prescribed functions of the NHS body or bodies and prescribed health-related functions of the authority or authorities,



- (b) or or in connection with the exercise by an NHS body on behalf of a local authority of prescribed health-related functions of the authority in conjunction with the exercise by the NHS body of prescribed functions of the NHS body,
- (c) for or in connection with the exercise by a local authority on behalf of an NHS body of prescribed functions of the NHS body in conjunction with the exercise by the local authority of prescribed health-related functions of the local authority,
- (d) as to the provision of staff, goods, services or accommodation in connection with any arrangements mentioned in paragraph (a), (b) or (c),
- (e) as to the making of payments by a local authority to an NHS body in connection with any arrangements mentioned in paragraph (b),
- (f) as to the making of payments by an NHS body to a local authority in connection with any arrangements mentioned in paragraph (c).

10.4 As outlined in the body of the report, various partnership arrangements under Section 75 have already been in place between the Council and the PCCG over previous years. The new overarching Section 75 Agreement proposed within this report is designed to provide a framework to refresh and update those existing arrangements on a continuing basis and for the introduction of further arrangements as may be required by the partners going forward.

10.5 Under the Section 75 Regulations the partners may not enter into any partnership arrangements unless they have consulted jointly such persons as appear to them to be affected by such arrangements. It is noted that at this stage the new overarching Section 75 agreement primarily updates and refreshes existing partnership arrangements and it is assumed that as and when any new service scheme specifications are brought into the overarching agreement appropriate prior consultation will form part of the process for implementation.

11. Director of Finance's comments

11.1 The proposals contained within this report seek agreement to the development on an overarching s75 agreement between the City Council and Portsmouth Clinical Commissioning Group. This agreement would replace the existing s75 agreements between the two organisations with one single agreement; whilst also expanding the services and budgets included within it.

11.2 It is intended that this agreement will provide greater transparency and understanding of the totality of expenditure on services provided within Portsmouth by both organisations. This transparency and understanding of

available resources, will assist commissioners when making decisions about future service provision and design within the City.

- 11.3 As explained within section 4 of the report, the proposed agreement does not increase the financial risk of either party. The agreement seeks to ensure that each partner remains responsible for their own over and underspending. Additionally, the budget responsibilities of Directors and Budget Managers as defined within the City Council Constitution and Financial Rules continue to apply.

.....
Signed by: Jo York, Managing Director, Portsmouth Clinical Commissioning Group

Appendices:

Appendix 1 - Summary of Portsmouth framework section 75 partnership agreement

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:

SUMMARY OF PORTSMOUTH FRAMEWORK SECTION 75 PARTNERSHIP AGREEMENT

Summary

1 PURPOSE

- 1.1 The purpose of this Agreement is to establish a framework through which the Portsmouth Clinical Commissioning Group (the **PCCG**) and the Portsmouth City Council (the **Council**), together “the Parties”, can secure the provision of health and social care services within the terms of the Agreement.

2 STRUCTURE

- 2.1 The structure of the Agreement comprises of:
- 2.1.1 Overarching terms and conditions set out in Clauses 1 to 57 and Schedules 2 to 8 (exclusive of Schedule 3).
 - 2.1.2 The Arrangement of the secondment of staff as set out in Schedule 1.
 - 2.1.3 The individual Commissioning Schemes and their relevant Scheme Specifications as set out in Schedule 3.

3 TERM

- 3.1 The term of the Agreement begins on the Commencement Date (which is to be confirmed) and the Agreement continues until terminated (see below). Commissioning Schemes and Section 256 Schemes will continue for the term of the Agreement unless either their specifications state otherwise or they are terminate earlier (see below).

4 TERMINATION

- 4.1 Termination of the entire Agreement or Individual Commissioning for default:
- 4.1.1 Any dispute between the Parties under the Agreement must be referred to the Dispute Resolution Procedure, and the Dispute Resolution Procedure followed, prior to either Party being able to exercise termination rights.
 - 4.1.2 Either party can terminate the Agreement or a Commissioning Scheme upon giving not less than three months’ notice to the other party if:
 - a) the other Party commits a material breach of this Agreement or an Commissioning Scheme and the other Party has refused to or failed to initiate appropriate steps or actions to remedy the material within one Month of the first Party being notified; and/or
 - b) a Remedial Action Plan has been agreed and the Party which has agreed the Remedial Action Plan fails to take appropriate actions in order to comply with the Plan within one month of the Plan being agreed; and/or
 - c) the Council fails to comply with the conditions of the Section 256 Payments as set out in Schedule 8 (Financial Contributions and Governance); and/or
 - d) the other Party, having in the first Party’s reasonable opinion, so failed to provide the Commissioning Scheme Services or Section 256 Services adequately, as to place the health and welfare of any Service User and/or any employee of the first Party in jeopardy.

4.2 Voluntary termination of an individual Commissioning Scheme and a Section 256 Scheme:

4.2.1 Unless otherwise agreed in the relevant Scheme Specification or Section 256 Scheme, each Commissioning Scheme may be terminated by either Party giving at least 12 months' notice in writing, or such shorter notice period agreed between the Parties provided that:

- a) such termination is possible in accordance with the National Guidance and Law; and
- b) that the Parties ensure that the statutory Better Care Fund Requirements continue to be met,

the remaining Commissioning Schemes will then continue to operate.

4.3 Voluntary termination of the Entire Agreement:

4.3.1 The Agreement can be terminated by any Party giving at least 12 months' notice in writing provided that:

- a) termination will not take effect prior to the third anniversary of the Commencement Date or to the termination or expiry of all individual Commissioning Schemes; and
- b) the Better Care Fund Requirements will continue to be met.

4.4 Effects of termination:

4.4.1 The Parties must ensure a smooth transfer, and to minimise any disruption to ongoing Services and any risk to the health and safety of Service Users.

4.4.2 The Parties agree that they will work together and co-operate to ensure that the winding down and disaggregation of the integrated and joint activities to the separate responsibilities of the Parties is carried out smoothly, and in accordance with an Exit Plan agreed by the Parties.

4.4.3 Where either Party has entered into a Third Party Contract which continues after the termination of this Agreement, both Parties shall continue to contribute to the relevant contract price as agreed prior to termination and enter into all legal documentation relating to it;

4.4.4 The Lead Commissioning Scheme Manager shall make reasonable endeavours to amend or terminate a Third Party Contract where the other Party requests the same in writing;

4.4.5 Where a Third Party Contract held by a Lead Commissioning Scheme Manager relates to services which relate to the other Party's Functions, the other Party may request that the Lead Commissioning Scheme Manager assigns the Third Party Contract in whole or part upon the same terms as the original contract;

4.4.6 The Joint Commissioning Board (JCB) shall continue to operate for the purposes of functions associated with this Agreement for the remainder of any commitments relating to the Agreement; and

4.4.7 Termination of this Agreement shall have no effect on the liability of any rights or remedies of either Party already accrued, prior to termination.

4.4.8 Where notice does not take immediate effect then the effects of termination (as stated above) shall apply during the period of notice; and

4.4.9 Termination shall be without prejudice to the Parties rights in respect of any previous breach of the provisions of this Agreement.

5 LIABILITY AND INDEMNITY, INSURANCE

5.1 If a Party incurs a loss arising out of or in connecting with this Agreement, as a result of the other Party's negligence, fraud or breach of contract, then the other Party shall be liable for that loss and shall indemnify the first Party.

