

# Public Document Pack

## Cabinet

Tuesday, 15th November, 2022  
at 4.30 pm

**PLEASE NOTE TIME OF MEETING**

**Council Chamber, Civic Centre**

### Members

Leader – Councillor Kaur

Deputy Leader and Cabinet Member for Children and  
Leaning – Councillor Dr Paffey

Cabinet Member for Finance and Change – Councillor  
Leggett

Cabinet Member for Housing and Green Environment –  
Councillor Mitchell

Cabinet Member for Economic Development – Councillor  
Bogle

Cabinet Member for Health, Adults and Leisure –  
Councillor Fielker

Cabinet Member for Transport and District Regeneration -  
Councillor Keogh

Cabinet Member for Safe City – Councillor Renyard

Cabinet Member for Communities and Customer  
Engagement – Councillor Kataria

(QUORUM – 3)

### Contacts

Cabinet Administrator

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## **BACKGROUND AND RELEVANT INFORMATION**

### **The Role of the Executive**

The Cabinet and individual Cabinet Members make executive decisions relating to services provided by the Council, except for those matters which are reserved for decision by the full Council and planning and licensing matters which are dealt with by specialist regulatory panels.

### **The Forward Plan**

The Forward Plan is published on a monthly basis and provides details of all the key executive decisions to be made in the four month period following its publication. The Forward Plan is available on request or on the Southampton City Council website, [www.southampton.gov.uk](http://www.southampton.gov.uk)

### **Implementation of Decisions**

Any Executive Decision may be “called-in” as part of the Council’s Overview and Scrutiny function for review and scrutiny. The relevant Overview and Scrutiny Panel may ask the Executive to reconsider a decision, but does not have the power to change the decision themselves.

**Mobile Telephones** – Please switch your mobile telephones or other IT to silent whilst in the meeting.

### **Use of Social Media**

The Council supports the video or audio recording of meetings open to the public, for either live or subsequent broadcast. However, if, in the Chair’s opinion, a person filming or recording a meeting or taking photographs is interrupting proceedings or causing a disturbance, under the Council’s Standing Orders the person can be ordered to stop their activity, or to leave the meeting.

By entering the meeting room you are consenting to being recorded and to the use of those images and recordings for broadcasting and or/training purposes. The meeting may be recorded by the press or members of the public. Any person or organisation filming, recording or broadcasting any meeting of the Council is responsible for any claims or other liability resulting from them doing so. Details of the Council’s Guidance on the recording of meetings is available on the Council’s website.

### **Municipal Year Dates (Tuesdays)**

2022	2023
14 June	17 January
19 July	7 February
16 August	21 Feb (budget)
13 September	14 March
18 October	18 April
15 November	
20 December	

### **Executive Functions**

The specific functions for which the Cabinet and individual Cabinet Members are responsible are contained in Part 3 of the Council’s Constitution. Copies of the Constitution are available on request or from the City Council website, [www.southampton.gov.uk](http://www.southampton.gov.uk)

### **Key Decisions**

A Key Decision is an Executive Decision that is likely to have a significant:

- financial impact (£500,000 or more)
- impact on two or more wards
- impact on an identifiable community

### **Procedure / Public Representations**

At the discretion of the Chair, members of the public may address the meeting on any report included on the agenda in which they have a relevant interest. Any member of the public wishing to address the meeting should advise the Democratic Support Officer (DSO) whose contact details are on the front sheet of the agenda.

**Fire Procedure** – In the event of a fire or other emergency, a continuous alarm will sound and you will be advised, by officers of the Council, of what action to take.

**Smoking policy** – The Council operates a no-smoking policy in all civic buildings.

**Access** – Access is available for disabled people. Please contact the Cabinet Administrator who will help to make any necessary arrangements.

Southampton: Corporate Plan 2020-2025 sets out the four key outcomes:

- Communities, culture & homes - Celebrating the diversity of cultures within Southampton; enhancing our cultural and historical offer and using these to help transform our communities.
- Green City - Providing a sustainable, clean, healthy and safe environment for everyone. Nurturing green spaces and embracing our waterfront.
- Place shaping - Delivering a city for future generations. Using data, insight and vision to meet the current and future needs of the city.
- Wellbeing - Start well, live well, age well, die well; working with other partners and other services to make sure that customers get the right help at the right time

## **CONDUCT OF MEETING**

### **TERMS OF REFERENCE**

The terms of reference of the Cabinet, and its Executive Members, are set out in Part 3 of the Council's Constitution.

### **RULES OF PROCEDURE**

The meeting is governed by the Executive Procedure Rules as set out in Part 4 of the Council's Constitution.

### **DISCLOSURE OF INTERESTS**

Members are required to disclose, in accordance with the Members' Code of Conduct, **both** the existence **and** nature of any "Disclosable Pecuniary Interest" or "Other Interest" they may have in relation to matters for consideration on this Agenda.

### **DISCLOSABLE PECUNIARY INTERESTS**

A Member must regard himself or herself as having a Disclosable Pecuniary Interest in any matter that they or their spouse, partner, a person they are living with as husband or wife, or a person with whom they are living as if they were a civil partner in relation to:

(i) Any employment, office, trade, profession or vocation carried on for profit or gain.

(ii) Sponsorship:

Any payment or provision of any other financial benefit (other than from Southampton City Council) made or provided within the relevant period in respect of any expense incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

(iii) Any contract which is made between you / your spouse etc (or a body in which the you / your spouse etc has a beneficial interest) and Southampton City Council under which goods or services are to be provided or works are to be executed, and which has not been fully discharged.

(iv) Any beneficial interest in land which is within the area of Southampton.

(v) Any license (held alone or jointly with others) to occupy land in the area of Southampton for a month or longer.

(vi) Any tenancy where (to your knowledge) the landlord is Southampton City Council and the tenant is a body in which you / your spouse etc has a beneficial interests.

(vii) Any beneficial interest in securities of a body where that body (to your knowledge) has a place of business or land in the area of Southampton, and either:

a) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body, or

b) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you / your spouse etc has a beneficial interest that exceeds one hundredth of the total issued share capital of that class.

### **BUSINESS TO BE DISCUSSED**

Only those items listed on the attached agenda may be considered at this meeting.

### **QUORUM**

The minimum number of appointed Members required to be in attendance to hold the meeting is 3.

## **Other Interests**

A Member must regard himself or herself as having an, 'Other Interest' in any membership of, or occupation of a position of general control or management in:

Any body to which they have been appointed or nominated by Southampton City Council

Any public authority or body exercising functions of a public nature

Any body directed to charitable purposes

Any body whose principal purpose includes the influence of public opinion or policy

## **Principles of Decision Making**

All decisions of the Council will be made in accordance with the following principles:-

- proportionality (i.e. the action must be proportionate to the desired outcome);
- due consultation and the taking of professional advice from officers;
- respect for human rights;
- a presumption in favour of openness, accountability and transparency;
- setting out what options have been considered;
- setting out reasons for the decision; and
- clarity of aims and desired outcomes.

In exercising discretion, the decision maker must:

- understand the law that regulates the decision making power and gives effect to it. The decision-maker must direct itself properly in law;
- take into account all relevant matters (those matters which the law requires the authority as a matter of legal obligation to take into account);
- leave out of account irrelevant considerations;
- act for a proper purpose, exercising its powers for the public good;
- not reach a decision which no authority acting reasonably could reach, (also known as the "rationality" or "taking leave of your senses" principle);
- comply with the rule that local government finance is to be conducted on an annual basis. Save to the extent authorised by Parliament, 'live now, pay later' and forward funding are unlawful; and
- act with procedural propriety in accordance with the rules of fairness.

## AGENDA

### 1 **APOLOGIES**

To receive any apologies.

### 2 **DISCLOSURE OF PERSONAL AND PECUNIARY INTERESTS**

In accordance with the Localism Act 2011, and the Council's Code of Conduct, Members to disclose any personal or pecuniary interests in any matter included on the agenda for this meeting.

## **EXECUTIVE BUSINESS**

### 3 **STATEMENT FROM THE LEADER**

### 4 **RECORD OF THE PREVIOUS DECISION MAKING** (Pages 1 - 4)

Record of the decision making held on 18<sup>th</sup> October 2022 attached.

### 5 **MATTERS REFERRED BY THE COUNCIL OR BY THE OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE FOR RECONSIDERATION (IF ANY)**

There are no matters referred for reconsideration.

### 6 **REPORTS FROM OVERVIEW AND SCRUTINY COMMITTEES (IF ANY)**

There are no items for consideration

### 7 **EXECUTIVE APPOINTMENTS**

To deal with any executive appointments, as required.

## **ITEMS FOR DECISION BY CABINET**

### 8 **CORPORATE PLAN** □ (Pages 5 - 36)

To consider the report of the Leader of the Council detailing the 2022-2030 Corporate Plan.

### 9 **COURT LEET PRESENTMENTS 2022** (Pages 37 - 56)

To consider the report of the Director of Legal and Business Services. The purpose of this report is to bring to the Executive's attention the Presentments accepted by Court Leet, the action taken to date and to identify Lead Officers and Members for future actions.

**10 FINANCIAL MONITORING FOR THE PERIOD TO THE END OF SEPTEMBER 2022**  
(Pages 57 - 126)

To consider the report of the Cabinet Member for Finance and Change detailing the financial monitoring for the period to the end of September 2022.

**11 PLACE BASED GOVERNANCE ARRANGEMENTS** (Pages 127 - 138)

To consider the report of the Cabinet Member for Health, Adults and Leisure detailing arrangements for Place Based Governance.

**12 INTRODUCTION OF FEES FOR COUNCIL'S PUBLIC ELECTRIC VEHICLE CHARGERS** □ (Pages 139 - 164)

To consider the report of Cabinet Member for Housing and Green Environment seeking to introduce fees for use of the Council's Public Electric Vehicle Chargers.

**13 SACRE - ANNUAL REVIEW OF CONSTITUTION** (Pages 165 - 184)

To consider the report of the Cabinet Member for Children and Learning detailing the annual review of the SACRE constitution.

**14 EXCLUSION OF THE PRESS AND PUBLIC - EXEMPT PAPERS INCLUDED IN THE FOLLOWING ITEM**

To move that in accordance with the Council's Constitution, specifically the Access to Information Procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the exempt appendix 4 to the following Item.

Appendix 4 contains information deemed to be exempt from general publication based on Category 1 (information relating to any individual) and Category 3 (information relating to the financial or business affairs of any particular person (including the Authority holding that information)) of paragraph 10.4 of the Council's Access to Information Procedure Rules.

In applying the public interest test this information has been deemed exempt from publication due to confidential sensitivity. It is not considered to be in the public interest to disclose this information as it would reveal financial information relating to individual leaseholders and details of proposed transactions which could put the council or other parties at a commercial disadvantage.

**15 TOWNHILL PARK REGENERATION: ROWLANDS WALK COMPULSORY PURCHASE ORDER** □ (Pages 185 - 232)

To consider the report of the Cabinet Member for Housing and the Green Environment outlining a proposal relating to the regeneration of Townhill Park.

Monday, 7 November 2022

Director of Legal and Business Services

## SOUTHAMPTON CITY COUNCIL EXECUTIVE DECISION MAKING

### RECORD OF THE DECISION MAKING HELD ON 18 OCTOBER 2022

#### Present:

Councillor Bogle	- Cabinet Member for Economic Development
Councillor Fielker	- Cabinet Member for Health, Adults and Leisure (Chair)
Councillor Kataria	- Cabinet Member for Communities and Customer Engagement
Councillor Keogh	- Cabinet Member for Transport and District Regeneration
Councillor Leggett	- Cabinet Member for Finance and Change
Councillor Mitchell	- Cabinet Member for Housing and Green Environment
Councillor Renyard	- Cabinet Member for Safe City

Apologies: Councillor Kaur and Dr Paffey

#### 21. RECORD OF THE PREVIOUS DECISION MAKING

The record of the Decision Making held following the cancellation of the Cabinet meeting on 13<sup>th</sup> September for the period of national mourning for Queen Elizabeth II was noted together with the decision details for “Staying Close – DFE Grant Funding now confirmed - DECISION MADE (CAB 22/23 34247).

#### 22. RESPONSE TO THE ACCESSIBLE SOUTHAMPTON SCRUTINY INQUIRY

DECISION MADE: (CAB 22/23 34306)

On consideration of the report of the Cabinet Member for Transport and District Regeneration, Cabinet agreed the following:

Ian Loins, David Livermore and Gemma Brown were in attendance and with the the consent of the Chair addressed the meeting.

- (i) To approve the response to the Accessible Southampton Scrutiny Inquiry, and accept recommendations 1, 2, 3, 5, 6, 7, 9, 10, 11, 12 & 13 as set out in the Action Plan as attached as Appendix 3.
- (ii) To delegate authority to Executive Director of Growth to progress the recommendations 1, 2, 3, 5, 6, 7, 9, 10, 11, 12 & 13 identified in the Action Plan following consultation with the Cabinet Member for Page 5 Agenda Item 8 Transport and District Regeneration and the Executive Director Finance and Commercialism.
- (iii) To note that external funding and resource opportunities will be identified to progress on recommendations 4, 8, 14, 15, 16 & 17 contained within Action Plan, following consultation with the Executive Director of Growth

- and the Executive Management Team, reporting back on whether to accept or reject these recommendations at a future Cabinet meeting.
- (iv) To approve the establishment and Terms of Reference of the Southampton Accessibility Forum, to part action the recommendation to establish a Disability Access Forum, replacing the Cycle Forum, and delegate authority to Executive Director Growth, following consultation with the Leader of the Council, to administer the Forum in line with the Terms of Reference attached in Appendix 4.

23. EVENING PARKING CHARGES

DECISION MADE: (CAB 22/23 34248)

On consideration of the report Cabinet Member for Transport and District Regeneration, Cabinet agreed the following:

To approve the proposed Evening Parking Charges for implementation

24. TRANSPORT FOR THE SOUTH-EAST STRATEGIC INVESTMENT PLAN - CONSULTATION RESPONSE

DECISION MADE: (CAB 22/23 34158)

On consideration of the report of Cabinet Member for Transport and District Regeneration, Cabinet agreed the following:

To approve the Council's formal response to the TfSE Strategic Investment Plan consultation in Appendix 1 and delegate authority to Head of Green City & Infrastructure to submit following consultation with Cabinet Member for Transport and District Regeneration.

25. SOUTHAMPTON CITY VISION LOCAL PLAN - 'DRAFT PLAN WITH OPTIONS' CONSULTATION

DECISION MADE: (CAB 22/23 34228)

On consideration of the report of the Cabinet Member for Economic Development, Cabinet agreed the following:

- (i) To approve the content of the Draft Plan with Options and supporting booklet of policy map changes for public consultation.
- (ii) Delegate authority to make minor amends to the Draft Plan with Options, to the Executive Director Growth following consultation with the Cabinet Member for Economic Development, prior to the consultation launch.
- (iii) Delegate authority to make minor amends to the booklet of policy map changes, to the Executive Director Growth following consultation with the Cabinet Member for Economic Development, prior to the consultation launch.
- (iv) To approve the consultation approach, as set out in the report.



- (v) To delegate authority to make minor amends to the consultation approach and methods, to the Executive Director for Growth, Page 120 following consultation with the Cabinet Member for Economic Development, prior to the consultation launch.
- (vi) To authorise officers to commence consultation on the Draft Plan with Options.

26. MINERALS AND WASTE PLAN (DRAFT)

DECISION MADE: (CAB 22/23 35337)

On consideration of the report of the Cabinet Member for Economic Development, Cabinet agreed the following:

- (i) To approve the Hampshire Minerals and Waste Plan – Draft for public consultation (Members Room Document 1);
- (ii) To delegate authority to the Executive Director Growth, following consultation with the Cabinet Member for Economic Development, to make the following changes to the Plan prior to publication: minor changes, or major changes which do not affect Southampton.
- (iii) To delegate authority to the Executive Director Growth to make any changes necessary to the Council's Local Development Scheme throughout the plan-making process, which sets out the timetable for plan preparation.

27. SOUTHAMPTON E-SCOOTER TRIAL EXTENSION

DECISION MADE: (CAB 22/23 35335)

On consideration of the report of the Cabinet Member for Transport and District Regeneration, Cabinet agreed the following:

- (i) To approve the renewal of the Vehicle Special Order (VSO) for Southampton's e-scooter trial until 31 May 2024, in accordance with the Department for Transport's proposed new end date.
- (ii) To approve the extension of Voi's contract for an initial 12 months to 30 November 2023 to enable Voi to continue operating the trial beyond the current end date of 30 November 2022.
- (iii) To delegate authority to the Executive Director for Growth, following consultation with the Cabinet Member for Transport and District Regeneration and Section 151 officer to implement and amend the details of the e-scooter trial within the parameters established by the VSO and the DfT, and to approve a further extension to Voi's contract from 1 December 2023 to 31 May 2024 following a performance review.

28. RESIDENTS PARKING POLICY - 2022 UPDATE

DECISION MADE: (CAB 22/23 35474)

On consideration of the report of the Cabinet Member for Transport and District Regeneration, Cabinet agreed the following:

- (i) To approve the publication and implementation of the 'Residents Parking Policy – 2022' Update provided in Appendix 1, which amends the existing policy to incorporate the recommended key policy changes.
- (ii) To approve the recommended key policy changes as summarised in Appendix 2.

29. COLLEGE STREET CAR PARK – LEASE TO COLLEGE STREET YARD

DECISION MADE: (CAB 22/23 35444)

On consideration of the report of the Cabinet Member for Economic Development, Cabinet agreed the following:

- (i) To approve the proposal in principle.
- (ii) To delegate authority to the Head of Property, following consultation with the Cabinet Member for Economic Development to approve the preparation and granting of a lease once final details are agreed to College Street Yard Limited (CSYL) for a lease of seven years less one day for the use of part of College Street car park as a box park, as described in the report.
- (iii) To authorise the Head of Property, following consultation with the Cabinet Member for Economic Development to negotiate and agree the final details of the lease as required to facilitate the letting of the site.

30. NORTHERN ABOVE BAR PROPERTIES

DECISION MADE: (CAB 22/23 35611)

Having complied with paragraph 15 of the Council's Access to Information Procedure Rules and on consideration of the report of the Cabinet Member for Economic Development, Cabinet agreed the following:

- (i) Agree to cease the sales of nos.186, 188, 190-192 and 194-196A Above Bar Street.
- (ii) Authorise the Executive Director of Growth to carry out a soft market testing exercise of the site (shown edged in red on Appendix 1) to identify the level of developer interest and to help inform masterplanning of the area.
- (iii) Delegate to the Executive Director of Growth to determine whether the adjacent 164-174 Above Bar Street should be included in the soft market testing.
- (iv) Subject to completion of the masterplan, the Executive Director of Growth will bring forward a further report to Cabinet to update on the strategy for the area.

# Agenda Item 8

<b>DECISION-MAKER:</b>	CABINET
<b>SUBJECT:</b>	CORPORATE PLAN
<b>DATE OF DECISION:</b>	15 <sup>th</sup> NOVEMBER 2022
<b>REPORT OF:</b>	<b>COUNCILLOR KAUR LEADER OF THE COUNCIL</b>

<b><u>CONTACT DETAILS</u></b>			
<b>Executive Director</b>	<b>Title</b>	Chief Executive	
	<b>Name:</b>	Mike Harris	Tel: 023 8083 2882
	<b>E-mail</b>	Mike.harris@southampton.gov.uk	
<b>Author:</b>	<b>Title</b>	Head of Intelligence, Innovation & Change	
	<b>Name:</b>	Munira Holloway	Tel: 023 8083 4476
	<b>E-mail</b>	Munira.holloway@southampton.gov.uk	

<b>STATEMENT OF CONFIDENTIALITY</b>	
None	
<b>BRIEF SUMMARY</b>	
The 2022-2030 Corporate Plan articulates the organisational vision, goals and areas of focus of the Council over the next eight years. The Corporate Plan aligns to other key strategies across the Council such as Health and Wellbeing, Safe City Partnership, Economic and Green Growth and Children and Young People.	
<b>RECOMMENDATIONS:</b>	
	(i) To approve the Corporate Plan 2022-2030 as attached in Appendix 1.
	(ii) To delegate authority to the Chief Executive to make minor amendments to the Corporate Plan after consultation with the Leader.
<b>REASONS FOR REPORT RECOMMENDATIONS</b>	
1.	To provide clarity on priority areas for delivery as set by Cabinet with elected Members, colleagues within the Council and external stakeholders
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>	
2.	Not to develop and publish a Corporate Plan. Rejected as not considered to be sound management practice
<b>DETAIL (Including consultation carried out)</b>	
3.	The last Corporate Plan approved in July 2021 covered the period 2021-2025. It is sound management practice to set out the organisational vision and goals in order that stakeholders, including colleagues across the organisation, are clear about how they are contributing to the success of the council. Key deliverables to be achieved over the term of the plan have been identified.

4.	The vision of Southampton as a city of opportunity will be delivered by four organisational goals, these goals have been broken down into different areas to allow us to focus, prioritise resource and make sure that outcomes are clear and achievable.
5.	The performance management framework for the Corporate Plan will comprise of <ul style="list-style-type: none"> <li>• Implementation plans delivered through service business plans, strategies and where appropriate, specific project plans</li> <li>• Monitoring through Cabinet Member briefings</li> <li>• A review and update of the Corporate Plan after two years</li> </ul>

## RESOURCE IMPLICATIONS

### Capital/Revenue

6.	Any resource implications to deliver the activities within the Corporate Plan will come from existing service budgets and business plans unless specifically requested as part of a business case.
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### Property/Other

7.	Our property assets can be used and managed to help deliver on the council's objectives. A number of actions demonstrate how we might can best deploy these assets to do this.
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## LEGAL IMPLICATIONS

### Statutory power to undertake proposals in the report:

8.	S.111 Local Government Act 1972 provides the power to do anything calculated to facilitate the delivery of the council's primary functions.
9.	S.1 Localism Act 2011 permits the council to do anything a private individual may do subject to any conditions on the use of the power (none applicable in this instance. S.1 authorises the development and delivery of the corporate priorities and behaviours in accordance with the business plan. Itemised deliverables may be subject to their own statutory delivery powers, and these are addressed in the budget report or individual decisions and delegations as appropriate.

### Other Legal Implications:

10.	The formulation of the Plan has had regard to the provisions of the Equalities Act 2020 (in particular s.149 – the Public Sector Equality Duty) , together with the Human Rights Act 1998 and the Crime and Disorder Act 1998.
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## RISK MANAGEMENT IMPLICATIONS

11.	The Corporate Risk Register provides a framework to consider the key risks facing the Council. The need for good governance in change and service redesign projects is recognised within the register.
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## POLICY FRAMEWORK IMPLICATIONS

12.	The Corporate Plan is consistent with the Policy Framework
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<b>KEY DECISION?</b>	<b>Yes</b>
<b>WARDS/COMMUNITIES AFFECTED:</b>	Potentially all

SUPPORTING DOCUMENTATION

**Appendices**

1.	2022-30 Corporate Plan
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**Documents In Members' Rooms**

1.	None
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**Equality Impact Assessment**

<b>Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.</b>	<b>No</b>
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**Data Protection Impact Assessment**

<b>Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.</b>	<b>No</b>
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**Other Background Documents**

**Other Background documents available for inspection at:**

<b>Title of Background Paper(s)</b>	<b>Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)</b>
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1.	None
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# Southampton City Council

Corporate Plan 2022/30

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**Our vision**  
Southampton: city of opportunity





Mike Harris  
Chief Executive of Southampton City Council



Councillor Satvir Kaur  
Leader of Southampton City Council

This plan sets out our direction for the next eight years and shows how we will play our part in fulfilling Southampton’s huge potential.

Whilst uncertainty is inevitable, ambition remains critical. We are committed to creating a place where people want to live, work, study, visit and enjoy. Individually and collectively proud of our great, vibrant, diverse, creative, innovative, and modern city. A city that not only creates, but maximises opportunities for all ages and backgrounds. A city where local people benefit from our growth and ambitions become reality. A city that is resilient and happy, with wellbeing at its core. A city where pride and a sense of belonging grows within our neighbourhoods and across the whole city.

Over the last couple of years, we have brought together a huge number of people and organisations from across Southampton who all share our ambition to create a successful city. As we head towards 2030, we will continue to face challenging times and our spirit of collaboration, pride, and determination will be vital to managing the inevitable highs and lows. We need to ensure we use evidence and experience to make intelligent decisions and adopt new ways of working to deliver the best possible services. Always working with, and not just for, our local communities.

We have four ambitious goals for the city, and through this plan we outline what those goals are, why we are focusing on them, and things we are doing both as a council and as a city to achieve them. To give ourselves the best chance of success we have looked at what we will achieve over the next couple of years, and what are our longer-term ambitions. Of course, we do not, and can not work alone. The incredible efforts of the different organisations we work with are all essential to delivering a city of opportunity. By raising aspirations, building new partnerships and capacity through collaboration, we will approach things with a positive attitude, so we can give our residents and businesses across the city the best possible chance of success in their lives and livelihoods.

We look forward to working together, making Southampton a city of opportunity.



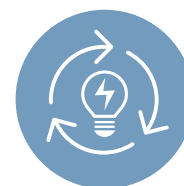
**STRONG FOUNDATIONS FOR LIFE**



**A PROUD AND RESILIENT CITY**



**A PROSPEROUS CITY**

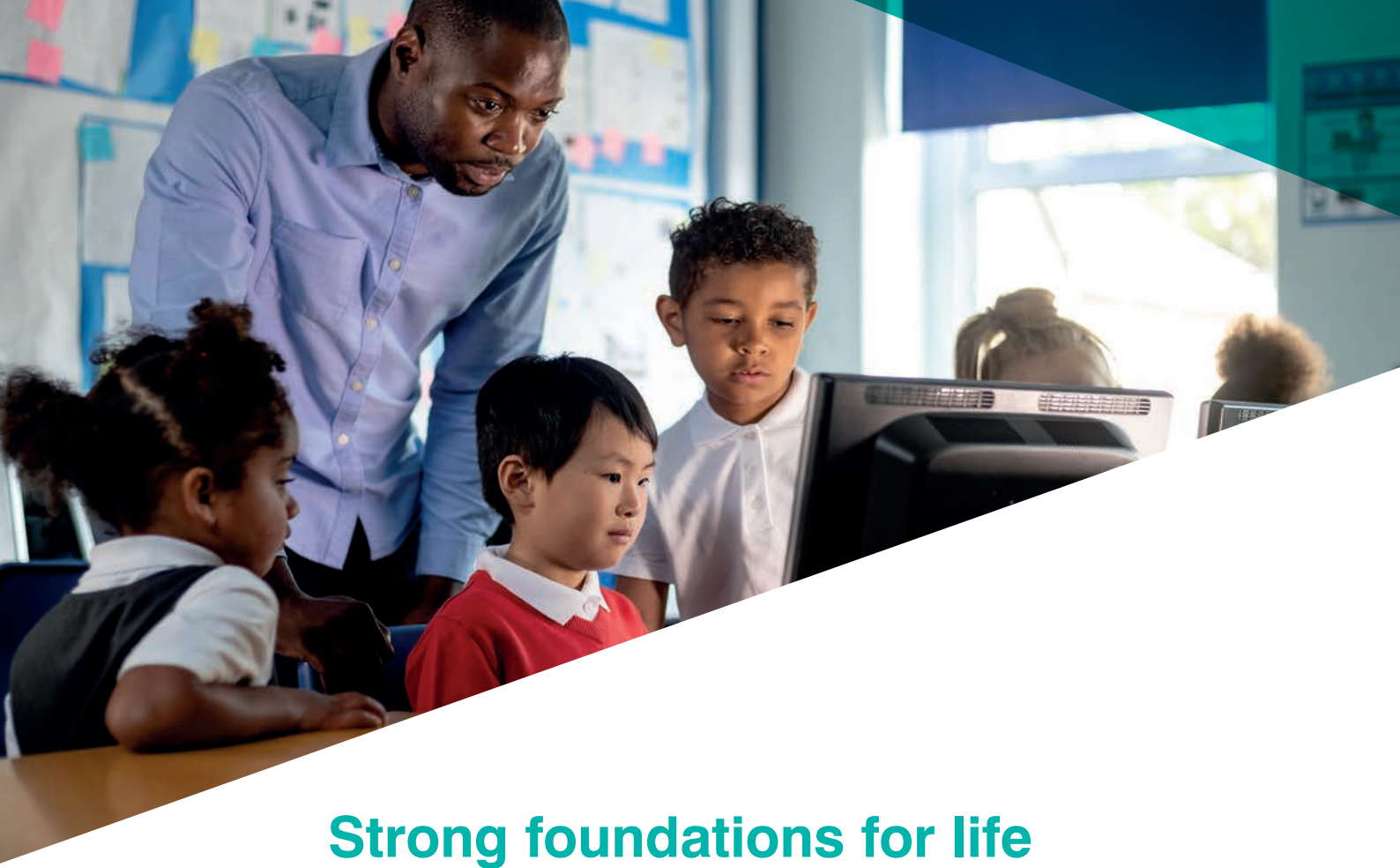


**A SUCCESSFUL, SUSTAINABLE ORGANISATION**





STRONG FOUNDATIONS FOR LIFE



## Strong foundations for life

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For people to access and maximise opportunities to truly thrive, Southampton will focus on ensuring residents of all ages and backgrounds have strong foundations for life.

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We are committed to reducing inequalities including in wages, earnings, health and wellbeing.

We will work to improve the health and wellbeing of local people, focusing on tackling health inequalities. Helping to facilitate life-long learning and skills development will encourage higher-skilled, higher-paid jobs for Southampton residents.

Physical and mental health and wellbeing are cornerstones for a good quality of life and a thriving city. They impact on people's life chances, education and employment opportunities. We will protect and promote the physical and mental health and wellbeing of everyone who lives, works and learns in Southampton.

Southampton residents earn on average less than those that work in the city, but live outside it. We are committed to working with partners to ensure more Southampton residents have higher-skilled, higher-paid jobs in the city, by supporting them throughout their lives through education, skills development and jobs, or where appropriate, focused help.



# What we are focusing on in the next two years

## Improving health and wellbeing of all residents, with a focus on reducing health inequalities within Southampton:

- Make Southampton's cultural and leisure offer more accessible to all ages, abilities and backgrounds, with a particular focus on areas of high deprivation:
  - Deliver community focused cultural activities that bring people together and support physical and mental health
  - Deliver a citywide leisure review, to identify gaps in delivery, affordability and accessibility
  - Deliver the We Can Be Active Strategy
  - Ensure that children and young people with special educational needs and disability (SEND) have their needs met in local, inclusive and high-quality settings including the opportunity to access, participate in and shape a range of cultural and leisure opportunities.
- Improve mental health and reduce levels of loneliness:
  - Deliver Southampton's Suicide Prevention Plan to lower levels of suicides in Southampton
  - Work with partners to increase access to appropriate mental health services as early as possible
  - Regular targeted communication plans to promote healthy living and create healthier environments
  - Design of new housing development considers wellbeing of residents through, for example, the adoption of minimum space standards.
- Reduce childhood obesity levels in Southampton by increasing take-up and expanding scope of Healthy Early Years and Healthy High 5 Award schemes
- Reduce number of smokers, drug use and alcohol consumption by commissioning public health prevention initiatives and focusing on targeted support. This includes identifying and supporting more families where children are living with alcohol-dependent adults
- Ensure there is a vibrant local market to deliver health and care services, by working with partners and third-sector colleagues.





## **Facilitating life-long learning and skills development to encourage higher-skilled, higher-paid jobs:**

- Deliver the School Attendance Action Plan aimed to improve school attendance and attainment, which results in better education outcomes and greater opportunities to succeed for young people in Southampton. This will involve working with young people to better understand and tackle root causes
- Increasing the number of care leavers and those still in care into education, employment, and training:
  - Offer targeted support to those ages 16-19 who are most at risk of not being in education, employment or training
  - Expand the role of the Virtual School which promotes educational attainment for our looked after children to promote education opportunities for all children aged 0-18 who have, or have ever had, a social worker.
- Help more of our city residents to get the qualifications and skills that are right for them. This includes supporting them to get ready for work and helping them understand how to access opportunities:
  - Work with schools, colleges and businesses to improve education and develop the skills people need for success
  - Offer targeted education, health, and care service support for 16-25 year-olds with complex needs
  - Improve basic maths skills for adults by providing classes and support to those who need it. Achieving a grade 5 or above in English and Maths GCSE offers more employment opportunities
  - Provide at least 4,000 adult community learning opportunities to local residents
  - Provide employment support to at least 1,200 local residents.



**Building on the work that's been done, in the longer term we will continue to:**

- Deliver the Health and Wellbeing Strategy including embedding a 'Health in All Policies' approach
- Deliver the Children and Young People Strategy and all related action plans
- Deliver the SEND Strategy
- Deliver the City Health and Care Strategy
- Increase our enhanced housing offer for young people as they move into adulthood
- Increase the quality, scope and take-up of vocational opportunities, including number of apprenticeships, internships, and work experiences with employers in the city
- Provide access to digital skills to communities less digitally engaged
- Create care-experienced apprentice roles to support participation activity.

**“Good health and wellbeing support our ability to live well, learn and work.”**









## A PROUD AND RESILIENT CITY



## A proud and resilient city

Southampton's greatest assets are our people. Enriched lives lead to thriving communities, which in turn create places where people want to live, work and study.

Southampton is home to a population from across the globe, encompassing over 150 different languages. We want to give residents of all ages and backgrounds a sense of belonging and independence, harnessing community spirit, so that individually and collectively we can take on challenges and thrive in an ever-changing world.

We know that when people feel they belong and have a greater say in their area, they take greater pride in it and each other. This leads to a reduction in crime, an improved environment, and a greater sense of wellbeing.

With our environment playing a major role in our quality-of-life, we will work to create cleaner, greener, safer and child-friendly neighbourhoods that give us a sense of pride. Access to clean, safe, green and open spaces will encourage more people to spend time outdoors, improving community cohesion and wellbeing.





## What we are focusing on in the next two years:

### Create cleaner, more attractive, and welcoming green and open spaces, to improve the experience of those living, working, studying and visiting Southampton:

- Host 'Love Where You Live' events in areas of deprivation, delivered with local communities, focused on addressing local needs
- Ensure our parks and open spaces remain accessible and increase the number of Green Flags in the city from six parks to ten
- Reduce litter and fly-tipping and improve recycling rates through our Waste Management Plan
- Install 240 solar bins across Southampton.

### Give communities more influence over local decision-making and create child-friendly neighbourhoods:

- Work towards Southampton becoming accredited as a UNICEF Child Friendly City
- Create a Southampton Youth Council that allows young people to influence decision-making
- Improve the condition of children's play areas within neighbourhoods and work towards introducing more play equipment within neighbourhoods that do not have any
- Support Southampton's Cultural Education Partnership to enhance creative opportunities for children.