5.2 Insurance:

5.2.1 The Parties shall agree appropriate insurance arrangements in respect of all potential liabilities arising from the Commissioning Schemes.

5.2.2 The Parties' insurers may agree common policies and protocols for the handling of claims covered by the Parties' insurance arrangements.

5.2.3 Each Party agrees to discuss with their insurers and request their agreement not to enforce any subrogated rights against the other Party arising out of any liability under the Commissioning Schemes to the extent that the sum claimed is not recoverable under the other Party's insurance arrangements.

5.3 Uninsured Liability Payments:

5.3.1 Where a Party makes an Uninsured Liability Payment, it may elect that the same be paid from any Pooled Budget, any Aligned Budget contributed by that Party, and/or other financial resources available to that Party.

5.4 Alternative Arrangements and Mitigation:

5.4.1 The Parties may agree alternative insurance and indemnity arrangements from time to time.

5.4.2 Each Party shall at all times take all reasonable steps to minimise and mitigate any loss incurred.

5.5 Notification and Conduct of Claims:

5.5.1 If any third party makes a claim or intimates an intention to make a claim against any Party, the Party that may claim against the other indemnifying Party will:

- (a) as soon as reasonably practicable give written notice to the Other Party specifying details of the claim;
- (b) not make any admission of liability, agreement or compromise in relation to the relevant claim without the prior written consent of the Other Party;
- (c) give the Other Party and its professional advisers reasonable access to its premises and personnel and to any relevant assets, accounts, documents and records within its power or control, for the purpose of assessing and defending the relevant claim.

5.6 Indemnities:

5.6.1 The indemnified Party shall give written notice to the indemnifying Party as soon as is practicable of the details of any claim brought or threatened against it, in respect of which a claim will or may be made under the relevant indemnity;

5.6.2 The indemnifying Party shall at its own expense have the exclusive right to defend conduct and/or settle all claims and proceedings to the extent that such claims or proceedings may be covered by the relevant indemnity. Where there is an impact upon the indemnified Party, the indemnifying Party shall consult with the indemnified Party shall keep the Indemnified Party informed of all material matters.

- 5.6.3 The indemnifying and Indemnified Party shall each give to the other all such cooperation as may reasonably be required in connection with any threatened or actual claim.

6 REVIEW

- 6.1 Meetings shall take place between the Authorised Officers, the format and timings for which are to be agreed between the Parties.
- 6.2 Quarterly Reviews:
- 6.2.1 The JCB shall conduct a Quarterly Review of the operation of the Agreement against the Overarching Aims and Outcomes.
- 6.2.2 The Performance Management Group (the PMG) shall carry out regular reviews of the operation of the Scheme Specifications during each Financial Year, and report any matters which either or both Parties consider require review by the JCB.
- 6.2.3 The Authorised Officers shall carry out regular reviews of the operation of the joint staffing arrangements set out in Schedule 1, and refer any matters which require review by the JCB.
- 6.3 Annual Review Process:
- 6.3.1 Each Partnership Management Group shall carry out a review of the operation of the Scheme Specifications for which it is responsible, and submit written reports to the JCB within three months of the end of each Financial Year.
- 6.3.2 The JCB shall carry out Annual Reviews of the operation of the arrangements set out within the Agreement at the meeting of the second Quarter of each Financial Year. Following an Annual Review the JCB shall submit to the Health & Wellbeing Board for the Council and the CCG's Governing Body an Annual Report setting out the items listed in clause 14.3.3.
- 6.4 Reviews may be held more frequently on the agreement of both Parties.

7 PERFORMANCE MANAGEMENT

- 7.1 Each PMG will recommend to the JCB the Outcomes to enable the JCB to adopt the performance management framework for the Agreement, prior to the commencement of the second Financial Year following the Commencement Date.
- 7.2 The intention is that the JCB will consider and agree before the commencement of each Financial Year a spreadsheet containing Outcomes for this Agreement, the Commissioning Schemes and the Section 256 Schemes.
- 7.3 If an additional Commissioning Scheme or Section 256 is added during a Financial Year, or a Commissioning Scheme or Section 256 Scheme is varied or terminated, the JCB will consider and make any amendments to the Outcomes.
- 7.4 The JCB will monitor the performance of the Commissioning Scheme Manager, and the Council as Provider.
- 7.5 The JCB will also monitor whether the Council is providing or procuring the Section 256 Services in accordance with agreed Outcomes.
- 7.6 Within 10 (ten) days of the Joint Commissioning Board's reasonable request, the Commissioning Scheme Manager or the Council as Provider shall send to the other Party, or the Council shall send the PCCG the results of any audit, evaluation, inspection, investigation or research in relation to the Services.

7.7 The JCB may issue a Deficiency Notice to the relevant Party describing a performance deficiency and requiring the rectification of the deficiency.

7.8 Where a Deficiency Notice is issued, the JCB and the relevant Party shall discuss and agree a Remedial Action Plan to be implemented by the Commissioning Scheme Manager or the Council as Provider.

8 GOVERNANCE

8.1 PCCG has formed the JCB which has delegated authority for commissioning on behalf of the PCCG.

8.2 The Council may nominate officer members of the JCB who shall hold delegated authority from the Council to take relevant Council decisions at the meetings of the JCB.

8.3 The Joint Commissioning Group has strategic responsibility for this Agreement, the Commissioning Schemes and the joint staffing arrangements set out in Schedule 1, together with any Section 256 Schemes that might be agreed by the Parties.

8.4 Each Scheme Specification shall have a Partnership Management Group, which shall have responsibility for managing, and monitoring a Scheme Specification as set out in the relevant Scheme Specification.

8.5 The PCCG is subject to a duty of clinical governance that is a framework through which the PCCG is accountable for continuously improving the quality of its services and safeguarding high standards of care by creating an environment in which excellence in clinical care will flourish.

8.6 The JCB will be responsible for ensuring that suitable clinical governance arrangements and professional social service provider governance arrangements are put in place for each of the Commissioning Schemes, and the Commissioning Scheme Manager will comply with these arrangements.

8.7 The Council is subject to statutory duties in relation to the provision of social services to Service Users and the standards to which such services must be provided.

Bevan Brittan LLP
22 February 2022

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Title of meeting:	Cabinet
Date of meeting:	8 March 2022
Subject:	Violence Against Women and Girls Safety Audit
Report by:	Bruce Marr, Head Harm and Exploitation
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Purpose of report

- 1.1 To update cabinet following the request made at the extraordinary City Council meeting on 7th December 2021 for the "Cabinet to conduct a "Safety Audit", allowing residents to share their views about how public lighting and CCTV could be improved to promote safer streets and a safer public domain for women and girls".

2. Recommendations

- 2.1 For a further report to Cabinet with an update on the outcome of the community safety survey.

3. Background

- 3.1 Cabinet acknowledges that dealing with this issue should not require women to behave differently. To help understand the need and to improve the safety for women on the streets cabinet proposed the commissioning of a Safety Audit, with a subsequent report to update on the findings and recommend any necessary actions.
- 3.2 Every two years since 2010, the Safer Portsmouth Partnership carries out face-to-face surveys with approximately 1,000 residents to seek their views and their experience of crime and anti-social behaviour in the city.¹ The survey takes place in February (2022) therefore, in response, an existing question has been adapted (see para 3.3) as this provides a consistent opportunity for the public to feedback their views in relation to safety on the streets and will embed the safety audit as core business. Cabinet will then be able to receive updates every two years and monitor progress to make Portsmouth's streets safer for women and girls.