**“A place of hope, kindness and community spirit, where people who live and work in the city have a voice”**



## **Help communities feel safer within their neighbourhoods with a sense of belonging:**

- Work closely with Hampshire Constabulary and city partners on Safe City Partnership Plan
- Deliver a Safer Neighbourhoods Fund
- Work with businesses, voluntary agencies, libraries, and community centres to grow our local network of safe places, places of sanctuary, and hate crime reporting centres
- Improve awareness of crime reporting through increased communications, in partnership with Hampshire Constabulary
- Achieve more inward investment into Southampton's creative and cultural organisations to help deliver for local communities, as part of Southampton's UK City of Culture 2025 bid legacy work
- Champion Southampton's City of Sanctuary status and encourage more city organisations to become places of sanctuary to ensure refugees and asylum seekers are welcomed into our diverse city.



IMAGE CREDIT: SCOTT CHALMERS

## Create more resilient communities by coordinating support for those in need and enabling people to live independently for longer:

- Support information, advice and guidance organisations in the city to offer support where needed
- Reduce food poverty by supporting the voluntary and third sector to establish a strong food distribution network
- Establish 'warm spaces' network within Southampton, using local libraries
- Deliver an improved Southampton Information Directory so people have better access and can choose how best to help themselves
- Increase the number of accessible homes in Southampton that support independent living
- Work with partners to support more people to remain at home following discharge from hospital
- Provide support so people can be more independent in their own home. This includes creating better access to their local community and making best use of digital tools including Telecare.



## Building on the work that's been done, in the longer term we will continue to:

- Deliver on our Cultural Strategy, ensuring cultural initiatives, activities and events are delivered within our local communities, co-created by local people
- Deliver the Safe City Partnership Plan
- Deliver the Green City Plan 2030
- Working with UNICEF UK to achieve Child Friendly City recognition
- Deliver the Municipal Waste Management Strategy with Hampshire County Council
- Develop a neighbourhood model of working, so that support is available closer to where people live, through greater community action, family and neighbourhood hubs.





## A PROSPEROUS CITY



## A prosperous city

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Southampton will focus on growing our local economy and bringing investment into our city.

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While Southampton is currently one of the fastest growing economies in the UK, our wealth is not felt fairly by Southampton residents. Our plan is to ensure that there is sustainable infrastructure and growth across our city supporting economic, environmental and social benefits, offering opportunities for all.

In times of economic uncertainty and a changing world, we remain ambitious for Southampton. We will build on what we have, champion innovation and creativity, lead the way in future growth areas, and develop the skills we need. We will make Southampton prosperous and future ready.

**“Putting communities at the heart of our economic plans will make Southampton a city where people want to invest.”**





## What we are focusing on in the next two years:

### Work with partners to support and grow emerging businesses, help existing business and attract new business into the city:

- Champion sustainable growth, encouraging innovation to tackle the challenges of climate change, with a particular focus on marine and maritime
- Bring in new skills and employment opportunities for local people
- Identify and support development of the skills and specialisms needed to deliver a local talent pool that can help existing and new business to the city succeed. This includes improving links between employers and education providers and introducing initiatives such as the Good Work Charter and delivering our Future of Work Action Plan
- Establish a City Renaissance Board, which will oversee the future growth and development of key sites in the city, including master-planning of city and district centres, aligning wider city investment and partnership plans
- Strengthen international partnerships to encourage trade and global collaborations
- Ensure start-ups and existing businesses can access affordable support and advice and maximise financial opportunities to ensure we retain local talent and enable growth.

### Work with business to improve social and environmental impact:

- Increase number of businesses signed up to Safe Places Network
- Increase number of Real Living Wage Employers within Southampton
- Champion the 'Southampton Pound' with the aim of keeping more local spend within the city
- Ensure the business community engages with the Southampton's Citizens Assembly on becoming a Zero Carbon City by 2035, so they can be part of the solution to tackling climate change.





## **Become a destination place to be proud of that puts Southampton on the map, encouraging more visitors to visit, enjoy and spend within Southampton:**

- Support Southampton's Cultural Trust to help deliver the Cultural Strategy, Destination Management Plan, and Festival and Events Strategy to grow our citywide destination aspirations and increase visitor numbers
- Maximise economic and social benefits by working with partners to build on the legacy of being finalists in the City of Culture 2025 bid. Invest in Southampton's heritage, helping to tell Southampton's story.

## **Better infrastructure, with safer, more affordable and accessible modes of travel options around Southampton:**

- Deliver on the Transforming Cities Programme and become better connected, however, you choose to travel
- Work to make public transport cheaper, particularly bus travel
- Explore further sustainable transport options, including water-taxis and metro-rail
- Adopt recommendations from the Accessibility Scrutiny Enquiry
- Deliver digital infrastructure so that residents and businesses can evolve and grow
- Promote and improve access to Southampton waterfront.





## More good quality, affordable housing in Southampton that local residents can benefit from:

- Adopt Affordable Housing Framework
- Ensure better standards of rental properties by completing a Conditions Survey of private rented homes in Southampton
- Invest at least £6 million to improve energy efficiency of council homes, including insulating homes.

### Building on the work that's been done, in the longer term we will continue to:

- Deliver the Local Plan, which will deliver on regeneration plans for city and district centres
- Deliver the Economic and Green Growth Strategy which includes:
  - Working towards providing at least an additional 8,000 affordable homes by 2040
  - Completing River Itchen Flood Alleviation Scheme by 2028
  - Develop digital support services for SMEs to improve their capacity and capability for digitalisation, including digital skills of employees.
- Deliver the Local Transport Plan which includes:
  - Infrastructure changes, including the replacement of Northam rail bridge.
- Work towards becoming a Real Living Wage City
- Work with partners to further embed the Southampton Pound, keeping more local spend within the city
- Maximise the benefits of Solent Freeport and remain open and ready to new investment opportunities
- Deliver the Cultural Strategy which will establish Southampton as a destination city, where visitor numbers have increased significantly.

Customer Services  
Partnership Management  
Revenue & Benefits

**First Floor**

Southampton City Council  
Human Resources & Payroll  
IT Services  
Procurement Services  
Learning & Development  
Capital Assets

**Ground Floor**

Cityway  
Disruptive Health  
Procurement Management Team  
Cash Office





# A SUCCESSFUL, SUSTAINABLE ORGANISATION



## A successful, sustainable organisation

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The successful delivery of the outcomes in this plan will be rooted in the culture of our organisation and becoming an effective and efficient council.

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We will continue to invest in our people, encouraging a culture that delivers positive results for residents, businesses, and visitors to our city.

We will strive to continuously improve, regularly reviewing what we do and how we do it so we can evolve the way we work and adapt to changing circumstances and events.

We will make every pound we spend work for local people. We will focus on delivering outcomes and improved customer experience. Thinking commercially and maximising opportunities, we will create efficiencies and drive improvement through new ways of working.

We will continue to work closely with partners across the city and the region to tackle the challenges we collectively face and will be a driving force in creating a sense of pride in our city.

Our ambition to create a city of opportunity starts with a council that is forward-thinking, ambitious and optimistic about the future.



## What we are focusing on in the next two years:

### Be an employer of choice:

- Deliver on our People Plan
- Develop talent and offer opportunities to staff
- Support employees and invest in their health and wellbeing
- Deliver on the council's Diversity and Inclusion Pledge, to promote and champion diversity throughout the organisation.

### Work effectively, focusing on the things that make the most difference:

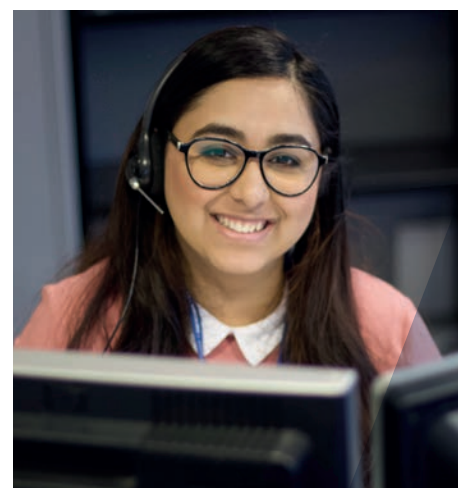
- Identify and use the right data to make better, more informed decisions
- Target support to people who need it the most
- Regularly review what we do to make sure we are always focused on our customers.

### Deliver the transformation of services and workplace:

- Ensure all services are designed to support best outcomes for our residents
- Drive efficiencies through focusing on what creates real value, streamlining processes, reducing bureaucracy, and increasing productivity
- Challenge ourselves to be future-focused and think differently, to identify opportunities and better ways of working.

### Work with, and not just for, our customers and the communities we serve:

- Embed a culture of listening to our residents, community groups, partner organisations and businesses so their voices can shape our actions
- Work with our children and young people and fulfil the council's pledge as a signatory of the Good Youth Employment Charter.
- Work to make sure Southampton gets its fair share of resources, securing more external funding
- Maintain collaborative partnerships with public and private sector organisations
- Support our communities and the voluntary sector to make the greatest impact possible
- Ensure council properties and spaces are well managed and maintained.



## How will we know we're on track?

In the main document we have outlined some things we are going to deliver, but we also want to make sure they are having the positive impact we expect. To check we are on track we have identified measures that we will help us monitor if progress is being made.

Below we have set out our current baseline position against a set of nationally monitored measures, the baseline period this measure has been taken from, and where this sits against the national picture. We will review each of these measures in two years time to check on our progress.

Indicator	Baseline period	Southampton baseline	England baseline
Percentage of 16-17 year-olds not in education, employment or training (NEET)	2021	7.6%	5.5%
Percentage of economically active population with no or low qualifications (NVQ)	2020	10.8%	12.6%
Percentage of pupils achieving a grade 5 or above in GCSE English and Maths	2021	41.8%	51.9%
Employment rate percentage aged 16-64	2021	74.2%	75.1%
Percentage of care leavers in suitable accommodation	Sept 2022	94%	88%
Percentage of people with eligible needs supported to live independently	2020/2021	72%	72%
Percentage of care leavers 19-21 in Education, Employment or Training	Sept 2022	57%	52%
Number of Looked After Children (per 10,000)	Sept 2022	107	67
Healthy life expectancy at birth (Male)	2018-20	61.4 years	63.1 years
Healthy life expectancy at birth (Female)	2018-20	63.1 years	63.9 years
Smoking levels in adults	2019	16.8%	13.9%
Alcohol specific mortality (all ages) per 100,000	2017-19	17.3	10.9
Percentage of children in Year R with excess weight	2020/21	32.67%	27.73%
Percentage of children in Year 6 with excess weight	2020/21	41.01%	40.91%
Percentage of people who are satisfied with their local area as a place to live	2020	85%	83%
Percentage of physically active adults	2020/2021	64.8%	65.9%
Number of reported fly tipping incidents (per 1,000 population)	2021/2022	39.5	20.1
Percentage of household waste sent for recycling	2021/2022	27.2%	42.5%
Percentage of business survival over two years	2020	71.5%	69.9%
Increase in economic growth (Gross value added per head)	2020	£28,510	£29,757
Percentage of customers who are very satisfied or fairly satisfied with the way the council runs things	2020	68%	68%
Percentage of residents who are very satisfied or fairly satisfied that the council provides value for money	2020	51%	53%
Number of days lost per employee to sickness absence (SCC vs Local Government overall)	2021	7.82	6.5



Our recent successes

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Fostering Friendly Employer



Achieved Lord Mayor Status



Adopted Youth Employment Charter



Applying to be a Freeport

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AA web accessibility conformance increased to 94% in 2021



Signed up to National Safe Places Network



Working with UNICEF UK to become a Child Friendly City



**2,232** trees planted in 2021

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**93,397** COVID-19 testing kits distributed between July 2021 - April 2022



**Over 540** COVID-19 Champions recruited by September 2022



**594** rough sleepers housed by December 2021



**91%** of customers happy with service from Customer Services in 2021

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Energy efficiency measures introduced across council buildings are saving the council £329,000 pa and preventing 255 tonnes of carbon emissions pa



**24,000 sqm** of wildflower meadows created between April 2021 and March 2022



**20 School Streets** created tackling safety, health and air quality by Autumn 2022



**1,769 new homes** have received planning permission across three major sites since March 2021 - ToysRUs, Leisure World and Bargate

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**“Clear on our vision to become  
a city of opportunity, we look  
to the future with optimism.”**

COVER IMAGE CREDIT: REES LEISURE

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[southampton.gov.uk](https://southampton.gov.uk)

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<b>DECISION-MAKER:</b>	<b>CABINET</b>
<b>SUBJECT:</b>	<b>COURT LEET PRESENTMENTS 2022</b>
<b>DATE OF DECISION:</b>	<b>16 NOVEMBER 2022</b>
<b>REPORT OF:</b>	<b>DIRECTOR - LEGAL AND BUSINESS SERVICES</b>

<b><u>CONTACT DETAILS</u></b>			
<b>AUTHOR:</b>	<b>Title</b>	<b>DEMOCRATIC SUPPORT OFFICER</b>	
	<b>Name:</b>	Ed Grimshaw	Tel: 023 8083 2390
	<b>E-mail:</b>	<a href="mailto:Ed.grimshaw@southampton.gov.uk">Ed.grimshaw@southampton.gov.uk</a>	
<b>Director</b>	<b>Title</b>	<b>DIRECTOR - LEGAL AND BUSINESS SERVICES</b>	
	<b>Name:</b>	Richard Ivory	Tel: 023 8083 2794
	<b>E-mail:</b>	<a href="mailto:Richard.Ivory@southamppton.gov.uk">Richard.Ivory@southamppton.gov.uk</a>	

<b>STATEMENT OF CONFIDENTIALITY</b>	
None	
<b>BRIEF SUMMARY</b>	
The purpose of this report is to bring to the Executive's attention the Presentments accepted by Court Leet, the action taken to date and to identify Lead Officers and Members for future actions.	
<b>RECOMMENDATIONS:</b>	
	(i) that the initial officer responses to the Presentments approved by the Court Leet Jury, as set out in Appendix 1, be noted; and
	(ii) that individual Cabinet Members ensure responses are made to Presenters regarding presentments within their portfolios as appropriate and as soon as practically possible.
<b>REASONS FOR REPORT RECOMMENDATIONS</b>	
1.	The Executive has agreed that Court Leet Presentments will be reported to the Executive for consideration and ultimately determination.
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>	
2.	The decision was previously made by the Executive to proceed in this manner; therefore this is the only approach considered appropriate.
<b>DETAIL (Including consultation carried out)</b>	
3.	Appendix 1 lays out in brief the Presentments received by Court Leet on 4 <sup>th</sup> October 2022 with details of Lead Officers and Cabinet Members responsible, together with an initial response to each of the Presentments.
4.	The Presentments, once received, have been shared with Lead Officers and Lead Members; responses (and any action required) will be subject to the Council's normal decision-making processes and therefore, consultation at this time.

<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
5.	None.
<b><u>Property/Other</u></b>	
6.	None.
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
7.	Court Leet is maintained as a valid Court Leet, but only for purpose of taking Presentments on matters of local concern under the Administration of Justice Act 1977. Any proposals to implement any Presentments will be considered in due course by the appropriate decision-maker, and at that point legal issues will be taken into account.
<b><u>Other Legal Implications:</u></b>	
8.	None.
<b>RISK MANAGEMENT IMPLICATIONS</b>	
9.	None.
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
10.	None.

<b>KEY DECISION?</b>	<b>No</b>
<b>WARDS/COMMUNITIES AFFECTED:</b>	None
<b><u>SUPPORTING DOCUMENTATION</u></b>	
<b>Appendices</b>	
1.	Summary of Presentments and details of Lead Officers and Members Responsibility and Initial Response of Presentments

**Documents In Members' Rooms**

1.	None
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**Equality Impact Assessment**

<b>Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.</b>	<b>No</b>
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**Data Protection Impact Assessment**

<b>Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.</b>	<b>No</b>
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**Other Background Documents**

**Other Background documents available for inspection at:**

<b>Title of Background Paper(s)</b>	<b>Relevant Paragraph of the Access to Information Procedure Rules /</b>
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		Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	None	

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**RESPONSES TO PRESENTMENTS MADE AT COURT LEET 2022**

<p><b>1</b></p>	<p><b>Mrs. Pat Presland</b>, on behalf of The Friends of Woolston Library,</p> <p>“Madam Sheriff and Jurors,</p> <p>I wish to make this Court Leet presentment on behalf of the Friends of Woolston Library. It is with regard to signage for Woolston Library. I hope it can be included.</p> <p>“At the junction of Portsmouth Road where it crosses through Bridge Road and Victoria Road in the centre of Woolston, there is a finger sign post indicating directions for the Post Office, Public Toilets and the Library. The only relevant finger points to the Post Office, the Public Toilets are now non-existent and the Library has been relocated. Since August 2016, Woolston Library has been at the entrance to Centenary Quay, John Thornycroft Road junction with Victoria Road. The Old Library is now the address of a block of flats on Portsmouth Road just past the Itchen Bridge toll booths – a totally different direction.</p> <p>Further, again regarding the library, the building frontage has obvious provision for signage but it remains blank.</p> <p>We ask Southampton City Council for these signage discrepancies to be rectified.”</p>	
	<p><b>Cabinet Member Responsible</b></p>	<p>Cabinet Member for Communities and Customer Engagement – Councillor Kataria</p>
<p><b>RESPONSE</b></p>	<p>A wider review of signage in Woolston &amp; Itchen is taking place and will be delivered in 2023 alongside the Active Travel Zone programme of improvements. In advance of this the fingerpost signage on the corner of Portsmouth Road and Victoria Road will be corrected.</p> <p>The SCC Libraries Team are reviewing options for additional signage to the Library building and frontage, which includes discussions with the landowner. An update on options will be fed back to the Friends group in due course.</p>	

2	<p><b>Katie Belo dos Santos</b> From: SeeSouthampton Tour Guides</p> <p>I am Katie Belo dos Santos, and I am a tourist guide for SeeSouthampton. Our organisation is committed to promoting the city and its heritage, working with other groups and Go!Southampton/Visit Southampton.</p> <p>We provide guided tours, talks and publications to residents and visitors. We have been recently awarded a Community Chest grant, and our proposal is to improve access for the local environment and, in particular, for people in disadvantaged groups, such as those with physical and intellectual impairments and disabilities. With the support of SCC we can achieve our project aims. It would be beneficial to liaise with the Disabilities Liaison Officer of SCC, and be signposted to other community organisations.</p> <p>Our goal is to support and work with the Council, develop existing projects, access Accessibility Guides (former Access Statement) and data (such as surveys and case studies on those with disabilities or activities for the disabled).</p> <p>Ultimately, we wish to help those with disabilities and make our city more inclusive, and trust you will be able to assist us with achieving these goals.</p>	
	<b>Cabinet Member Responsible</b>	Cabinet Member for Communities and Customer Engagement – Councillor Kataria
<b>RESPONSE</b>	The Stronger Communities Team would be happy to assist make contact with relevant groups, primarily Spectrum Centre for Independent Living and SCC would welcome a more detailed presentation from the See Southampton tour guides at a future SCC Accessibility Forum meeting.	