¹ The Community Safety Research team (now sitting within the Public Health Intelligence Team) co-ordinate this piece of research, employing and supervising students, enabling them to conduct the fieldwork

- 3.3 Question 9b of the Community Safety Survey (appendix 1) has been amended to enable us to help us improve safety in the places people identify:
- This question previously asked respondents if there were any places in Portsmouth where they felt unsafe or avoided and asked why.
 - The amended question this year also asks respondents to specify whether this is during the day or at night/when dark and also asked what we could do so they feel safer in this location.
 - Where respondents are female, there is an additional statement where the fieldworkers can let them know that this is an important question because we are doing work to address violence against women and girls.
 - This survey collects demographic information, so that responses from females only can be extracted, or can be compared with answers from males.
- 3.4 This survey is conducted by staff and students who have received training on interviewing techniques and provides an opportunity for women to share their views without being led; question 9b asks open questions about the experiences and views of women as opposed to a providing a list of leading questions.
- 3.5 The outcome of the survey will be known by the end of May; this would inform the need to explore specific findings further.

.....
Signed by: Sarah Daly, Director of Children Social Care

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:

Title of document	Location

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

.....
Signed by:

Appendix 1

Portsmouth Community Safety Survey 2022

Check: Does the respondent live in Portsmouth? PO1, PO2, PO3, PO4, PO5, PO6 only.

Prompt: We would like to ask you about crime and nuisance behaviour in the area where you live and in Portsmouth as a whole. This survey will take about 10 minutes and these findings will be used by the Partnership when they are planning how to address these issues and improve community safety, so your views are important to us.

I will be asking you questions about your personal characteristics such as your age and ethnicity. I won't need your name though and the information I collect about you will be anonymous and not be used to identify you in any way.

About You (Show this page and next to the interviewee and fill it out together)

1	Sex	Male (1)	Female (2)	Prefer not to say (3)
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2	Age	18-24 (1)	25-34 (2)	35-44 (3)	45-54 (4)	55-64 (5)	65-74 (6)	75+ (7)
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3	Main Occupation	Choose the most relevant category	
		Employee in full time job (30+ hours per week)	1
		Employee in part time job (Under 30 hours/week)	2
		Self Employed (full or part time)	3
		Full time education	4
		Unemployed and available for work	5
		Permanently sick / disabled	6
		Wholly retired from work	7
		Looking after home	8
Other, please specify:	9		

4	Do you serve, or have you ever served, in the Army, Navy or Air Force?	
	Yes	No

5	Postcode / Ward	
----------	------------------------	--

6	Ethnicity	Choose the option from this list that best describes your ethnic group or background	
		British / English / Welsh / Scottish / Northern Irish	1
		Irish	2
		Gypsy or Irish Traveller	3



	Any other white background (please describe)	4
Mixed or multiple ethnic group	White and Black Caribbean	5
	White and Black African	6
	White and Asian	7
	Any other multiple ethnic background (please describe)	8
Asian or Asian British	Indian	9
	Pakistani	10
	Bangladeshi	11
	Chinese	12
	Any other Asian background (please describe)	13
Black or Black British	African	14
	Caribbean	15
	Any other Black background (please describe)	16
Other ethnic group	Arab	17
	Any other ethnic group, (please describe)	18

7	Disability	Do you consider yourself to have a disability? If so, choose the option from this list that best describes your disability.	
		Mobility / physical disability	1
		Hearing problems	2
		Visual problems	3
		Learning disability	4
		Poor mental health	5
		Other (please describe)	6
		None	7

Questions about Crime and Anti-Social Behaviour (ASB)

Please indicate to what extent you agree or disagree with the following statements on a scale of 1 to 5

Q1	The overall quality of my life in Portsmouth is very good.				
	1 - Strongly disagree	2	3	4	5 - Strongly agree

Q2	Anti-social behaviour is a big problem in the area where I live.				
	1 - Strongly disagree	2	3	4	5 - Strongly agree

Q3	What type of anti-social behaviour, if any, have you personally experienced or witnessed <u>in your area in the last twelve months?</u> (<i>Do not show or read this list, just circle the codes for the most relevant box, and record whether the ASB was reported</i>).			
	ASB Type	Code	Reported ?	To whom?



	None	0		
Noise	Noise from domestic / residential property	1		
	Noise from commercial property (industrial, shops etc.)	2		
	Noise from licensed premises (pubs, clubs, bars & restaurants)	3		
	General noise in the street	4		
	Traffic noise in the street	5		
	Environmental	Traffic issues such as parking or cycling on pavements	6	
Litter and rubbish in the street		7		
Dog mess		8		
Bin bags left out on the wrong day/time		9		
Vandalism or graffiti		10		
Fly tipping		11		
Personal	Neighbour/general disputes	12		
	Harassment/bullying or intimidating behaviour targeting individuals	13		
	Online harassment / bullying or intimidating behaviour targeting individuals	14		
Nuisance / Drugs /	People hanging around (specify)	15		
	Begging	16		
	Street drinking	17		
	Rough sleeping	18		
	Other alcohol related ASB (specify)	19		
	People using drugs	20		
	People dealing drugs	21		
	Drug litter	22		
Other	Dangerous animals / roaming or unsupervised dogs			
	Other (specify):	24		
Q3 Comments:				



Q4	Are you worried about being the victim of a crime? If so what type of crime? <i>(Do not show or read this list, just circle the most relevant code).</i>	
No	No, I am not worried	0
Violence	Being mugged or robbed	1
	Being assaulted or beaten up	2
	Being stabbed	3
	Being sexually assaulted or harassed	4
	Being harassed or stalked (e.g. following, loitering, spying on more than one occasion)	5
	Being threatened, insulted or abused, or behavior likely to cause fear or distress (one occasion)	6
Hate	Hate crime - targeted behaviour because of race, religion, disability, sexual orientation, or gender identity (please specify which)	7
Theft & Fraud	Your home being burgled	8
	Having things stolen from garage, shed or garden	9
	Bogus callers at your door (scams - NOT unwanted cold callers)	10
	Having a car or motorbike stolen	11
	Having a car broken into	12
	Having a bicycle stolen	13
	Street theft such as being pick pocketed	14
	Identity theft	15
	Other fraud	16
Damage	Arson	17
	Criminal damage to your home / garden	18
	Damage to your car or motorbike	19
Other	Other (please specify):	20
	Don't know	21
Q4 Comments:		



Q5 Looking at the list below, what types of crime, if any, <u>have actually happened to you in Portsmouth in the last twelve months?</u> (<i>Show the list for this question and record whether it was reported and to whom</i>).				
	Crime Type	Code	Reported?	To whom?
No	None	0		
Violence	Being mugged or robbed	1		
	Being assaulted or beaten up	2		
	Being stabbed	3		
	Being sexually assaulted or harassed	4		
	Being harassed or stalked (e.g. following, loitering, spying on more than one occasion)	5		
	Being threatened, insulted or abused, or behavior likely to cause fear or distress (one occasion)	6		
Hate	Hate crime - targeted behaviour because of race, religion, disability, sexual orientation, or gender identity (please specify which)	7		
Theft & Fraud	Your home being burgled	8		
	Having things stolen from garage, shed or garden	9		
	Bogus callers at your door (scams - NOT unwanted cold callers)	10		
	Having a car or motorbike stolen	11		
	Having a car broken into	12		
	Having a bicycle stolen	13		
	Street theft such as being pick pocketed	14		
	Identity theft	15		
	Other fraud	16		
Damage	Arson	17		
	Criminal damage to your home / garden	18		
	Damage to your car or motorbike	19		
Other	Other (please specify):	20		
	Don't know	21		
Q5 Comments:				



Q6	Since the Covid-19 pandemic, we know that people are using online platforms for many of their day-to-day needs, particularly shopping, working and socialising. Have you experienced any of the following types of cyber-crime in the last 12 months? (<i>Show the list for this question and record whether it was reported and to whom</i>).			
	Crime Type	Code	Report ?	To whom?
No	None	0		
Online	Phishing: clicked on an email designed to look like a trusted source and had money or data stolen (not just received the email and deleted it)	1		
	Online fraud: personal details stolen online and your bank accounts used to buy goods or services	2		
	Malware/ransomware: had your computer infected with a virus or other 'malware' which has caused your personal information to be manipulated, stolen or deleted	3		
	Personal hacking: unauthorised access to your online accounts e.g. social media and email accounts (hacking)	4		
	Received hateful or prejudiced content on an online platform because of your race, religion, disability, sexual orientation, sex or gender identity (please specify which):	5		
	Online abuse - being bullied online or receiving violent, abusive or explicit online content which causes alarm or distress	6		
	Online harassment- being bullied online or receiving violent, abusive or explicit online content which causes alarm or distress on more than one occasion	7		
	Cyberstalking (repeated use of electronic communications to frighten you and/or monitor your activity)	8		
	Online sexual abuse: abuse of a sexual nature or sexual images/videos taken or shared without consent	7		
	Receiving unsolicited and unwanted obscene pictures or videos, (including cyberflashing)	8		
Online grooming (If you are a parent or guardian, has your child been contacted online by an adult who has tried to befriend your child).	9			
Other, please specify:	10			



Q7	If you did not report a crime that you experienced, what was the reason for not reporting it? <i>(Please list each crime separately and give a reason for not reporting – this can include ‘don’t know’)</i>.	
	Crimes which were not reported	Why didn't you report this crime?
Q7 Comments:		

Q8a	Do you think knife crime is a problem in Portsmouth?		
	Yes	No	I don't know

Q8b	If you answered yes to the previous question, why do you think knife crime is a problem in Portsmouth?
	Comments:

Q8c	Have you seen someone carrying a knife or a weapon in the area that you live in (in the last 12 months)?	
	Yes	
	No	
	Don't know	

Q8d	If you have seen someone carrying a weapon, what type of weapon was it?
	Please specify:

Q8e	Was it a young person or an adult carrying the weapon?	
	Young person (17 or under)	
	Adult (18+)	



	Not sure	
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Q8f	Have you experienced or witnessed a crime involving a knife or bladed weapon in the past 12 months?	
	No	
	Experienced	
	Witnessed	
	Comments:	

Q9a	Are there any parts or places in Portsmouth where you feel unsafe or where you avoid going due to feeling fearful of crime?	
	Yes	No

Q9b	(add this for females: The partnership is doing work around violence against women and girls, and so we want to hear from you about places you don't feel safe in Portsmouth)		
	Please tell us where you feel unsafe or avoid, giving as much detail as possible about the location.		
	Thinking about each location can you tell us why you feel unsafe or avoid these locations?		
	What could we do so that you feel safer in this location?		

Where? Please tell us about the area and the specific location	Night/dark only	Why do you feel frightened or avoid these locations?	What could we do so you feel safer in this location?

Thank you for taking part in this survey, the findings will be published by the SPP on its website by the end of May 2022.

If you would be happy for us to contact you in the future about any other crime and safety issues please leave your details on the contact sheet.

Agenda Item 15



Portsmouth
CITY COUNCIL

THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

Title of meeting:	Cabinet
Subject:	Skills Strategy review 2021
Date of meeting:	8 March 2022
Report by:	Tristan Samuels Director Regeneration
Wards affected:	All

1. Requested by

Deputy leader and Cabinet Member for Children, Families and Education for information only

2. Purpose

2.1 To review the progress since the cabinet approved the council's Skill's Strategy in November 2020.

3. Context

3.1 In 2018 launched a skills survey in partnership with Shaping Portsmouth to provide a local baseline of need to be considered alongside generic business LMI (labour market information)

3.2 Economic growth strategy 2019-2036 was published and called for a focused skills strategy to meet the city's needs.

3.3 March 2020 delayed the publication of the Skills Strategy with the changing priorities of Covid.

3.3 In November 2020 the Skills Strategy was agreed by full council and published following an updated theme of respond to acknowledge the challenges for businesses under Covid.

3.4 This report summarises progress today and updates against the original strategy document published in November 2020.

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4. Information Summaries

This section summarises the achievements against year 1 of the strategy implementation action plan.

Theme 1 Inspire

Objective 1.1

Encourage a skills-progression mentality across the city.

In 2021 the skills partnerships across the city delivered:

Future Portsmouth 2021 - delivered online with slightly reduced attendance on previous year reflecting the changing economic environment. This will continue online for 2022 to reflect the uncertainty around face to face events and plans to return face to face in 2023.

National Apprenticeship Week 2021 - due to Covid some activities were reduced (Shaping Portsmouth Apprenticeship Bus delayed) but diverse activities online and using social media were promoted in partnership with Solent Apprenticeship and Skills Hub, led by Portsmouth City Council Children, Families, and Education services.

Portsmouth City Council supported the Solent Apprenticeship and Skills Hub in its extended ESF tender to secure independent IAG (information, advice and guidance) for businesses and individuals to 2023.

Objective 1.2

Increase workforce retention and support the development of resident skills to allow city opportunities to be obtained

Employer consultation recommended the delay of the Portsmouth Pledge to ensure successful outcomes - now prioritised for 2022 under Shaping Portsmouth's Skills and Employability programme.

Work experience was expanded online to engage young people whilst maintaining Covid rules for businesses, seeing some positive successes from key employer partners.

The Shaping Portsmouth Living Wage pledge remains a priority but has been delayed supporting employers' changing business priorities under Covid.

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Objective 1.3

Strengthen and improve the Career Information and Guidance (CIAG) available to all residents

Portsmouth City Council's education teams supported young people, parents/carers and professionals with innovative online resources using SUN (southern university network) Flying Start Portsmouth. The Careers and Apprenticeship show was delivered as an online event to cover Hampshire in a wider partnership.

National Careers service delivery was extended in the city to March 2022 and the Council is actively seeking partnership for the next delivery round to ensure IAG (information advice and guidance) is available to residents.

Objective 1.4 Promote inclusion and employability for all to ensure a career and skills development pathway for everyone.

In 2021 Portsmouth City Council secured and commenced delivery of the DWP Restart programme to support unemployed adults into work. This is a 4-year delivery programme.