<b>3.</b>	<b>Milo Maguire</b>	
	<p>On behalf of Southampton National Park City group.  Proposer: Milo Maguire  Southampton is relatively unique in that it is a city with an estuary with all the benefits for wildlife and people that this confers. It is surprising that in a city recognised for all its green spaces and biodiversity that the marine environment is to some degree neglected and much of its potential unfulfilled.  I ask that the city council recognise the Itchen Estuary as a precious urban wetland with huge often unrealised potential for biodiversity, wildlife, recreation, well-being, urban cooling and carbon absorption. Followed by an Itchen Estuary conservation plan.  Also that the council keep nature, wildlife and open spaces groups updated with any works that are done to protect and enhance the Itchen Estuary.  The following is an excerpt from the Wetland Wildlife Trust manifesto regarding estuaries:  Why do we need estuaries?  We need estuaries for biodiversity.  Estuaries are critical for the survival of many species. Tens of thousands of birds, mammals, fish and other wildlife depend on estuarine habitats as places to live and breed.  Many commercially valuable fish species depend on estuaries at some point during their life cycle.  Blue Carbon  Coastal wetlands like estuaries, saltmarshes, mudflats and sea grasses are very efficient at locking away carbon and are playing an important role in our fight against climate change.  This 'blue carbon' is a high density carbon that accumulates in coastal eco-systems as a result of their high productivity and sediment trapping ability.  Pollution busting  The wetlands that fringe our estuaries perform a vital role filtering out the sediments, nutrients and other pollutants that drain into them from the river catchment.  Flood protection  Estuaries and their wetland plants and soils provide a natural barrier between the land and ocean, absorbing flood waters, dissipating storm surges and protecting us against rising sea levels.  At WWT (Wetland wildlife trust) Lanelli the salt marshes on the Burry inlet estuary do an amazing job absorbing vast amounts of energy from waves and tides. The seawater only creeps gently up the marsh protecting low lying Llanelli from being flooded.</p>	

	<p>At WWT Steart Marshes the salt marshes on the shores of the Severn estuary do a similar job preventing the oceans waves from eroding the shoreline and destroying coastal homes and businesses.</p> <p>Recreation Estuaries provide us with many leisure opportunities from boating and fishing to swimming, windsurfing and birdwatching.</p> <p>Research by WWT also shows that by being around these unique coastal environments is fundamental to our mental health and wellbeing</p> <p>Economic Tourism, fisheries and other commercial activities thrive on the wealth of natural resources our estuaries supply . Estuaries also serve as important harbours and ports vital for shipping, transportation and industry.</p>	
	<b>Cabinet Member Responsible</b>	Cabinet Member for Housing and the Green Environment – Councillor Mitchell
<b>RESPONSE</b>	<p>Southampton City Council is supportive of the points raised in the representation and, as part of the River Itchen Inquiry that started this autumn, the Council is committed to exploring how to safeguard and enhance the River Itchen in a range of ways and would encourage the National Park City Group to contribute to the Inquiry.</p>	

4

**Graham Linecar**

PRESENTMENTS ON BEHALF OF SOUTHAMPTON COMMONS AND PARKS PROTECTION SOCIETY (SCAPPS)

**Hoglands and Houndwell Parks, a vision for their future**

My presentment asks the City Council to prepare a comprehensive plan or strategy to shape and guide improvements to the two southern Central Parks. There's the opportunity to make big changes to these Parks and the way they relate to, and are used by, surrounding comm1 Hoglands and Houndwell Parks, a vision for their future

My presentment asks the City Council to prepare a comprehensive plan or strategy to shape and guide improvements to the two southern Central Parks. There's the opportunity to make big changes to these Parks and the way they relate to, and are used by, surrounding communities – city centre shopping on one side, residential areas on others. The city centre is seeing a big increase in resident population. These new residents look to the Central Parks for opportunities for active informal recreation and for relaxation. The Bargate and Debenhams developments, adding over a thousand more homes, are yet to come and don't seem to acknowledge -- well, make a contribution to – the obvious consequence of needing to improve existing facilities and add new ones so these two Parks stand-up to increased pressure-of-use.

Facilities have improved – the much-used play area in Houndwell, the fenced and surfaced games area in Hoglands, repairs to the Hoglands pavilion. SCAPPS hopes to see a revival of organised club cricket. Plans are well-advanced for a replacement for the skatepark. More needs doing. For example, there's long been a problem of wet ground conditions, and occasional flooding. That matters because grass takes longer to recover from wear when the ground is water-logged. More people using these Parks means more wear, and the need to improve resilience. Investigation is needed into the cause of the water-logging, and finding remedial measures. The more people using the Parks, the less the chance of anti-social behaviour.

The City Council's Levelling-Up Fund bid includes schemes affecting these two Parks, but it doesn't look as though the full potential for associated improvements to the Parks, and ways of better connecting them with city centre shopping and nearby residential developments, has been fully explored and exploited. Ideas for layout of what's called Hanover Square look mainly aimed at creating traffic-free cycle routes. SCAPPS is concerned about how, indeed whether, the proposed bus hub in Vincents Walk can be made compatible with the adjoining Park and children's play area. It seems projects are initiated in one City Council service without working with other services

to bring in wider benefits. Reducing traffic on roads in and next to these two Parks gives the opportunity to do things that would improve visual and functional connection between them and improve physical links to city centre shopping and other neighbouring areas. My presentment asks for preparation of a framework document with an ambitious vision of what might be done in and around these two Parks to adapt them to withstand increased pressure-of-use and so they provide better opportunities for recreation and relaxation for nearby communities and for those working and shopping in, or just visiting, the city centre. I'm looking for an ambitious vision of what might be achieved, not a plan restricted to schemes for which funding is presently available. It may take time, it may never be fully realised, but by having the vision there, bids can be made when funding sources crop-up. unities – city centre shopping on one side, residential areas on others. The city centre is seeing a big increase in resident population. These new residents look to the Central Parks for opportunities for active informal recreation and for relaxation. The Bargate and Debenhams developments, adding over a thousand more homes, are yet to come and don't seem to acknowledge -- well, make a contribution to – the obvious consequence of needing to improve existing facilities and add new ones so these two Parks stand-up to increased pressure-of-use.

Facilities have improved – the much-used play area in Houndwell, the fenced and surfaced games area in Hoglands, repairs to the Hoglands pavilion. SCAPPS hopes to see a revival of organised club cricket. Plans are well-advanced for a replacement for the skatepark. More needs doing. For example, there's long been a problem of wet ground conditions, and occasional flooding. That matters because grass takes longer to recover from wear when the ground is water-logged. More people using these Parks means more wear, and the need to improve resilience. Investigation is needed into the cause of the water-logging, and finding remedial measures. The more people using the Parks, the less the chance of anti-social behaviour.

The City Council's Levelling-Up Fund bid includes schemes affecting these two Parks, but it doesn't look as though the full potential for associated improvements to the Parks, and ways of better connecting them with city centre shopping and nearby residential developments, has been fully explored and exploited. Ideas for layout of what's called Hanover Square look mainly aimed at creating traffic-free cycle routes. SCAPPS is concerned about how, indeed whether, the proposed bus hub in Vincents Walk can be made compatible with the adjoining Park and children's play area. It seems projects are initiated in one City Council service without working with other services to bring in wider benefits. Reducing traffic on roads in and next to these two Parks gives the opportunity to do things that would improve visual and functional connection between them and improve physical links to city centre shopping and other neighbouring areas. My presentment asks for preparation of a framework document with an ambitious vision of what might be done in and around these two Parks to adapt them to withstand increased

	pressure-of-use and so they provide better opportunities for recreation and relaxation for nearby communities and for those working and shopping in, or just visiting, the city centre. I'm looking for an ambitious vision of what might be achieved, not a plan restricted to schemes for which funding is presently available. It may take time, it may never be fully realised, but by having the vision there, bids can be made when funding sources crop-up.	
	<b>Cabinet Member Responsible</b>	Cabinet Member for Housing and the Green Environment – Councillor Mitchell
<b>RESPONSE</b>	The Council will be happy to engage with SCAPPs as part of the next stage of the design work for Vincents Walk and Hannover Square. This will be progressed following the outcome of the Levelling Up Fund bids.	
<b>5</b>	<p>PRESENTMENTS ON BEHALF OF SOUTHAMPTON COMMONS AND PARKS PROTECTION SOCIETY (SCAPPS)</p> <p><b>E-scooters and e-bikes in parks</b></p> <p>The e-scooter trial ends in November. My presentment asks that SCAPPS sees, and has the opportunity to comment, on the City Council's report assessing the scheme. The City Council required Voi to use its GPS-based locating system to disable power if the scooter was taken into a park. SCAPPS thinks that's right; e-scooters are not just another sort of cycle which can safely be allowed wherever bikes are permitted or tolerated. They are powered vehicles – heavier, faster and less controllable than pedal cycles. This presentment asks the City Council to recommend Government, if the law is changed, to prohibit use of e-scooters on paths in parks shared with pedestrians.</p> <p>Notices have been posted seeking consent for the operator of an e-bike hire scheme to install on-street parking racks. E-bikes too are heavier and can move faster than pedal cycles. SCAPPS has seen no information about the scheme and this presentment asks the City Council to publish details and require the operator of the hire scheme to prevent, or at least discourage, use of e-bikes on paths in parks.</p>	

	<b>Cabinet Member Responsible</b>	Cabinet Member for Transport and District Regeneration – Councillor Keogh
<b>RESPONSE</b>	<p>Trial Voi e-scooters are restricted from accessing SCC parks through geofencing technology creating ‘no go’ zones and ‘go slow’ zones. As part of the wider Solent e-scooter trial, all scheme data, including accident data, is reported back to the Department for Transport. This data will help to inform the Department for Transport to create appropriate legislation to govern e-scooter use. Solent Transport, which administers the schemes, has published an interim report covering the key statistics of the trial to date, which can be found here: <a href="#">Solent-Transport-x-Steer-E-Scooter-Fact-Sheet-2022-1.pdf</a>. Feedback from all stakeholders including SCAPPS will be included in the response to the DfT at the end of the national trials, and we welcome reports of any issues identified during the trials operation that can be acted on by either Voi, the council or Solent Transport.</p> <p>E-bikes on the Beryl Bikes by Breeze scheme are regulated in the same way as private e-bikes. This means they have electric assist which only engages when the rider is pedalling and cuts out at 15.5mph, in line with <a href="#">UK law</a>, and have the same restrictions as private e-bikes in where they can legally be ridden, including the no cycling routes in the city’s parks.</p> <p>To support good rider behaviour, Beryl educates riders through in-app safety messaging, digital and physical marketing, and rider training which it delivers in partnership with the Bikeability Trust. To enforce against bad behaviour, Beryl issues fines for ‘out of bay’ and ‘out of service’ parking, a first warning for misuse reports with no clear risk of significant harm to persons or property, and blocks users on a second misuse incident. Users are blocked on their first misuse incident if the incident causes clear risk or significant harm. Riding in a pedestrianised location or on a pavement leads to a first warning. Residents can report incidents or bad behaviour through the Beryl app, the Breeze app or by emailing <a href="mailto:support@beryl.cc">support@beryl.cc</a>.</p> <p>The Council and Solent Transport will work closely with Beryl to monitor rider behaviour across the city and will review and respond to issues in specific locations should they arise. The council has published information on the Beryl Bikes by Breeze service here: <a href="#">Bike Share: Rent pedal and e-bikes in Southampton   My Journey Southampton</a> ”</p> <p>Our mission is to improve health and wellbeing, and reduce health inequalities, in Southampton through ‘fit for purpose’ leisure services and ‘spaces’ which support physical activity, sport, play and recreation. Co-ordinated by our newly appointed Leisure Services Manager, a cross-council Leisure Services Group is developing a strategic</p>	

	<p>action plan to deliver this mission. The plan will draw on existing relevant strategies – primarily the ‘We Can Be Active’ physical activity strategy and the Strategic Outcomes Planning Model (completed by Max Associates). Our approach for implementing the action plan will include intelligence-driven leisure services provision, securing grants/bidding opportunities, community engagement and a focus on outcomes.</p>	
<b>6.</b>	<p>PRESENTMENTS ON BEHALF OF SOUTHAMPTON COMMONS AND PARKS PROTECTION SOCIETY (SCAPPS)</p> <p><b>Tighter control of big commercial events in parks</b>  Events in parks give enjoyment to many, but, while there, restrict normal recreation use. We’ve noticed some take more space, and for longer, than intended. The circus in Mayflower Park is listed as having minimal impact, but occupies the whole of the main grass area. My presentment asks for more precision in agreements with promoters about space taken-up, and for how long. And that fees paid by promoters of these big events should include funding for officers to be there to monitor what’s happening, with the power and authority to require immediate compliance.</p>	
	<b>Cabinet Member Responsible</b>	Leader of The Council – Councillor Kaur
<b>RESPONSE</b>	<p>The Council’s Events team work closely with event organisers along with other colleagues in the Council to try and minimise the impact of events whilst ensuring that they are of high quality and attract residents and visitors to them. In relation to the circus, it is listed as minimal impact as although it occupies some of the central grass area within Mayflower Park, other grassed areas within the park remain unaffected as does the roadway, car parking and access to the seafront. There is a comprehensive event application procedure in place and before any event organiser is granted permission to arrange an event on Council land they are required to agree to our terms and conditions. This stipulates the area within a park that the event organiser is permitted to use along with the duration. Very rarely would an event organiser be able to use more space or for a longer duration than originally intended without prior agreement with the Council.</p> <p>The Council monitors event organisers as robustly as it can within the resources available. It wants to ensure that it is an attractive destination for potential event organisers and by increasing fees to fund more officers, this may mean event organisers would choose not to host their event in the city. The result is that Southampton could lose</p>	

	the opportunity to bring benefits to the city, depriving residents and visitors of the experience and impact on the economic benefits for local businesses.	
<b>7.</b>	<p>PRESENTMENTS ON BEHALF OF SOUTHAMPTON COMMONS AND PARKS PROTECTION SOCIETY (SCAPPS)</p> <p><b>Riverside paths</b></p> <p>The River Itchen Inquiry has just been announced. SCAPPS had already intended making this presentment asking for repair and improvement of riverside paths and for a strengthening of resolve to ensure redevelopment of waterfront sites provide public access to the waterfront, as required by planning policy.</p> <p>This presentment asks that the Inquiry look at the riverside path from Priory Hard public slipway and Horseshoe Bridge to Northam Bridge. Various initiatives may secure repair and improvement of some sections of the path but there's no present scheme which would tidy and improve the riverside path past the Mount Pleasant Industrial Estate. On the east side of the Itchen, we'd like the Inquiry to look at securing formal right of access (part on foreshore) from the southern end of the Chessel Bay LNR to Hazel Road.</p>	
	<b>Cabinet Member Responsible</b>	Cabinet Member for Transport and District Regeneration – Councillor Keogh –
<b>RESPONSE</b>	The Council welcomes the opportunity to discuss the accessibility to and along the River Itchen as part of the Inquiry.	
<b>8.</b>	Gavin Millar	
	<p>The Itchen Estuary has been central to the history and development of Southampton – from the Roman settlement of Clausentum, to the Saxon town of Hamwic, through to the period of industrialisation with shipbuilding and aircraft manufacturing amongst other industries along its shores and on to the present day.</p> <p>Over the centuries and through to the present day, Southampton citizens have made a living by this tidal river, they have fished on this river, walked by this river, swam in the river and rowed and sailed on the river. Few cities can lay claim to a river estuary within their city boundaries. Although much of the wildlife rich saltmarshes and green riverbanks have been lost to development over the centuries, some still remain. The Itchen Estuary still has huge value for its biodiversity, and carbon capture, and as the world's climate heats up, this estuary becomes increasingly important for countering the urban heat island we inhabit during our hotter summers.</p>	



Southern Water in particular discharge raw sewage from the Portswood Sewage Works, located in St Denys, into the estuary many times a year adding to a total of between 10 and 20 day's worth of sewage flows into the upper reaches of the estuary opposite Riverside Park.

Quite separately to the issue of discharging raw sewage into the river during periods of heavy rainfall, the installation of centrifuge dewatering plant at the sewage works has meant that instead of the plant's sewage being regularly removed, by barge very high volumes of brown foul smelling "treated water" or effluent are now more or less continually discharged into the upper reaches of the estuary. Southern Water claim that this treated water is within permitted consent level. Some informed opinion believes otherwise. Given Southern Water's recent £90 Million fine for "knowingly permitting entry to coastal waters untreated sewage" while systemically setting out to cover up what they were doing- can they be trusted to mark their own homework?

Pollution of the estuary from numerous decaying wrecks, granules used for plastic item manufacture are also concerns.

Progressive closure or restriction of access to the waterfront erode accessibility and the physical and mental health benefits of the estuary ... and will continue to do so unless halted.

If Southampton is to realise the full value of this precious blue space, complementing Southampton's many parks and green spaces – not only does the estuary need a greater protection from pollution, encroachment and from development, but we also need a vision for the future.

What if the recreational, the heritage, the biodiversity, the mental and physical well-being, and the ecological were wrapped up into one vision? A vision which connects the estuary with the remaining green spaces along the shores, a vision which recognises the rich cultural and heritage value of the estuary, a vision which includes accesibility for all and a vision of a city park or an urban wetland with the status and protection afforded to Southampton's many other parks?

Such a planning decision need not be a barrier to socio-economic development but would signal recognition of the true importance and value of the Itchen Estuary and provide Southampton City Council with a strong framework to control threat to this precious resource and to set out a vision for the Future.

	I request that Southampton City Council declares the Itchen Estuary a Southampton City Park.	
	<b>Cabinet Member Responsible</b>	Cabinet Member for Housing and the Green Environment – Councillor Mitchell
<b>RESPONSE</b>	As part of the River Itchen Inquiry that started this autumn, the Council is committed to exploring how to safeguard and enhance the River Itchen in a range of ways and will be exploring many of the points raised in this presentment. The Scrutiny Inquiry is a good vehicle to distil out the key issues and, hopefully, build consensus with key stakeholders and responsible bodies linked to the River Itchen, noting that the river, including its banks, is in multiple different ownerships and is governed by a variety of different laws and regulations.	

9.

*Barbara Hancock***Presentment to Southampton Court Leet: Tuesday 4<sup>th</sup> October 2022.**

My name is Barbara Hancock and I'm here today as an individual but with the knowledge and support of three organisations: TWICS (Training for Work in Communities), SO18 Big Local, and Moorlands Community Association. My background is as a community development worker with a longstanding experience of managing community buildings and of supporting volunteers to run them.

And it's about this that I've come here today.

Before the Pandemic the national organisation Local Trust published a report called Skittled Out, which is a cricketing term used when batters are quickly dispatched. The report uses Skittled Out as the term to describe what's happening to England's Social Infrastructure.

The SO18 Big Local area of Harefield, Townhill Park and Midanbury was one of the report's case studies.

Harefield Community Centre has lain derelict for the last ten years, the area has lost its only church hall (on Witts Hill), and all 5 of the pubs (some of which were used for community activities) are gone. If you think about the areas you know I'm pretty sure you'll recognise the same kind of thing – community buildings shut, demolished, or with changed ownership or use.

My worry is that the energy crisis coming on top of Covid will mean more 'skittling out'. This matters, these are the places that enable 'civil society' to operate.

What can be done? There are no easy answers. Community centres, church halls, scout huts and so on rely to a large or complete extent on volunteers who can easily become overwhelmed by the minutiae of just keeping buildings going.

Is there already, and if not should there be, a specific objective for Southampton to be a place with viable, sustainable and accessible community meeting places? Having that objective would then lead to looking at where the Council, within its limited resources, could make a difference. Could it work with partners to enable access to advice on efficient energy use? Of the church halls and community centres I know one has a volunteer with the expertise to know which light bulbs make economic sense to change to LED, whilst others have no idea even how their heating system works. And then could the criteria for Community Chest grants be tweaked to allow applications for energy efficiency measures (like paying for those LED bulbs)? And what about the policies and sample procedures that the City Council has on its website? Traditional churches have long experience of letting out their premises, but a new independent church congregation or faith group taking over an existing hall may not know where to start and so may park the idea of letting out its hall while not using it itself as 'too difficult'. Perhaps example documents like template Terms and Conditions of Use could help.

	<p>Pre pandemic the City Council had a programme of Community Asset Transfer for the community centres it owned, and it would be timely to take stock of how these centres are faring. The transfer of some to West Itchen Community Trust has transparently failed to deliver against the expectation, as the Council's Communities team are aware. Overall, a starting place could be a networking event promoted to the people running the range of buildings which have some community use, to share experience and identify what might help. I'd be happy to be involved in something like that.</p> <p>The skittled out report on community infrastructure concludes by saying 'we must surely start by strengthening what already exists' and that seems very good advice.</p>	
	<b>Cabinet Member Responsible</b>	Cabinet Member for Communities and Customer Engagement – Councillor Kataria
<b>RESPONSE</b>	<p>The Stronger Communities Team assumed responsibly for the CAT transfer process and community building activity more generally in 2020. We recognise that the pandemic has impacted on the operations and viability of community buildings, with many operating with small revenue budgets, but significant capital asset liabilities, often overseen by volunteer committees who have limited time and sometimes experience to maintain a viable operation. We also recognise that there is a role for landlords of community asset transfers to do more to support community associations or charities operating from within community buildings. We are liaising with West Itchen Community Trust, who have themselves been impacted by the pandemic. The Cabinet Member for Communities and Stronger Communities Manager will be meeting with the West Itchen Community Trust to discuss the reported issues, including WICT's plans for the Harefield Community Centre site. We are working with a range of landlords to draw their attention to their responsibilities and have intentions to create a community buildings network. Cost of Living is compounding the impact of the pandemic on revenue streams and the operations of community buildings. The team is aware that there are a range of redundant guidance pages on the SCC website that need updating and is working through how to update these, within the range of priorities set for the team. Separately Stronger Communities is working with a range of community buildings whose primary focus is young people to draw down capital investment from the national Youth Investment Fund and Football Association (investments in Multi-use Games Areas). We would wish to partner with the presenter to achieve some of these goals.</p>	

10.	<b>Lindsi Bluemel</b>
	<p><b>Advanced Stop Lines and lead-in lanes</b></p> <p>Good morning members of the Court Leet. I am here today to raise an issue of concern to cyclists in Southampton. We have a cyclist death rate here in Southampton three times the national average and five cyclists have been killed in the last five years (that's 1% of the UK total yet we have 0.3% of the UK population) Most cycle accidents occur at junctions and any measures to make junctions safer for cyclists must therefore be welcomed. One of these is Advanced Stop Lines at traffic lights, known as ASLs, which I am sure you are all aware of. They allow cyclists to get to the front of the queue at a red light and position themselves so as to be able to turn right safely in advance of other vehicles.</p> <p>However, ASLs only work if cyclists can get to them and this requires what is known as a Lead-in Lane. Historically around the city we had useful lead-in lanes allowing the ASLs to be accessed. However, none of the new ASLs – for example, the one at the Commercial Rd/Wyndham Place junction, have lead-in lanes, making them virtually unusable by cyclists and the old lead-in lanes are, in many cases, being removed. An example of this is at the Bridge Rd/Portsmouth Rd junction in Woolston. Jim Probert, who leads city Skyrides, regularly reports to Cycle Campaign the problems he has when leading a group of cyclists at this junction as they cannot get to the Advanced Stop Lines.</p> <p>This matter has been raised with the city's cycling officer who says he doesn't know why ASLs are being removed and not installed with new ASLs and he doesn't believe there has been a change of planning policy regarding the installation of ASLs. For the last decade, Southampton Cycling Campaign has been telling the Council that ASLs without any means to get to them are useless for cyclists and a waste of Council money. But no-one listens and still new ASLs are being installed – with the good intention of making junctions safer for cyclists – with no lead-in lanes. Locations raised frequently by Southampton cyclists are the ASLs at the Highfield Lane/Portswood Rd junction and at the Platform Rd/Terminus Terrace junction.</p> <p>A further reason for enabling cyclists to get to the front of queuing traffic is that they are otherwise stuck in a queue breathing in toxic fumes – these are always worse when traffic is stationary but with engines running – and cyclists themselves do not contribute at all to the air pollution we have in this city.</p> <p>I have come here to request that the Court Leet asks the Council to reconsider, on grounds of cyclist safety at junctions, its policy of installing ASLs without lead-in lanes and where these have been removed, to re-instate them.</p> <p>Thank you for listening to this presentment.</p>

	<b>Cabinet Member Responsible</b>	Cabinet Member for Transport and District Regeneration – Councillor Keogh
<b>RESPONSE</b>	All new cycle infrastructure in Southampton will need to meet the design standards set out in Local Transport Note (LTN) 1/20 and Council will commit to following those standards. The standards in LTN1/20 aim to create safer infrastructure for cycling. This includes ASLs as part of schemes along with other measures that support safer cycling such as early-release cycle lights, segregated cycle infrastructure etc through schemes funded by TCF, Active Travel Fund or locally.	
<b>11</b>	Mr Trowbridge There maybe citizens of the city here today or in the future who maybe nervous or frighten to read out their presentments. Could I respectfully asks that Court Leet employs a person to read out that citizens presentments on that person's behalf	
	<b>Cabinet Member Responsible</b>	Leader – Councillor Kaur
<b>RESPONSE</b>	Court Leet has always attempted to be as inclusive as possible event. As indicated on the day of the Court the Steward to the Court is always willing to act as a advocate for those Citizens you have described.	
<b>12</b>	Mr Trowbridge Over the year I have attended many functions at the North Guild. From a safety point of view I noticed that the extra seating above at the front there is a balcony rail running the full length of the extra seating, which is not very high and therefore I ask that a plastic screen be put up. Like up at the Houses of Parliament or the rail be increased in height as I have been up there and walked down the stairs to the front and I am in fear of my life as I think I might trip and fall over the balcony onto the floor below.	
	<b>Cabinet Member Responsible</b>	Cabinet Member for Health, Adults and Leisure – Councillor Fielker
<b>RESPONSE</b>	Live Nation operate the Guildhall on behalf of the City Council. Live Nation have a risk assessment in place for the area in question. Putting screens in place creates issues, for example they will interfere with the sound and viewing of the event. There is also the potential that the surface would be used as a projectile if forcibly removed. As the Guildhall is part of the Civic Centre, which is a listed building, listed building consent would need to be sought if screen were needed. Live Nation have stated that if the Council are not happy with the use of this area, as it is then they could look at not allowing public into this area to mitigate the issue completely.	

<b>DECISION-MAKER:</b>	CABINET		
<b>SUBJECT:</b>	FINANCIAL MONITORING FOR THE PERIOD TO THE END OF SEPTEMBER 2022		
<b>DATE OF DECISION:</b>	15 NOVEMBER 2022		
<b>REPORT OF:</b>	CABINET MEMBER FOR FINANCE & CHANGE		
<b><u>CONTACT DETAILS</u></b>			
<b>Executive Director</b>	<b>Title:</b>	Executive Director for Finance, Commercialisation & S151 Officer	
	<b>Name:</b>	John Harrison	<b>Tel:</b> 023 80834897
	<b>E-mail:</b>	<a href="mailto:John.Harrison@southampton.gov.uk">John.Harrison@southampton.gov.uk</a>	
<b>Author:</b>	<b>Title:</b>	Head of Financial Planning & Management	
	<b>Name:</b>	Steve Harrison	<b>Tel:</b> 0739 2864525
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<b>STATEMENT OF CONFIDENTIALITY</b>
N/A
<b>BRIEF SUMMARY</b>
<p>The report summarises the General Revenue Fund, Housing Revenue Account (HRA) and Collection Fund financial position for the Council as at the end of September 2022 and informs Cabinet of any major changes in the overall General Fund and HRA capital programme for the period 2022/23 to 2026/27.</p> <p>The General Revenue Fund deficit for the year as outlined in this report is £9.59M as at 30 September 2022 after taking account of £4.02M agreed in-year savings, with the most significant deficit being for the Children &amp; Learning portfolio (£9.43M). Mitigation plans to reduce the forecast deficit have been developed and put into action, however are unlikely to reduce the deficit in full. Ultimately any persisting deficit would need to be met from corporate resources and would therefore impact on the council's future financial resilience and the resources available to help address the £28.90M revised budget shortfall in 2023/24 noted in the Budget Update report to Cabinet on 8 November 2022.</p>

<b>RECOMMENDATIONS:</b>	
	<p><b><u>General Revenue Fund</u></b></p> <p>It is recommended that Cabinet:</p>
i)	Notes the forecast outturn position is a £9.59M deficit, after taking account of £4.02M agreed in-year savings, as outlined in paragraph 4 and in paragraph 1 of appendix 1.
ii)	Notes the performance of treasury management, and financial outlook in paragraphs 5 to 8 of appendix 1.
iii)	Notes the forecast year end position for reserves and balances as detailed in paragraphs 9 and 10 of appendix 1.

	iv)	Notes the Key Financial Risk Register as detailed in paragraph 11 of appendix 1.
	v)	Notes the performance against the financial health indicators detailed in paragraphs 15 and 16 of appendix 1.
	vi)	Notes the forecast outturn position outlined in the Collection Fund Statement detailed in paragraphs 19 to 22 of appendix 1.
<p><b><u>Housing Revenue Account</u></b> It is recommended that Cabinet:</p>		
	vii)	Notes the forecast outturn position is a nil variance against budget as outlined in paragraph 5 and paragraph 17 of appendix 1.
<p><b><u>Capital Programme</u></b> It is recommended that Cabinet:</p>		
	viii)	Notes the revised General Fund Capital Programme, which totals £353.13M as detailed in paragraph 1 of appendix 2.
	ix)	Notes the HRA Capital Programme is £267.12M as detailed in paragraph 1 of appendix 2.
	x)	Approves the addition of £1.32M to the Economic Development programme, along with approval to spend, as detailed in paragraph 4 of appendix 2.
	xi)	Approves the reduction of £0.25M to the Communities & Customer Engagement programme, as detailed in paragraph 5 of appendix 2.
	xii)	Approves the net reduction of £7.11M to the Finance & Change programme, as detailed in paragraphs 6-8 of appendix 2.
	xiii)	Approves the reduction of £0.50M to the Health, Adults & Leisure programme, as detailed in paragraph 9 of appendix 2.
	xiv)	Approves the net reduction of £1.30M to the Housing & Green Environment programme, as detailed in paragraphs 10 and 11 of appendix 2.
	xv)	Approves the addition of £0.5M to the Safer City programme, along with approval to spend, as detailed in paragraph 12 of appendix 2.
	xvi)	Approves the net addition of £0.38M to the Transport & District Regeneration programme, along with approval to spend, as detailed in paragraphs 13-16 of appendix 2.
	xvii)	Approves slippage and rephasing of £18.69M (£14.95M of General Fund and £3.74M of HRA) as detailed in paragraphs 17 and 18 of appendix 2. Noting that the movement has zero net movement over the 5-year programme.
	xviii)	Notes that the overall forecast position for 2022/23 at quarter 2 is £162.99M, resulting in a potential surplus of £5.42M, as detailed in paragraphs 19 and 20 of appendix 2.
	xix)	Notes that the capital programme remains fully funded up to 2026/27 based on the latest forecast of available resources although the forecast can be subject to change; most notably regarding the value



	and timing of anticipated capital receipts and the use of prudent assumptions of future government grants to be received.
<b>REASONS FOR REPORT RECOMMENDATIONS</b>	
1.	To ensure that Cabinet fulfils its responsibilities for the overall financial management of the Council's resources.
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>	
2.	Not Applicable.
<b>DETAIL (including consultation carried out)</b>	
	<b><u>Revenue</u></b>
3.	The financial position for the General Revenue Fund, Housing Revenue Account (HRA) and Collection Fund for the Council as at the end of September 2022 and key issues are summarised in appendix 1.
4.	The current forecast spending against the council's net General Fund revenue budget for the year of £193.05M is projected to be a £9.59M deficit, after taking account of £4.02M agreed in-year savings, an improvement of £5.65M from the position forecast at the end of June 2022. This is a significant adverse variance which has on-going consequences for the Council's financial sustainability. The most significant deficit is for Children & Learning (£9.43M) and Health, Adults & Leisure has a forecast deficit of £3.37M after using £1.91M of reserves to help meet pressures. Mitigation plans to reduce the forecast deficit have been developed and put into action, however are unlikely to reduce the deficit in full. Ultimately any persisting deficit would need to be met from corporate resources, which would therefore impact on the council's future financial resilience and the resources available to help address the £28.90M revised budget shortfall in 2023/24 noted in the Budget Update report to Cabinet on 8 November. The 2023/24 revised budget shortfall is after taking account of £17.05M draft savings proposals.
5.	The forecast position for the HRA is a nil variance against the budgeted deficit of £0.92M, with a forecast surplus of £0.62M against an expenditure budget of £77.33M offset by a forecast deficit of £0.62M against an income budget of £76.41M. This is no change from the position forecast at the end of June 2022.
	<b><u>Capital</u></b>
6.	Appendix 2 sets out any major changes in the overall General Fund and Housing Revenue Account (HRA) capital programme for the period 2022/23 to 2026/27, highlighting the changes in the programme since the last reported position in August 2022. The report also notes the major forecast variances against the approved estimates.
7.	Due to the current financial environment, there has been a need to review the programme, against the backdrop of rising inflation which is significantly increasing construction costs and rising interest rates which has seen the cost of borrowing more than double since the budgets were set in February 2022.