The joint delivery programme from our Regeneration and Children's, Families and Education directorates, in partnership with DWP commenced the 2-year funded youth hub to support young people aged 16-24 years old and in receipt of universal credit into work. The project has already supported over 144 young people (134 UC claimants) into sustained employment.

Portsmouth City Council acted as a Gateway to support businesses engage with the governments funded Kickstart placement programme. This helps young people aged 16-24 on universal credit by providing a funded work placements (25 hours a week for up to 6 months). We have supported businesses in offering over 282 starts, including hosting 52 placements within the council. This programme is now closed for new applications, but approved placements continue to recruit until 31/03/22.

Disability Confident remains a key priority for DWP and its partners, with Shaping Portsmouth delivering its 2022 conference focused on "Our People" and delivering a strong inclusion element promoting the abilities of young people with SEND (special educational needs).

Theme 2 integrate

Objective 2.1

Ensure employers are at the heart of technical and vocational training

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During 2021 the Shaping Portsmouth Skills group was re-established to support business engagement and curriculum development. This group includes the 3 travel to learn

colleges and independent training providers and is supported by Solent Apprenticeship and Skills Hub.

In July 2021, the partnership of 10 local colleges, led by Fareham College and supported by Portsmouth City Council, Southampton City Council and Hampshire County Council secured a Strategic Development fund project working with Hampshire Chamber of Commerce to develop curriculum delivery around the priorities of Marine, Digital and Net Zero.

In December 2021 the Solent Marine, Engineering and Digital Institute of Technology was approved, led by Solent University, and covering across the region, the council has supported the partnership which includes college partners led by Fareham College and a range of key employers including The Royal Navy. The institute will focus on higher technical skills.

Objective 2.2

Provide fully comprehensive business support to assist businesses with their current and future workforce needs.

In 2021, working with the Economic Growth team, Shaping Portsmouth have re-imagined their business support groups and continued to deliver the innovative business support and crowd funder opportunities to support businesses.

The next Employer Survey is now planned for late 2022 to reflect the needs for businesses to move into recovery under covid.

The Portsmouth City Council Business bulletin continues to grow, currently reaching over 4550 individuals and businesses with a range of support, including grants, skills development, and business support.

Objective 2.3

Work to increase the amount of Portsmouth residents that have higher qualifications, specifically apprenticeships

Portsmouth City Council levy transfer spend was more than £260,000 to support Portsmouth non levy paying employers to engage in a wide range of apprenticeships. This work has been delivered in partnership with Solent Apprenticeship and Skills hub.

Current data sees a significant increase in level 4 attainment in residents since 2019 but national tracking still shows achievement tracking 6% below the national averages and remains a key focus for the strategy work.

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Objective 2.4

Decrease the amount of Portsmouth residents who have no or low-level qualifications

The Employment and Skills officer is working with planning colleagues to implement best practice within our Employment and Skills Plans for section 106 permissions to ensure that the council ensures best value from this work as part of our Social Value commitments in 2022.

The Shaping Portsmouth Skills group have agreed an Adult Skills priority for 2022, which includes targeted unemployment, care leaver and homelessness pathways to support our most vulnerable adults progress towards (and within) employment.

Theme 3 - Partner

Objective 3.1 Create a clear communication network for skills partnership within the city to use in relation to skills and the workforce.

The Shaping Portsmouth Skills group supports focused FE engagement with businesses and supports wider projects including the Strategic Development Fund and Institute of Technology.

The wider economic growth team continue to encourage business and education partnership to facilitate funding and business opportunities. In 2021 this included supporting CRF funding bids for local colleges for industry targeted curriculum development.

Children, Families and Education have agreed to joint fund a post to support schools to develop their careers strategy, meet the Gatsby benchmarks and increase meaningful employer engagement.

3.2 Continue existing and develop new programmes and projects designed to support organisation and employers employ and train vulnerable adults

In 2021, Employment Learning and Skills secured an additional 2 years of funding from Public Health, to support the additional post of a Health and Wellbeing Coordinator to support the unemployment support programmes. This role supports employers and individuals to overcome barriers to work. This is in addition to employer support from DWP around access to work and other funding opportunities.

Portsmouth Children, Families and Education continue to work with Shaping Portsmouth and other partners to drive the SEND (special educational needs) work and this included focused delivery at the 2022 Shaping Portsmouth annual conference promoting ability.

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Objective 3.3 Work to create a skills and learning provision that is focused on economic growth and prosperity for the city of Portsmouth

The continued work of the economic development team, working with businesses and skills providers, including the SDF (strategic development fund) and IOT (institute of technology) partnerships ensures that the work of the council focuses on the delivery of the City Vision 2040.

Objective 3.4 Encourage and support clean growth education, skills and training

The council's Children, Family and Education, and Regeneration directorates continue to work together to encourage and secure local funding around clean growth and the wider net zero initiatives, including supporting the development of the SDF bid (led by Fareham College) into future funding opportunities.

Theme 4 - Respond

Objective 4.1 Workforce reskilling

In 2021 Shaping Portsmouth raised £20,000 through Crowdfunder and CIL (community infrastructure levy) to support their digital enablement project to upskills residents and support businesses to develop. A further Shaping Portsmouth project supports businesses develop their digital capability against the increased needs (including cyber security)

The Shaping Portsmouth Skills and Employability programme ran the 100in100 campaign in 2021. Delivered in partnership between our 3 travel to learn colleges, Solent Apprenticeship and Skills Hub, independent providers and the Portsmouth News, the project sought to secure 100 employment opportunities in 100 days as a response to rising youth unemployment. The partnership secured 413 vacancies over the project period and 269 young people moved into employment during the 100 days.

To date, Portsmouth City Council has supported 282 young people move from claiming universal credit to employment by acting as a Kickstart Gateway for Portsmouth businesses.

The Shaping Portsmouth partnership, including Portsmouth City Council continues to actively support businesses and promote the use of funding to support training and business development working in partnership with all skills providers and the independent information advice and guidance delivered by Solent Apprenticeship and Skills hub.

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Objective 4.2 Redundancy Support

Portsmouth City Council commenced delivery of the covid response DWP programme, JETS (job entry targeted support) in Sept 2020 with a target of 22% of participants moving into employment. The programme has now been extended to September 2022 and is delivering positive outcomes for over 40% of starts. In July 21 the council secured a new partnership and commenced delivery of the 4-year unemployment programme Restart.

This skills development work collaborates closely with the wider economic growth team to promote opportunities to employers and ensure the promotion and encouragement of apprenticeship and other funded support for businesses. This includes support for the Children's, families and Education SEND work supporting young people with special educational needs, and the delivery of the Work and Health unemployment programme which continues to support adults with multiple barriers (including health conditions) move into work which commenced in 2018 and ends in 2023.

In December 2021 Serco have been awarding the shortened round of ESF unemployment support which is now being promoted through all channels to support individuals at risk or experiencing redundancy.

Objective 4.3 Alignment for recovery funding

The wider economic growth team continue to work with other business support partners and funders to promote and secure funding for Portsmouth businesses. This work includes crowd-funder which is now an exemplar for other local authorities.

Objective 4.4 Young people

Under the government's Plan for Jobs, the Council applied to be a Gateway to support local businesses to secure Kickstart placements. The programme has now closed for new applications but to date we have support 282 young people off universal credit and into a 6-month funded placement. Further approved placements continue to recruit up to 31/03/22

The "My Future in Portsmouth Youth Hub" secured 2 years funding in March 2021 as a unique partnership between Employment Learning and Skills (Regeneration), Children's Families and Education, and DWP. This partnership has so far supported 144 young people (134 UC claimants) into employment through targeted individualised support.