	This review has resulted in £18.69M of slippage (£14.95M General Fund and £3.74M HRA) from 2022/23 into later years, as detailed in paragraphs 17 and 18 of appendix 2 and an overall reduction to the programme of £5.97M (£6.37M General Fund reduction and £0.40M HRA addition)
8.	The current forecast position for 2022/23 at quarter 2 is £162.99M, resulting in a potential surplus of £5.42M, as detailed in paragraphs 19 and 20 of appendix 2.
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
9.	The revenue and capital implications are contained in the report.
<b><u>Property/Other</u></b>	
10.	There are no specific property implications arising from this report other than the schemes already referred to within appendix 2 of the report.
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
11.	Financial reporting is consistent with the Section 151 Officer's duty to ensure good financial administration within the Council.
<b><u>Other Legal Implications:</u></b>	
12.	None.
<b>RISK MANAGEMENT IMPLICATIONS</b>	
13.	See comments within report.
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
14.	The update of the Capital Programme forms part of the overall Budget Strategy of the Council.

**KEY DECISION?** No

<b>WARDS/COMMUNITIES AFFECTED:</b>	All
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### **SUPPORTING DOCUMENTATION**

#### **Appendices**

1.	Revenue Financial Monitoring
2.	Capital Financial Monitoring

#### **Documents In Members' Rooms**

1.	None
<b>Equality Impact Assessment</b>	

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out?	No
<b>Privacy Impact Assessment</b>	
Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out?	No
<b>Other Background Documents</b>	
<b>Equality Impact Assessment and Other Background documents available for inspection at:</b>	
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	The Revenue Budget 2022/23, Medium Term Financial Strategy and Capital Programme (Council 23 February 2022)	
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**REVENUE FINANCIAL MONITORING FOR THE PERIOD TO SEPTEMBER 2022**

**FINANCIAL POSITION**

1. The current forecast spending against the Council’s net General Fund revenue budget for the year is projected to be a deficit of £9.59M after taking account of £4.02M agreed in-year savings. This is a significant adverse variance which has on-going consequences for the Council’s financial sustainability. This is summarised in Table 1 below.

**Table 1 – General Revenue Fund Forecast 2022/23**

	<b>Budget Qtr 2 £M</b>	<b>Annual Forecast Qtr 2 £M</b>	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Variance Movement from Qtr 1 £M</b>
Portfolios Net Expenditure	213.34	229.57	16.23 A	15.26 A	0.97 A
Non-Portfolio Net Expenditure	(20.29)	(22.89)	2.60 F	0.00	2.60 F
<b>Net Revenue Expenditure</b>	<b>193.05</b>	<b>206.68</b>	<b>13.63 A</b>	<b>15.26 A</b>	<b>1.63 F</b>
Financing	(193.05)	(193.07)	0.02 F	0.02 F	0.00
<b>(Surplus) / Deficit for the year</b>	<b>0.00</b>	<b>13.61</b>	<b>13.61 A</b>	<b>15.24 A</b>	<b>1.63 F</b>
Further in-year savings agreed	0.00	(4.02)	4.02 F	0.00	4.02 F
<b>(Surplus) / Deficit after in-year savings</b>	<b>0.00</b>	<b>9.59</b>	<b>9.59 A</b>	<b>15.24 A</b>	<b>5.65 F</b>

NB Numbers are rounded

2. More detail, including explanations of significant movements in variances between quarter 1 and quarter 2 (in excess of £0.2M) is provided in Annex 1.1.

3. The most significant adverse variance is in the Children & Learning portfolio, which is forecast to be in deficit by £9.43M. This deficit relates primarily to Pathways Through Care (£5.57M), with placement numbers not reducing as planned, Home to School Transport (£1.13M), with increased numbers of eligible pupils, and agency staff costs within Safeguarding (£1.81M). The Health, Adults & Leisure portfolio is also forecasting a £3.37M deficit after using £1.91M of reserves to help meet pressures, relating mainly to increases in the costs of care packages. £2.29M of the adverse variances for portfolios relates to increased energy costs.
- Mitigation plans to reduce the forecast deficit have been developed and put into action, however are unlikely to reduce the deficit in full. In-year savings of around £4.02M have been agreed so far to help reduce the deficit, as shown in Table 1. Ultimately any persisting deficit would need to be covered by corporate resources

	which would therefore impact on the council's future financial resilience and the resources available to help address the revised £28.90M budget shortfall in 2023/24 noted in the Budget Update report to Cabinet on 8 November 2022.
	<b><u>Implementation of Savings Proposals</u></b>
4.	Of the £9.09M savings plans included within the 2022/23 budget £3.56M (39%) have been achieved or are on track to be achieved before the end of this financial year. The balance of £5.53M (61%) are currently not forecast to be achieved and are included in the adverse variances reported for portfolios, with the majority being within Children & Learning. These represent a risk until all management actions required to deliver the savings are complete or alternative savings achieved.
	<b><u>Treasury Management</u></b>
5.	Treasury Management borrowing and investment balances as at 30 September 2022 and forecasts for the year-end are set out in Annex 1.2. After taking into account maturing and new debt requirements in year and a forecast reduction in investment balances, net borrowing is expected to increase to £298.52M for 2022/23. This will change throughout the year as capital plans firm up and actual cash flow are known. The forecast cost of financing the council's loan debt is £16.71M of which £5.49M relates to the HRA, however this will be subject to movement as the need for further borrowing for the remainder of the year becomes more certain.
6.	Although we currently do not have any short term debt, we anticipate borrowing short term before year end to replace maturing long term debt, expected reduction in reserves and to fund the capital programme for the year, until a decision is taken with regards to long term borrowing. Any increase in short term borrowing costs will be offset by a reduction in long term costs.
7.	The Council will continue to monitor the financial markets closely, given recent turbulence and market uncertainty, and provide updates via the Treasury Management reports to Governance Committee.
8.	Annex 1.2 includes an overview of current performance along with an update on the financial outlook. The Council approved a number of indicators at its meeting in February 2022. The Council has operated within the agreed prudential indicators for the first 6 months of the year and is forecast to do so for the remainder of the year.
	<b><u>Reserves &amp; Balances</u></b>
9.	The General Fund Balance is currently £10.07M with no planned drawdown during the year.
10.	At the 31 March 2022, earmarked revenue reserves totalled £96.19M, plus Schools Balances totalling £5.70M. The balance at 31 March 2022 included revenue grants totalling £20.93M carried forward via the Revenue Grants Reserve - General, of which £16.89M relate to COVID-19. All of the grants carried forward are expected to be used in 2022/23. The estimated forecast position as at the 31 March 2023 (excluding Schools Balances) is £52.15M. This doesn't include the cumulative deficit on the Dedicated Schools Grant which is being held in a separate account as noted in paragraph 14. The council holds a Medium Term Financial Risk (MTFR) Reserve, which exists to provide cover for a variety of anticipated risks such as future funding via Government financial settlements, budget management issues including any non-delivery of expected savings and unexpected events that produce financial 'shocks'.

	<p>£1.91M being held in the MFR Reserve for Adult Social Care cost pressures has been applied this quarter. The MFR reserve is currently estimated as having a £41.19M balance unallocated at the end of the end of the MTFS period, however this doesn't include any contribution towards the remaining in-year deficit highlighted in paragraph 1 or budget shortfall for 2023/24. This reserve is also important as it creates some capacity for transformation and invest to save measures and therefore helps to provide both financial resilience and support financial sustainability.</p>
	<p><b><u>Key Financial Risks</u></b></p>
11.	<p>The Council maintains a financial risk register which details the key financial risks that face the Council at a given point in time. It is from this register that the level of balances and reserves is determined when the budget is set at the February Council meeting. The register has been reviewed and is attached as Annex 1.3.</p>
	<p><b><u>Schools</u></b></p>
12.	<p>As at 30 September 2022 there were 11 schools reporting a deficit balance totalling £4.2M which compares to deficits totalling £3.6M at the end of the last financial year (2021/22). There are 30 schools forecasting a surplus balance of £6.4M which compares to surpluses totalling £9.3M at the end of the last financial year. The net position is therefore a £2.2M surplus.</p> <p>Three schools have been issued with notices of concern regarding their budget position. Support and guidance are being provided by council services to assist the schools to develop Deficit Recovery Plans (DRP). These schools will be carefully monitored and further actions cannot be ruled out to ensure improved financial management.</p>
13.	<p>The current 3-year deficit recovery timetable for schools in deficit to get back to a balanced budget may be extended to 5 years if necessary, for schools that have experienced significant COVID-19 pressures.</p>
	<p><b><u>Dedicated Schools Grant (DSG) 2022/23</u></b></p>
14.	<p>The forecast outturn for the Dedicated Schools Grant (DSG) as at the end of September 2022 is a £10.24M cumulative deficit. The deficit is forecast to increase by £0.2M compared with the position as at the end of quarter 1 due to higher demand and an increase in unit costs. The deficit is being driven primarily by the significant year on year increases in Education Health Care Plans (EHCPs) and with higher levels of needs in these plans. The Special Education Needs &amp; Disabilities (SEND) team have an ongoing strategic review of the High Needs activity to manage demand for SEND services. This includes increasing resources for earlier intervention and providing additional places in special schools to reduce the number of pupils being placed in highly expensive placements in independent school settings. An increase in pressures on High Needs services continue as a nationally recognised issue with significant pressures being reported in most local authorities. The increase in High Needs funding in 2022/23 will help mitigate some of the pressure being experienced and further work is being undertaken as part of the DfE programme Delivering Better Value in SEND. The Schools Budget is ring-fenced and presently the DSG deficit is subject to a statutory override which means that the deficit will not impact on the wider council services or council tax payers. The statutory override is in place until March 2023.</p>

**Financial Health Indicators**

15. In order to make an overall assessment of the financial performance of the authority it is necessary to look beyond pure financial monitoring and take account of the progress against defined indicators of financial health. Annex 1.4 outlines the performance to date, and in some cases the forecast, against a range of financial indicators which will help to highlight any potential areas of concern where further action may be required.

16. For Treasury Management, rates for new long term borrowing are higher than budgeted and are on an upward trend. However, the higher interest rates are having a positive impact on investment income and this partly mitigates the impact on the revenue budget. A review of the General Fund capital programme has taken place in an effort to reduce the borrowing need in year.

For Income Collection, average days sales outstanding and outstanding debt more than 12 months old are below target, however performance has improved since quarter 1. Performance is being impacted by resourcing the implementation of new systems as well as vacancies and staff absence within the debt collection team. Recovery of new debt is being prioritised over old (as more chance of recovery). Planned system improvements are expected to help improve performance.

For Creditor Payments, the percentage of valid and undisputed invoices paid within 30 days is below target and performance has deteriorated since quarter 1. A dashboard is being developed to better identify non-compliance and to help target training to improve performance.

**Housing Revenue Account**

17. The Housing Revenue Account is forecast to have a nil variance against the budgeted deficit for the year, no movement from the position reported at quarter 1, as summarised in Table 2 below.

**Table 2 – Housing Revenue Account Forecast 2022/23**

	<b>Budget Qtr 2 £M</b>	<b>Annual Forecast Qtr 2 £M</b>	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Variance Movement from Qtr 1 £M</b>
Expenditure	77.33	76.71	0.62 F	0.62 F	0.00
Income	(76.41)	(75.79)	0.62 A	0.62 A	0.00
<b>(Surplus) / Deficit for the year</b>	<b>0.92</b>	<b>0.92</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

NB Numbers are rounded

18. Details of significant movements in variances between quarter 1 and quarter 2 are provided in Annex 1.5.

**Collection Fund**

19. Annex 1.6 shows the forecast outturn position for the Collection Fund at quarter 2, with the position summarised in Table 3.



**Table 3 – Collection Fund Forecast 2022/23**

	<b>Council Tax £M</b>	<b>Business Rates £M</b>	<b>Total £M</b>
Distribution of previous years' estimated surplus/(contribution towards estimated deficit)	2.92	(24.27)	(21.35)
Net income and expenditure for 2022/23	(0.45)	0.43	(0.02)
<b>(Surplus)/Deficit for the year</b>	<b>2.47</b>	<b>(23.84)</b>	<b>(21.38)</b>
(Surplus)/Deficit brought forward from 2021/22	(2.76)	17.11	14.35
<b>Overall (Surplus)/Deficit Carried Forward</b>	<b>(0.29)</b>	<b>(6.73)</b>	<b>(7.03)</b>
<b>SCC Share of (Surplus)/Deficit</b>	<b>(0.25)</b>	<b>(3.30)</b>	<b>(3.55)</b>
Add: Variance in SCC Government grant income for business rates reliefs for 2022/23		(1.18)	(1.18)
Add: SCC Government grant income shortfall carried forward from 2021/22 due to deferral of CARF scheme, to be repaid to reserves in 2023/24		4.43	4.43
<b>SCC Net Share of (Surplus)/Deficit after Government Grant adjustments to be taken into account in 2023/24 budget setting*</b>	<b>(0.25)</b>	<b>(0.05)</b>	<b>(0.29)</b>

NB Numbers are rounded

\*£1.20M of the 2020/21 in-year deficit estimated at January 2021 is already included for 2023/24 in the Medium Term Financial Strategy (final year of the exceptional deficit required to be spread over 3 years).

20. The position on the Collection Fund as a whole is a surplus to be carried forward of £7.03M. Most of the surplus relates to business rates and comprises a £7.16M favourable variance in the 2021/22 outturn deficit (after excluding the £1.99M 2020/21 exceptional deficit being carried forward into 2023/24) and an in-year deficit of £0.43M. The deficit brought forward was lower than had been estimated in January 2022 mainly because reliefs under the COVID Additional Relief Fund (CARF) scheme announced in December 2021 were deferred until 2022/23. The in-year deficit is primarily due to backdated CARF relief (£8.89M), offset by lower retail, hospitality & leisure reliefs (£6.17M) and empty property relief (£2.17M) than estimated when the budget was set. This forecast is based on bills raised for 2022/23 as at the end of September 2022.

21. Both the CARF and retail, hospitality & leisure reliefs are funded by Government grant, so changes to these forecasts impact on the grant income receivable to the General Fund. The table shows the net impact for SCC only as a forecast surplus of £0.05M for business rates, once the variance to Government grant for business rates relief for 2022/23 and the repayment to reserves for the shortfall in CARF grant income carried forward from 2021/22 are factored in.

22.	Significant uncertainty still underpins any estimate relating to the economic effects of high inflation and the cost of living crisis, together with any ongoing effects of the COVID-19 pandemic. As a risk area to the SCC budget, financial trends will be carefully monitored.
<b>Conclusion and Outlook</b>	
23.	Despite actions being taken to help address the financial position a significant forecast deficit remains. The council continues to face severe financial pressures, not only from high demand for services, particularly within Children's & Learning, but also due to the impact of high levels of inflation. The pay award for 2022/23 has yet to be settled and the Local Government Employer's offer of a flat rate increase of £1,925 (equivalent to 5.6% for the council) is being considered by the trade unions. This compares with 2.5% provided for within the budget. Although this additional cost could be accommodated within the contingency budget, this would wipe out the contingency budget for future years.
24.	While the council has sufficient reserves and contingency to meet these financial pressures in the short term, any use of these resources in 2022/23 would reduce the amount available to help address the shortfall between the Council's budgeted expenditure and anticipated funding in future years. The Budget Update report to Cabinet on 8 November 2022 showed a budget shortfall of £28.90M for 2023/24, even after draft savings proposals are taken into account, due to the high demand for services and inflationary pressures currently being experienced.