The joint LEP post with Children's, Families, and education to support the development of the careers strategy further supports this work.

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5. Conclusion

The launch of the Skills Strategy in 2020 was intended to mark the recovery phase of Covid. Unfortunately, the economic and social impact of the pandemic continued to heavily impact on the business community. There were still significant achievements against the challenging targets set under the Economic and Regeneration Strategy 2019 and this work continues as a priority.

Following the planned 2022 Skills Survey, a review will be completed with the Cabinet Member for Children, Families and Education, and the Cabinet Member for Culture and Economic Growth to decide on the formal review point for this work, recognising the complex environment it has delivered across. A review is currently anticipated in 2023/4.

.....
Signed by Tristan Samuels, Director of Regeneration

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
Skills Strategy	https://www.portsmouth.gov.uk/wp-content/uploads/2021/06/Skills-and-labour-market-strategy-accessible.pdf
Economic development and regeneration strategy	https://www.portsmouth.gov.uk/services/council-and-democracy/policies-and-strategies/economic-development-and-regeneration-strategy/
Portsmouth's City Vision 2040	https://www.portsmouth.gov.uk/2021/01/29/a-new-vision-for-portsmouths-future/ www.imagineportsmouth.co.uk
Portsmouth City Council Priorities	https://www.portsmouth.gov.uk/services/council-and-democracy/policies-and-strategies/our-council-priorities/

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Portsmouth's Strategic approach	Our council aims and priorities - Portsmouth City Council
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Title of meeting:	Cabinet Meeting
Date of meeting:	8 March 2022
Subject:	Ravelin Group of Companies
Report by:	Tristan Samuels - Director of Regeneration
Wards affected:	All
Key decision:	Yes/No
Full Council decision:	Yes/No

1. Purpose of report

- 1.1. This report follows on from the previous Cabinet and Full Council decision to setup the Ravelin Group of companies, most recently (15th December 2021) where the Five-year Business Plan and the Investment & Development Plan for Ravelin Housing Limited (RHL) were approved.
- 1.2. The Report seeks to provide members with further information and oversight on RHL's growth and development plans while also providing further clarity on how and when the Company will engage with its Shareholders and Directors.
- 1.3. The report also provides an update on RHL company business and any delegated decisions taken since the last report.

2. Recommendations

- 2.1. That Cabinet approves the following recommendations:-
- 2.2. That Cabinet notes the proposed future changes to the Ravelin group of company's directorships; and
- 2.3. Delegates authority to the Director of Regeneration in consultation with the Leader and the Council's Monitoring Officer, to make changes to the directorship of the Ravelin group of companies, where such changes involve the appointment or removal of Council officers.
- 2.4. For the avoidance of doubt, the delegation at 2.3 would not apply in relation to the appointment or removal of directors to the Ravelin group of companies who are independent non-executive or executive directors and who are also not Council officers. Such appointments would need to be agreed by Cabinet as shareholder.

3. Background

- 3.1. The Ravelin group of companies was established following a Cabinet decision on the 9 June 2016 which in general terms delegated responsibility to the City Solicitor and the s151 officer to set up a parent company (Ravelin Group) with arm's length subsidiary company for development.
- 3.2. On the 28 February 2019 further delegations were provided to the Director of Regeneration and City Solicitor in consultation with the s151 officer to create the arm's length subsidiary company (Ravelin Housing) with development management and project management services.
- 3.3. Delegations were also given to the s151 officer in consultation with the Leader to approve business justification cases for individual projects and to finance the entities.
- 3.4. On the 15th December 2021 the shareholder approved the five-year Business Plan for Ravelin Housing.
- 3.5. The report noted the need to share further information with the Shareholder on how the Companies would develop as they grew and provide further details on how they would work and engage with the Shareholder.

4. Reasons for recommendations

- 4.1. To affect the smooth running of the company, the recommendation seeks to remove decisions from the Shareholder meetings that could be more effectively dealt with by officers.
- 4.2. The ability of officers to carry out these decisions outside of the pre-agreed board scheduled meetings will enable the company to function more commercially.

5. Governance

Ownership

- 5.1. Ravelin Group Limited (RGL) is wholly owned by the Council but is run by its board of directors, acting in the best interest of RGL. The currently directors of RGL are all PCC officers. RGL acts as a holding company for tax purposes and will not actively trade.
- 5.2. RGL in turn wholly owns two subsidiary companies; Ravelin Property Limited (RPL) (which is not trading) and Ravelin Housing Limited (RHL) (an active Development company).
- 5.3. RHL is the company which will be developing properties and is currently on site doing so at Hambrook Street. The current directors running RHL are Council officers Wayne Layton and Tom Southall, who are acting in the best interest of RHL.

- 5.4. The Council has put in place bespoke Articles of Association in relation to RGL and RHL, which give the Council additional rights in relation to the company such as ensuring additional access to information and the conduct of the board of directors of the companies.
- 5.5. Closely linked to this, the Council has entered two separate contractual arrangements (known as 'Shareholder Agreements') with RGL and RHL. These Shareholder Agreements ensure that certain specific decisions (known as "Reserved Matters") can only be undertaken by the respective company boards on the prior approval of the Shareholder (i.e. the Council and specifically Cabinet).
- 5.6. The shareholder sub-committee approved a specific delegation of a Reserved Matter on the 15 December 2021. This related to the setting up by RGL of subsidiary companies and joint ventures where such a requirements was consistent with RHL's business plan. The delegation was to the Director of Regeneration in consultation with the monitoring officer and s151 officer.

Schedule of future meetings

- 5.7. RHL intends to hold at least 4 board meetings in each financial year and these are planned to be quarterly however the timings could be varied if urgent decisions are required.
- 5.8. RGL will hold board meetings as and when decisions are required. As most of RGL decisions are linked to RHL, it is anticipated that board meetings of RHL will be followed by a board meeting of RGL, to ensure the decision-making process is as efficient as possible.
- 5.9. The Shareholder and RGL will have unlimited and unrestricted access to RHL's information. In addition, the Council and RGL will receive regular updates from RHL by way of provision of (*inter alia*):
- 5.9.1. Draft annual accounts
- 5.9.2. Minutes of Board meetings
- 5.9.3. Quarterly reports on the development programme (to include an update on individual projects)
- 5.9.4. Annual Business Report which among other things will include:
- balance sheet forecast
 - report on performance against the Business Plan
 - annual operating revenue plan and capital expenditure requirements
 - risk register
 - annual profit and loss account; and
 - such other content as RGL and the Council may reasonably require.

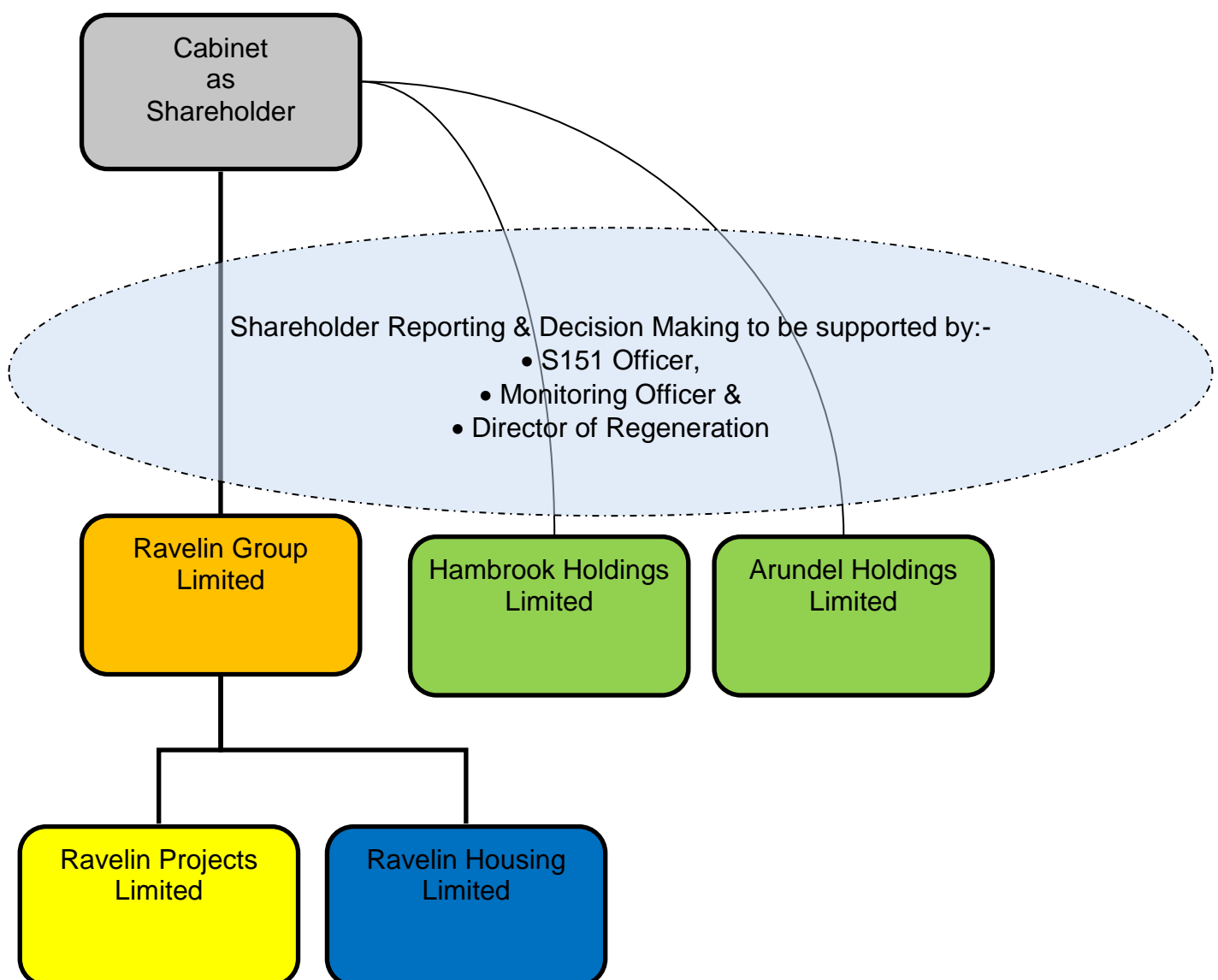
- 5.10. Such other information as the Shareholder and RGL may reasonably require.
- 5.11. The Council has recently reviewed the overall governance arrangements for all its wholly owned companies in a report by PCC legal team. The report considered advice relating to best practice for the membership operation of company boards.
- 5.12. The recommendations flowing from that report are now being reflected into the Ravelin Board structure as noted below.

Current Board Structure

- 5.13. The current board composition for the Ravelin Group have not varied since the company's incorporation in 2017 and are no longer fit for the company's or Portsmouth City Councils purposes.
- 5.14. The approval of the new 5-year RHL Business Plan which includes pipeline of potential development sites alongside the arrival of two new Non-Executive Directors is commitment by the Council to RHLs future which needs to be resourced appropriately.
- 5.15. Building on these positive steps and in line with the legal advice on best practice, the Shareholder is being asked to consider the following key structural changes to the existing Ravelin boards as follows:-
- 5.15.1. For any company to function effectively, clarity on how the company works with its shareholder is essential. These links must be clearly defined.
- 5.15.2. Management of the Shareholding is a Cabinet function and reporting must flow through senior council officer with any conflicts either removed or managed clearly so as not to undermine the process.
- 5.15.3. The shareholder will occasionally delegate decisions to these senior officers to enable efficient and timely responses to what will often be commercial matters.
- 5.16. Currently the roles that are delegated to senior officers are as follows:-
- The S151 Officer - Will advise the shareholder on all financial matters and how these align with the Shareholders wishes. There is a current delegation to the S151 officer to manage any company funding via the Facility Agreement which allows RHL to draw down finance under a Working Capital agreement or Project specific Facilities Agreement.
 - The Monitoring Officer - Has oversight on all delegated decision making

- The Director Regeneration - Holds the role of commercial lead for the Council, supporting both the Shareholder and S151 officer in its decision making, to ensure that the Company proposals represent best value for the Council and the Company. Current delegations include the formation of new companies, Joint ventures etc as required to support the growth of the business in line with the current 5-year business plan.

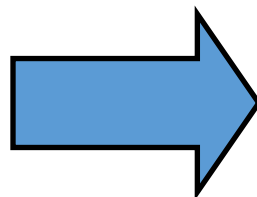
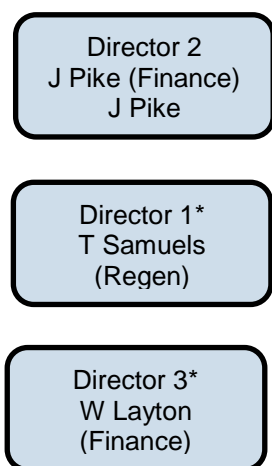
RAVELIN FAMILY & FUTURE HOLDING COMPANIES



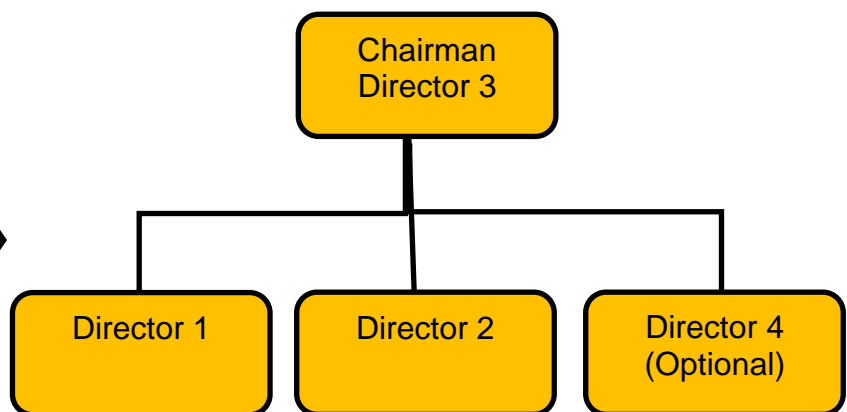
Changes to Ravelin Group Limited (RGL)

- 5.16.1. The RGL company requires a minimum of 2 directors to be quorate at any meeting. Specific duties can be carried out by single company directors under delegation subject to that decision to delegate being taken in a formal board meeting.
- 5.16.2. A register of conflicts should be held by the company secretary and available on request.
- 5.16.3. It is proposed that at one time there are 3 Directors in RGL. These directors will be PCC staff with relevant experience and an interest in supporting the aims of the company, chosen by the Shareholder, typically at an Assistant Director or Senior Manager Level (tier 3 / 4) from within the Regeneration, Housing, Finance or Legal directorates. As a holding company it is not envisaged that there would be a need for NED's in RGL.
- 5.16.4. It is proposed that a 2—3 year term is offered with staggered exits to ensure continuity of support for the company.
- 5.16.5. The Chairman role should be shared with a chair being chosen at the start of each board meeting, unless agreed otherwise by the Directors.
- 5.16.6. PCC will provide all necessary training, legal advice and appropriate indemnity insurance to enable these officers to carry out the role.
- 5.16.7. The action would be to remove the Director of Regeneration from the RGL board to remove conflicts and to replace him with the Assistant Director Property and Investment as soon as practically possible.