## Annexes

1. General Revenue Fund Forecast Qtr 2 2022/23
2. Treasury Management Qtr 2 2022/23
3. Key Financial Risk Register Qtr 2 2022/23
4. Health Indicators Qtr 2 2022/23
5. HRA Forecast Qtr 2 2022/23
6. Collection Fund Qtr 2 2022/23

# Agenda Item 10

Appendix 2

## OVERALL GENERAL REVENUE FUND FORECAST OUTTURN POSITION FOR 2022/23

Portfolio	Budget Qtr 2	Annual Forecast Qtr 2	Forecast Variance Qtr 2	Forecast Variance Qtr 1	Variance Movement from Qtr 1
	£M	£M	£M	£M	£M
Children & Learning	58.60	68.03	9.43 A	9.19 A	0.24 A
Communities& Customer Engagement	5.75	6.45	0.71 A	0.65 A	0.06 A
Economic Development	3.03	4.42	1.38 A	0.80 A	0.58 A
Finance & Change	38.24	40.48	2.24 A	1.19 A	1.04 A
Health, Adults & Leisure	84.67	88.04	3.37 A	2.39 A	0.98 A
Housing & the Green Environment	8.37	8.55	0.18 A	0.03 A	0.15 A
Leader	12.53	12.78	0.26 A	0.64 A	0.38 F
Safer City	1.32	1.39	0.07 A	0.04 A	0.03 A
Transport & District Regeneration	0.83	(0.57)	1.40 F	0.33 A	1.73 F
<b>Total Portfolios</b>	<b>213.34</b>	<b>229.57</b>	<b>16.23 A</b>	<b>15.26 A</b>	<b>0.97 A</b>
Levies & Contributions	0.09	0.09	0.00	0.00	0.00
Capital Asset Management	10.79	8.19	2.60 F	0.00	2.60 F
Other Expenditure & Income	(31.17)	(31.17)	0.00	0.00	0.00
<b>Net Revenue Expenditure</b>	<b>193.05</b>	<b>206.68</b>	<b>13.63 A</b>	<b>15.26 A</b>	<b>1.63 F</b>
Council Tax	(111.24)	(111.24)	0.00	0.00	0.00
Business Rates	(32.78)	(32.78)	0.00	0.00	0.00
Non-Specific Government Grants	(49.03)	(49.05)	0.02 F	0.02 F	0.00
<b>Total Financing</b>	<b>(193.05)</b>	<b>(193.07)</b>	<b>0.02 F</b>	<b>0.02 F</b>	<b>0.00</b>
<b>(Surplus)/Deficit</b>	<b>0.00</b>	<b>13.61</b>	<b>13.61 A</b>	<b>15.24 A</b>	<b>1.63 F</b>
Further in-year savings agreed	0.00	(4.02)	4.02 F	0.00	4.02 F
<b>(Surplus)/Deficit after in-year savings</b>	<b>0.00</b>	<b>9.59</b>	<b>9.59 A</b>	<b>15.24 A</b>	<b>5.65 F</b>

NB Numbers are rounded

## EXPLANATIONS BY PORTFOLIO

### 1. CHILDREN & LEARNING PORTFOLIO

#### KEY REVENUE ISSUES – QUARTER 2 2022/23

The Portfolio is currently forecast to have a deficit of **£9.43M**, which represents a percentage variance against budget of 16.1%. The Portfolio forecast variance has moved adversely by **£0.24M** from the position reported at quarter 1.

	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Movement from Qtr 1 £M</b>	<b>% of budget</b>
<b>Portfolio Forecast Outturn</b>	<b>9.43 A</b>	<b>9.19 A</b>	<b>0.24 A</b>	<b>16.1</b>

A summary of the Portfolio forecast variance and movement since quarter 1 is shown in the table below:

<b>Service Area</b>	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Variance Movement from Qtr 1 £M</b>
Divisional Management & Legal	0.22 A	0.21 A	0.01 A
Education - Home to school transport and property management	1.13 A	1.58 A	0.45 F
Education - Services for schools, High Needs	0.21 A	0.18 A	0.03 A
Pathways Through Care	5.57 A	5.63 A	0.06 F
Young Peoples Service	0.10 A	0.00	0.10 A
Quality Assurance Business Unit	0.33 A	0.00	0.33 A
Safeguarding	1.81 A	1.55 A	0.26 A
Other	0.06 A	0.05 A	0.01 A
<b>Total</b>	<b>9.43 A</b>	<b>9.19 A</b>	<b>0.24 A</b>

The SIGNIFICANT movements between quarter 1 and quarter 2 for the Portfolio are:

Service Area	Movement in Forecast Variance Between Qtr 1 and Qtr 2 £M	Explanation:
Education - Home to school transport and property management	0.45 F	As at Quarter 2 the favourable movement of £0.45M since Quarter 1 is largely as a result of work to identify potential income due to the Council.
Quality Assurance Business Unit	0.33 A	As at Quarter 2 there is an adverse variance movement of £0.33M since Quarter 1 due to additional agency staff required in the service. This primarily relates to the need for Independent Reviewing Officers (high numbers of children in care combined with government guidance about Independent Reviewing Officer caseloads) and also Child Protection Chairs, in particular to ensure that we have sufficient capacity to chair Risk of Harm Outside the Home (ROTH) conferences. In Workforce Development there is a non-negotiable requirement to provide ring-fenced support to 17 Newly Qualified Social Workers during their first year. A business case has been submitted to convert these essential posts to fixed term contracts, at a significantly lower cost than agency staff.
Safeguarding	0.26 A	As at Quarter 2 there is an adverse variance movement of £0.26M since Quarter 1 relating to the high number of inexperienced permanent staff within the service and the need to hold agency staff whilst gradually building up their caseloads. The service now has 90% permanent staffing which is a significant improvement, but there is a need to maintain a level of experience via agency workers to ensure that children receive the service they need. Of the 17 Newly Qualified Social Workers (NQSW) across the service most were not registered until August/September. This meant that they could not hold statutory cases. In addition, there have been delays in the arrival of some South African social workers and some have not yet arrived. This has affected case holding space within the service. As case holding for South African SWs and NQSWs increases, less additional agency will be required.

## 2. COMMUNITIES & CUSTOMER ENGAGEMENT PORTFOLIO

### KEY REVENUE ISSUES – QUARTER 2 2022/23

The Portfolio is currently forecast to have a deficit of **£0.71M**, which represents a percentage variance against budget of 12.3%. The Portfolio forecast variance has moved adversely by **£0.06M** from the position reported at quarter 1.

	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Movement from Qtr 1 £M</b>	<b>% of budget</b>
<b>Portfolio Forecast Outturn</b>	<b>0.71 A</b>	<b>0.65 A</b>	<b>0.06 A</b>	<b>12.3%</b>

A summary of the Portfolio forecast variance and movement since quarter 1 is shown in the table below:

<b>Service Area</b>	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Variance Movement from Qtr 1 £M</b>
Bereavement Service	0.65 A	0.60 A	0.05 A
Libraries	0.03 A	0.05 A	0.02 F
Stronger Communities	0.03 A	0.00	0.03 A
Other	0.00	0.00	0.00
<b>Total</b>	<b>0.71 A</b>	<b>0.65 A</b>	<b>0.06 A</b>

There were no SIGNIFICANT movements between quarter 1 and quarter 2 for the Portfolio.

### 3. ECONOMIC DEVELOPMENT PORTFOLIO

#### KEY REVENUE ISSUES – QUARTER 2 2022/23

The Portfolio is currently forecast to have a deficit of **£1.38M**, which represents a percentage variance against budget of 45.5%. The Portfolio forecast variance has moved adversely by **£0.58M** from the position reported at quarter 1.

	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Movement from Qtr 1 £M</b>	<b>% of budget</b>
<b>Portfolio Forecast Outturn</b>	<b>1.38 A</b>	<b>0.80 A</b>	<b>0.58 A</b>	<b>45.5%</b>

A summary of the Portfolio forecast variance and movement since quarter 1 is shown in the table below:

<b>Service Area</b>	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Variance Movement from Qtr 1 £M</b>
Facilities Management	0.68 A	0.45 A	0.23 A
Central Repairs & Maintenance	0.24 A	0.00	0.24 A
Sustainability	0.15 A	0.00	0.15 A
Planning	0.14 A	0.08 A	0.06 A
Economic Development	0.08 A	0.05 A	0.03 A
Property Services	0.06 A	0.00	0.06 A
Property Portfolio Management	0.03 A	0.22 A	0.19 F
<b>Total</b>	<b>1.38 A</b>	<b>0.80 A</b>	<b>0.58 A</b>

The SIGNIFICANT movements between quarter 1 and quarter 2 for the Portfolio are:

Service Area	Movement in Forecast Variance Between Qtr 1 and Qtr 2 £M	Explanation:
Facilities Management	0.23 A	The adverse pressure is due to energy costs for administrative buildings including electricity and geothermal costs. The movement in the quarter is due to updated market rates increasing the forecast.
Central Repairs & Maintenance	0.24 A	The adverse movement in the quarter is due to the estimated revenue costs associated with the rationalisation of administrative buildings.



#### 4. FINANCE & CHANGE PORTFOLIO

##### KEY REVENUE ISSUES – QUARTER 2 2022/23

The Portfolio is currently forecast to have a deficit of **£2.24M**, which represents a percentage variance against budget of 5.8%. The Portfolio forecast variance has moved adversely by **£1.04M** from the position reported at quarter 1.

	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Movement from Qtr 1 £M</b>	<b>% of budget</b>
<b>Portfolio Forecast Outturn</b>	<b>2.24 A</b>	<b>1.19 A</b>	<b>1.04 A</b>	<b>5.8%</b>

A summary of the Portfolio forecast variance and movement since quarter 1 is shown in the table below:

<b>Service Area</b>	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Variance Movement from Qtr 1 £M</b>
Accounts Payable	0.15 A	0.00	0.15 A
Business Support	0.27 A	0.25 A	0.02 A
City Services - Waste Operations	0.50 F	0.06 F	0.44 F
Commercialisation	0.23 A	0.00	0.23 A
Corporate Finance	0.11 A	0.00	0.11 A
Highways Contracts	0.05 F	0.37 A	0.42 F
IT Services	0.73 A	0.70 A	0.03 A
Local Taxation & Benefits	0.90 A	0.00	0.90 A
Supplier Management	0.42 A	0.00	0.42 A
Other	0.02 F	0.07 F	0.05 A
<b>Total</b>	<b>2.24 A</b>	<b>1.19 A</b>	<b>1.04 A</b>

The SIGNIFICANT movements between quarter 1 and quarter 2 for the Portfolio are:

Service Area	Movement in Forecast Variance Between Qtr 1 and Qtr 2 £M	Explanation:
City Services - Waste Operations	0.44 F	The favourable movement in quarter 2 is predominately from a change in how the Fleet recharge rate for older vehicles is calculated to better reflect the whole life costs of the vehicles. There is a corresponding adverse variance in income in the Fleet Service.
Commercialisation	0.23 A	The existing Commercialisation savings target is £0.56M for this service area. Work has started to review fees and charges across all council services which is forecast to achieve additional income of £0.27M against the Commercialisation efficiency target. This is in part offset by the saving of £0.06M from the Commercialisation Manager post being vacant. The review of efficiency targets was undertaken in Q2.
Highways Contracts	0.42 F	The favourable movement in the forecast of £0.42M for this budget is as a result of the renegotiation of the PFI contract resulting in a favourable General Fund saving of £0.85M in Q2. This saving is offset by an increase in the forecast adverse position in the electricity costs budget for street lighting of £0.43M.
Local Taxation & Benefits	0.90 A	There is an estimated shortfall of £0.90M in the income budget for charges for council tax court costs. This budget will need to be reviewed as part of the forthcoming budget process. The court costs income budget was reviewed and assessed in Q2.
Supplier Management	0.42 A	There is a forecast adverse variance of £0.42M for the Supplier Management Service. The service is forecast to achieve £0.43M of their overall efficiency savings targets of £0.95M in the current financial year leaving an adverse variance of £0.52M. However, savings within the staffing budget due to staff vacancies are currently forecast to be £0.1M in the current year which reduces the overall adverse variance for the service to £0.42M. The review of efficiency targets was undertaken in Q2.

## 5. HEALTH, ADULTS & LEISURE PORTFOLIO

### KEY REVENUE ISSUES – QUARTER 2 2022/23

The Portfolio is currently forecast to have a deficit of **£3.37M**, which represents a percentage adverse variance against budget of 4.0%. The Portfolio forecast variance has moved adversely by **£0.98M** from the position reported at quarter 1

	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Movement from Qtr 1 £M</b>	<b>% of budget</b>
<b>Portfolio Forecast Outturn</b>	<b>3.37 A</b>	<b>2.39 A</b>	<b>0.98 A</b>	<b>4.0%</b>

A summary of the Portfolio forecast variance and movement since quarter 1 is shown in the table below:

<b>Service Area</b>	<b>Forecast Variance Quarter 2 £M</b>	<b>Forecast Variance Quarter 1 £M</b>	<b>Variance Movement from Qtr 1 £M</b>
Adults - Adult Services Management	0.32 F	0.10 F	0.22 F
Adults - Long Term	1.21 A	1.23 A	0.02 F
Adults - Provider Services	0.28 A	0.08 A	0.20 A
Adults - Reablement & Hospital Discharge	0.66 A	0.22 A	0.44 A
Adults - Safeguarding Adult Mental Health & Out Of Hours	0.88 A	0.25 A	0.63 A
ICU - Provider Relationships	0.63 A	0.65 A	0.02 F
ICU - System Redesign	0.04 A	0.06 A	0.02 F
<b>Total</b>	<b>3.37 A</b>	<b>2.39 A</b>	<b>0.98 A</b>

SIGNIFICANT movements between quarter 1 and quarter 2 for the Portfolio are:

Service Area	Movement in Forecast Variance Between Qtr 1 and Qtr 2 £M	Explanation
Adults - Safeguarding Adult Mental Health & Out of Hours	0.63 A	As at Quarter 2 there is a £0.63M adverse variance movement since Quarter 1 due to a net increase in the numbers of new clients and increase in cost of existing client packages for residential, nursing and direct payments.
Adults - Reablement & Hospital Discharge	0.44 A	As at Quarter 2 there is a £0.44M adverse variance movement since Quarter 1 due to additional costs of Discharge to Assess Care Act Assessments contract outsourced to an external provider, 50% of costs shared with the Clinical Commissioning Group.
Adults - Adult Services Management	0.22 F	As at Quarter 2 there is a £0.22M favourable variance movement since Quarter 1 due to a review of learning and development spend mainly taking into account essential spend criteria updates amounting to a £0.10M favourable variance, and a review of resources with some posts no longer being recruited to in 2022/23 amounting to a £0.12M favourable variance.
Adults - Provider Services	0.20 A	As at Quarter 2 there is a £0.20M adverse variance movement since Quarter 1 due to a forecast increase of overtime and external agency staffing at Kentish Rd and Holcroft House.

## 6. HOUSING & THE GREEN ENVIRONMENT PORTFOLIO

### KEY REVENUE ISSUES – QUARTER 2 2022/23

The Portfolio is currently forecast to have a deficit of **£0.18M**, which represents a percentage variance against budget of 2.2%. The Portfolio forecast variance has moved adversely by **£0.15M** from the position reported at quarter 1.

	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Movement from Qtr 1 £M</b>	<b>% of budget</b>
<b>Portfolio Forecast Outturn</b>	<b>0.18 A</b>	<b>0.03 A</b>	<b>0.15 A</b>	<b>2.2%</b>

A summary of the Portfolio forecast variance and movement since quarter 1 is shown in the table below:

<b>Service Area</b>	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Variance Movement from Qtr 1 £M</b>
Air Quality Monitoring	0.08 F	0.00	0.08 F
City Services – Commercial Services	0.03 F	0.07 F	0.04 A
City Services – District Areas	0.21 A	0.27 A	0.06 F
City Services – Trees & Ecology	0.08 F	0.09 F	0.01 A
City Services – Trading areas (Fleet & Landscapes)	1.27 A	0.07 F	1.34 A
Flood Risk Management	0.08 F	0.00	0.08 F
Housing Needs	1.00 F	0.00	1.00 F
Other	0.02 F	0.01 F	0.01 F
<b>Total</b>	<b>0.18 A</b>	<b>0.03 A</b>	<b>0.15 A</b>

The SIGNIFICANT movements between quarter 1 and quarter 2 for the Portfolio are:

Service Area	Movement in Forecast Variance Between Qtr 1 and Qtr 2 £M	Explanation:
City Services – Trading (Fleet & Landscapes)	1.34 A	There is an adverse movement in the forecast of £1.34M for the Fleet service following a change in how older vehicles are recharged across the authority. There are favourable variances across other services and in the Housing Revenue Account to offset the adverse variance in Fleet.
Housing Needs	1.00 F	The favourable variance of £1M relates to the anticipated claim of £1M funding for the Homes for Ukraine scheme, to cover costs incurred.

## 7. LEADER PORTFOLIO

### KEY REVENUE ISSUES – QUARTER 2 2022/23

The Portfolio is currently forecast to have a deficit of **£0.26M**, which represents a percentage variance against budget of **2.04%**. The Portfolio forecast variance has moved favourably by **£0.38M** from the position reported at quarter 1.

	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Movement from Qtr 1 £M</b>	<b>% of budget</b>
<b>Portfolio Forecast Outturn</b>	<b>0.26 A</b>	<b>0.64 A</b>	<b>0.38 F</b>	<b>2.04%</b>

A summary of the Portfolio forecast variance is shown in the table below:

<b>Service Area</b>	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Variance Movement from Qtr 1 £M</b>
Cultural Services	0.31 A	0.54 A	0.23 F
Registration of Electors and Elections Costs	0.06 A	0.00	0.06 A
Strategic Management of the Council	0.15 F	0.00	0.15 F
Other	0.04 A	0.10 A	0.06 F
<b>Total</b>	<b>0.26 A</b>	<b>0.64 A</b>	<b>0.38 F</b>

The SIGNIFICANT movements between quarter 1 and quarter 2 for the Portfolio are:

Service Area	Movement in Forecast Variance Between Qtr 1 and Qtr 2 £M	Explanation
Cultural Services	0.23 F	The favourable movement in the forecast variance relates to a reduction in the pressure of staffing costs to run the venues of £0.09M as this has been offset by ongoing vacancies; £0.12M of surplus from reduced expenditure due to the essential spend only restrictions; and £0.02M reduction in the final spend on the Queen's Commonwealth Baton Relay compared to the estimate last forecast.



## 8. SAFER CITY PORTFOLIO

### KEY REVENUE ISSUES – QUARTER 2 2022/23

The Portfolio is currently forecast to have a deficit of **£0.07M**, which represents a percentage variance against budget of 5.3%. The Portfolio forecast variance has moved adversely by **£0.03M** from the position reported at quarter 1.

	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Movement from Qtr 1 £M</b>	<b>% of budget</b>
<b>Portfolio Forecast Outturn</b>	<b>0.07 A</b>	<b>0.04 A</b>	<b>0.03 A</b>	<b>5.3%</b>

A summary of the Portfolio forecast variance and movement since quarter 1 is shown in the table below:

<b>Service Area</b>	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Variance Movement from Qtr 1 £M</b>
Community Safety	0.08 F	0.00	0.08 F
Port Health & Trading Standards	0.21 A	0.04 A	0.17 A
Environmental Health	0.06 F	0.00	0.06 F
<b>Total</b>	<b>0.07 A</b>	<b>0.04 A</b>	<b>0.03 A</b>

There were no SIGNIFICANT movements between quarter 1 and quarter 2 for the Portfolio.

## 9. TRANSPORT & DISTRICT REGENERATION PORTFOLIO

### KEY REVENUE ISSUES – QUARTER 2 2022/23

The Portfolio is currently forecast to have a surplus of **£1.40M**, which represents a percentage variance against budget of 168.7%. The Portfolio forecast variance has moved favourably by **£1.73M** from the position reported at quarter 1.

	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Movement from Qtr 1 £M</b>	<b>% of budget</b>
<b>Portfolio Forecast Outturn</b>	<b>1.40 F</b>	<b>0.33 A</b>	<b>1.73 F</b>	<b>168.7%</b>

A summary of the Portfolio forecast variance and movement since quarter 1 is shown in the table below:

<b>Service Area</b>	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Variance Movement from Qtr 1 £M</b>
Parking & Itchen Bridge	0.24 A	0.34 A	0.10 F
Transportation	1.64 F	0.01 F	1.63 F
<b>Total</b>	<b>1.40 F</b>	<b>0.33 A</b>	<b>1.73 F</b>

The SIGNIFICANT movements between quarter 1 and quarter 2 for the Portfolio are:

Service Area	Movement in Forecast Variance Between Qtr 1 and Qtr 2 £M	Explanation:
Transportation	1.63 F	<p>The movement in the forecast represents £0.18M from salary budget surpluses due to posts being budgeted at the top of the grade combined with a high level of vacancies in the School Crossing Patrol service. £0.22M relates to a surplus in funding for revenue related posts supporting the Transforming Cities Fund capital project. £0.19M relates to unbudgeted grant income and the e-scooter revenue share. £1.03M relates to a surplus due to a decline in concessionary fares as a result of slow COVID recovery, this has been offset by costs for the £1 evening bus fare and the 5 for £5 subsidies both schemes aimed at kick starting the city's economy. And £0.01M of surplus from reduced expenditure due to the essential spend only restrictions.</p>

## 10. NON-PORTFOLIO EXPENDITURE & INCOME

### KEY REVENUE ISSUES – QUARTER 2 2022/23

Non-Portfolio budgets are currently forecast to have a surplus of **£2.62M**, which represents a percentage variance against budget of 1.2%. The forecast variance has moved favourably by £2.60M from the position reported at quarter 1.

	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Movement from Qtr 1 £M</b>	<b>% of budget</b>
<b>Non-Portfolio Forecast Outturn</b>	<b>2.62 F</b>	<b>0.02 F</b>	<b>2.62 F</b>	<b>1.2%</b>

A summary of the Non-Portfolio budgets forecast variance and movement since quarter 1 is shown in the table below:

<b>Service Area</b>	<b>Forecast Variance Qtr 2 £M</b>	<b>Forecast Variance Qtr 1 £M</b>	<b>Variance Movement from Qtr 1 £M</b>
Levies & Contributions	0.00	0.00	0.00
Capital Asset Management	2.60 F	0.00	2.60 F
Other Expenditure & Income	0.00	0.00	0.00
Council Tax	0.00	0.00	0.00
Business Rates	0.00	0.00	0.00
Non-Specific Government Grants & Other Funding	0.02 F	0.02 F	0.00
<b>Total</b>	<b>2.62 F</b>	<b>0.02 F</b>	<b>2.60 F</b>

The SIGNIFICANT movements between quarter 1 and quarter 2 for the Non-Portfolio budgets are:

Service Area	Movement in Forecast Variance Between Qtr 1 and Qtr 2 £M	Explanation:
Capital Asset Management	2.60 F	Forecast reduction in capital financing costs following review of capital programme

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### Treasury Management

#### Borrowing and Investments

1. The table below shows the year's opening balance of borrowing and investments, current levels and those predicted for year-end. Forecast borrowing is based on the forecast capital programme and will be subject to review during the year.

The Authority maintained its strategy of keeping borrowing and investments below their underlying levels in order to reduce risk and make a net saving.

2.

	31-Mar-22 Actual	31-Mar-22 Average Yield / Rate	30-Sep-22 Actual	30-Sep-22 Average Yield / Rate	31-Mar-23 Forecast	31-Mar-23 Forecast Average
	£M	%	£M	%	£M	%
<b>Long Term Borrowing</b>						
Public Works Loan	246.30	2.88	252.74	2.75	279.99	2.91
LOBO Loans from Banks	9.00	4.89	9.00	4.86	9.00	4.87
	<b>255.30</b>	<b>2.95</b>	<b>261.74</b>	<b>2.88</b>	<b>288.99</b>	<b>2.82</b>
<b>Short Term Borrowing</b>						
Other Local Authorities	0.00	0.00	0.00	0.00	0.00	4.25
Other	0.36		0.44	1.84	0.44	1.60
<b>Total External Borrowing</b>	<b>255.66</b>	<b>0.00</b>	<b>262.18</b>	<b>2.86</b>	<b>289.43</b>	<b>2.78</b>
<b>Other Long Term Liabilities</b>						
PFI Schemes	47.52	9.01	45.95	10.20	44.37	10.20
Deferred Debt Charges (HCC)	13.10	2.66	12.92	2.56	12.73	2.56
<b>Total Gross External Debt</b>	<b>316.28</b>	<b>3.87</b>	<b>321.04</b>	<b>4.08</b>	<b>346.53</b>	<b>3.89</b>
<b>Investments:</b>						
<b>Managed In-House</b>						
Government & Local Authority	0.00	0.00	(22.44)	1.80		
Cash (Instant access)	(54.50)	0.51	(16.82)	2.12	(20.00)	5.00
Cash (Notice Account)	0.00	0.00	0.00	0.00	0.00	0.00
Long Term Bonds	(1.06)	5.27	(1.01)	5.27	(1.01)	5.27
<b>Managed Externally</b>						
Pooled Funds (CCLA) & Shares	(27.25)	3.81	(27.00)	3.76	(27.00)	3.00
<b>Total Investments</b>	<b>(107.22)</b>	<b>3.46</b>	<b>(67.27)</b>	<b>3.44</b>	<b>(48.01)</b>	<b>3.88</b>
<b>Net Debt</b>	<b>209.06</b>		<b>253.77</b>		<b>298.52</b>	

3. After taking into account maturing and new debt requirements in year and a forecast reduction in investment balances, net borrowing is expected to increase to £298.52M for the year.

During quarter 2 a review of the capital programme was undertaken which has resulted in a reduction in borrowing overall and a re-profiling of schemes to move borrowing into later years.

4. The interest cost of financing the council's long term and short term loan debt is charged to the general fund revenue account and is detailed below together with a summary of performance to date.

As detailed below rates for new long term borrowing are higher than budgeted and are on an upward trend. However, the higher interest rates are having a positive impact on investment income, and this somewhat mitigates the impact on the revenue budget.

	<b>Borrowing</b>
5.	The forecast cost of financing the council's loan debt is £16.71M of which £5.49M relates to the HRA, however this will be subject to movement as the need for further borrowing for the remainder of the year becomes more certain.
6.	<p>Over the April-September period short term PWLB rates rose dramatically, particular in late September after the Chancellor's 'mini-budget' prompted a fall in sterling and rise in market interest rate expectations. Interest rates rose by over 2% during the period in both the long and short term.</p> <p>As an indication the 5-year maturity certainty rate rose from 2.30% on 1st April to 5.09% on 30th September; over the same period the 30-year maturity certainty rate rose from 2.63% to 4.68%. Although interest rates across the board have risen, short-term borrowing from other local authorities remains at lower interest rates than long term borrowing.</p> <p>We currently do not have any short term debt, we anticipate borrowing short term before year end to replace maturing long term debt, expected reduction in reserves and to fund the capital programme for the year, until a decision is taken with regards to long term borrowing. Any increase in short term borrowing costs will be offset by a reduction in long term costs.</p>
7.	The Authority has previously raised the majority of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Authority intends to avoid this activity in order to retain its access to PWLB loans.
8.	As outlined in the treasury strategy, the Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective. The Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.
9.	<p>The Authority has an increasing CFR due to the capital programme and after future debt maturities currently has an estimated borrowing requirement of £30.73M for the year, as determined by the Liability Benchmark which considers capital spend, maturing debt, usable reserves and working capital.</p> <p>Rates continue on an upward trajectory and are currently above the rate used for setting budget. Further borrowing will be required during the year and rates will be monitored to determine the appropriate time; current advice is to take short term borrowing when required.</p>



	<b><u>Investment</u></b>
10.	<p>The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves. During the year investment balances have ranged between £109.37M and £66.45M and are currently £67.27M but are expected to reduce to £48M by year end.</p> <p>The increases in Bank Rate over the period under review, and with the prospect of more increases to come, short-dated cash rates, rose by around 1.5% for overnight/7-day maturities and by nearly 3.5% for 9-12 month maturities.</p> <p>By end September, the rates on DMADF deposits ranged between 1.85% (overnight) and 3.5% (6 months). The return on the Council's sterling low volatility net asset value (LVNAV) Money Market Funds ranged between 0.48% - 0.54% in early April and between 1.95% and 2.13% at the end of September</p> <p>Forecast income is now £1.63M, £0.61M higher than originally budgeted.</p>
	<b><u>Investment Performance</u></b>
11.	<p>The council's advisors undertake quarterly investment benchmarking across its client base. We previously had a more diversified portfolio and at higher interest rates than the average as a result of moving into the bond programme earlier than most clients, but there is now more competition for bonds from both government bodies and other local authorities, so opportunities to replace maturing bonds are limited and we have seen a fall in suitable instruments. With this in mind, and the changes to Prudential code to only borrow when cash flows dictate, our investments primarily now consist of a previous long-term investment in property funds and short term investments for cash flow purposes.</p>
12.	<p>Our current investments in bonds reduced from £3M to £1M following maturities in 2021/22 and we maintained the property funds at £27M, with all other cash being placed in short term deposits as shown in table in paragraph 2.</p>
13.	<p>As detailed in paragraph 10 our cash balances have continued to be higher than forecast but at £39.26M have reduced by £17.86M since June when we held £57.12M. Our target is to reduce this to a £20M working balance to reduce borrowing and therefore net interest costs but this will be dependent on actual capital spend and movement in balances.</p>
14.	<p>Investments managed internally are currently averaging a return of 1.91% which is higher than the average unitary authority at 1.74% whilst maintaining the same credit rating at AA-.</p> <p>Total income returns at 2.74% is also higher than the average for both unitary (2.13%) and LA's (2.05%), this is primarily due to historic investment in EIB bonds which return 5.27%, although on a small balance of £1M, since maturities cannot be replaced at the same level.</p> <p>We hold 44% of our investments in strategic funds which offer higher return over the long term as detailed in paragraphs 15 to 18 below. This is higher than the average but in line with our strategy.</p> <p>In addition, due to the increase in the capital value of our external funds of +10.72% our total investment return at 7.42% is significantly higher than the average LA's at 1.47% and the average unitary at 2.27% across Arlingclose's client base, but as previously reported it is the income return that is the driver to invest.</p>

## **External Managed investments**

15. The council has invested £27M in property funds as an alternative to buying property directly. As previously reported these funds offer the potential for enhanced returns over the longer term but may be more volatile in the shorter term and are managed by professional fund managers which allows the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments.
16. Because these funds have no defined maturity date but are usually available for withdrawal after a notice period (90 days), their performance and continued suitability in meeting the Authority's investment objectives is regularly reviewed.
17. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three to five-year period total returns will exceed cash interest rates. Considering their performance over the long-term and the Authority's latest cash flow forecasts, investment in these funds has been maintained.
18. The market improved since year end when the value was reported as £30.89M and this improvement continue into the first quarter when the value was reported at £32.51M. The has now fallen back to £31.13M a decrease of £1.38M since June but is still £4.13M above the initial investment of £27M.
- The dividend for April to June was £0.26M and has been estimated at £0.30M for July to September, 3.98% against the original investment, this is in line with 2021/22. If rates remain at this level the total forecast dividend for the year is £1.07M.

## **Financial Review and Outlook**

19. A summary of the external factors, which sets the background for Treasury, as provided by the council's treasury advisors, Arlingclose Ltd, is summarised below.

### **Arlingclose's Economic Outlook for the remainder of 2022/23 (based on 26<sup>th</sup> September 2022 interest rate forecast)**

	Current	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25
<b>Official Bank Rate</b>													
<b>Upside risk</b>	0.00	0.50	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Arlingclose Central Case</b>	2.25	4.25	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.75	4.25	3.75	3.25
<b>Downside risk</b>	0.00	-1.00	-1.00	-0.75	-0.50	-0.50	-0.50	-0.75	-1.25	-1.50	-1.75	-1.75	-1.75

20. The economic background has changed dramatically since last reported in June and there is further increased uncertainty. For contrast Arlingclose's forecast for June is included.

### **Arlingclose's Economic Outlook for the remainder of 2022/23 (based on the June 2022 interest rate forecast)**

	Current	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25
<b>Official Bank Rate</b>													
<b>Upside risk</b>	0.00	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
<b>Arlingclose Central Case</b>	1.25	1.75	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.00	2.00	1.75	1.75
<b>Downside risk</b>	0.00	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-0.75

21. The economic interest rate outlook provided by the Council's treasury advisor, Arlingclose Ltd, for September 2022 is based on the following Underlying Assumptions:

- Arlingclose expects Bank Rate to rise further during 2022/23 to reach 5% by the end of the year.
- The MPC is particularly concerned about the demand implications of fiscal loosening, the tight labour market, sterling weakness and the willingness of firms to raise prices and wages.
- The MPC may therefore raise Bank Rate more quickly and to a higher level to dampen aggregate demand and reduce the risk of sustained higher inflation. Arlingclose now expects Bank Rate to peak at 5.0%, with 200bps of increases this calendar year.
- This action by the MPC will slow the economy, necessitating cuts in Bank Rate later in 2024.
- Gilt yields will face further upward pressure in the short term due to lower confidence in UK fiscal policy, higher inflation expectations and asset sales by the BoE. Given the recent sharp rises in gilt yields, the risks are now broadly balanced to either side. Over the longer term, gilt yields are forecast to fall slightly over the forecast period.

22. Monetary policymakers are behind the curve having only raised rates by 50bps in September. This was before the “Mini-Budget”, which was poorly received by the markets, triggered a rout in gilts with a huge spike in yields and a further fall in sterling. In a shift from recent trends, the focus now is perceived to be on supporting sterling whilst also focusing on subduing high inflation.

There is now an increased possibility of a special Bank of England MPC meeting to raise rates to support the currency. Followed by a more forceful stance over concerns on the looser fiscal outlook. The MPC is therefore likely to raise Bank Rate higher than would otherwise have been necessary given already declining demand. A prolonged economic downturn could ensue.

Uncertainty on the path of interest rates has increased dramatically due to the possible risk from unknowns which could include for instance another Conservative leadership contest, a general election, or further tax changes including implementing windfall taxes.

The government's blank cheque approach to energy price caps, combined with international energy markets priced in dollars, presents a fiscal mismatch that has contributed to significant decline in sterling and sharp rises in gilt yields which will feed through to consumers' loans and mortgages and business funding costs.

UK government policy has mitigated some of the expected rise in energy inflation for households and businesses flattening the peak for CPI, whilst extending the duration of elevated CPI. Continued currency weakness could add inflationary pressure.

The UK economy already appears to be in recession, with business activity and household spending falling. The short- to medium-term outlook for the UK economy is relatively bleak. Global bond yields have jumped as investors focus on higher and stickier US policy rates. The rise in UK government bond yields has been sharper, due to both an apparent decline in investor confidence and a rise in interest rate expectations, following the UK government's shift to borrow to loosen fiscal policy. Gilt yields will remain higher unless the government's plans are perceived to be fiscally responsible.

The housing market impact of increases in the Base Rate could act as a “circuit breaker” which stops rates rising much beyond 5.0%, but this remains an uncertainty.

## **Economic background**

23. The ongoing conflict in Ukraine has continued to put pressure on global inflation and the economic outlook for UK and world growth remains weak. The UK political situation towards the end of the period following the 'fiscal event' increased uncertainty further.

The economic backdrop during the April to September period continued to be characterised by high oil, gas and commodity prices, ongoing high inflation and its impact on consumers' cost of living, no imminent end in sight to the Russia-Ukraine hostilities and its associated impact on the supply chain, and China's zero-Covid policy.

Central Bank rhetoric and action remained robust. The Bank of England, Federal Reserve and the European Central Bank all pushed up interest rates over the period and committed to fighting inflation, even when the consequences were in all likelihood recessions in those regions.

UK inflation remained extremely high. Annual headline CPI hit 10.1% in July, the highest rate for 40 years, before falling modestly to 9.9% in August. RPI registered 12.3% in both July and August. The energy regulator, Ofgem, increased the energy price cap by 54% in April, while a further increase in the cap from October, which would have seen households with average energy consumption pay over £3,500 per annum, was dampened by the UK government stepping in to provide around £150 billion of support to limit bills to £2,500 annually until 2024.

The labour market remained tight through the period but