Current RGL Board Structure



Proposed RGL Board Structure

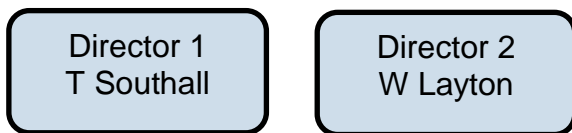


¹ * Represents officers currently acting as Directors of RGL managing conflicts

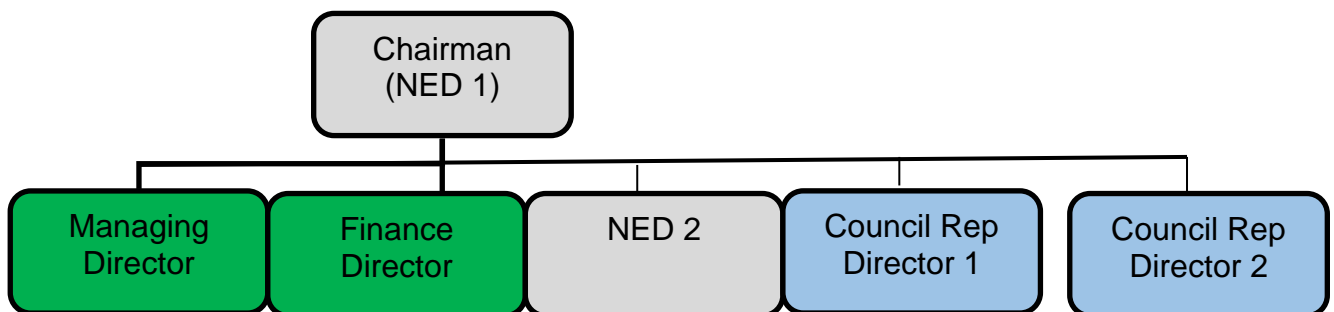
Changes to Ravelin Housing Limited (RHL)

- 5.16.9. RHL is now an operational company with 2 PCC appointed Directors, 2 Shareholder appointed Non-Exec Directors and a number of PCC staff supporting under SLA's and while there is a wish to appoint permanent staff to the company, officers are unable to justify the overheads without sufficient projects in the pipeline.
- 5.16.10. Therefore, the changes to structure will need to be managed over a period of time with permanent staff brought into the company structure as and when their costs can be justified. Proposal to consider secondments and further consultant support are being considered as interim solutions.

Current RHL Board Structure



Proposed RHL Board Structure



Council Rep Directors (x2)

- 5.16.11. There should always be at least 1 PCC officer appointed by RGL Directors as a Director of RHL with the Shareholder currently responsible for the appointment of all other company directors.
- 5.16.12. It is suggested that these new RHL directors are offered the role to support their continued professional development by being exposed to working in a commercial development company environment with experienced staff, consultants, and Non-Exec Directors to help them develop.

- 5.16.13. To qualify these new Directors should be seen as potential future leaders in the property, finance, development, housing or asset management fields within PCC, where they are seen to hold the necessary skills or experience to support the company.
- 5.16.14. It is proposed that any term should not exceed 3 years, allowing churn to support as many developing staff members as possible.
- 5.16.15. It should be noted that these staff members will be required to spend c4 days per month on RHL business and both them and their line managers should be aware of this commitment.
- 5.16.16. PCC will provide all necessary training, legal advice and appropriate indemnity insurance to enable these officers to carry out the role.
- 5.16.17. The recommendation seeks a delegation to allow senior officers to manage the churn of PCC staff within the Ravelin companies and any associated holding companies whilst leaving all other director appointments to the Shareholder.

Independent Non-Executive Directors (NED)

- 5.16.18. The Shareholder has appointed 2 independent Non- Exec Directors with relevant development experience to provide independent professional support to the board, ensuring the company is able to operate in commercial and professional manner in line with the approved Business Plan.
- 5.16.19. It is hoped that one of these NED's will over time assume the role of chair and potentially as the company grows further NED's with complimentary skillsets will be asked to join the board.
- 5.16.20. Currently the term is proposed at 3 years with the opportunity for further terms, subject to the board and shareholders approval.
- 5.16.21. PCC will provide all necessary training, legal advice and appropriate indemnity insurance to enable these officers to carry out the role, along with a commitment to pay all reasonable expenses.

Executive Directors

- 5.16.22. As alluded to earlier in this paper it will be appropriate to bring on-board full-time staff at some point in the future.

5.16.23. The first appointments will be for a Managing Director and a Finance Director, it is envisaged these roles will be appointed to by the Shareholder. The roles will hold voting rights as directors of RHL, to function as full-time operations leads for RHL, to deliver the Business Plan.

5.16.24. Due to the commercial constraints and risks to the company these roles maybe considered as secondments or consultants in the first instance, but they will need to dedicate all of their time to this role.

6. Legal implications

6.1. The composition of a companies board is important as it is the company directors who are responsible for running the company. As such, they should be sufficiently skilled and knowledgeable in the subject in which the company is trading. Those directors are required to make decisions independently of outside influence and so cannot simply be proxy decision makers appointed by the Council to make decisions on behalf of the Council, as this will be unlawful, save where it concerns a Reserved Matter under the Shareholder Agreement.

6.2. The Council must also ensure that when it appoints its own officers to be directors, that it retains sufficient expertise and experience on the Council side to act as a knowledgeable client. Such a function is key to ensuring the Council retains the in-house knowledge to fully scrutinise and advise the Council on the function and performance of the companies without there being issues of conflicts of interest where officers have roles with both a company and the Council. A number of recent failings of Local Authority trading companies has been partly due to a failure to adequately resource the function as well as the Council itself and this is a risk that the Council should be conscious of and regularly review.

6.3. The proposals made in this report pose no significant additional risk to the Council.

7. Director of Finance's comments

7.1. There are no direct financial implications as a result of approving the recommendation within this report.

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Signed by: Tristan Samuels, Director of Regeneration

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
Cabinet Sub-Committee Report "The Council as a Company Owner"	The Council as owner - signed.pdf (portsmouth.gov.uk)
Cabinet Sub-Committee Report "Ravelin Housing Limited"	Ravelin decision report final 241121.pdf (portsmouth.gov.uk)

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

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Signed by: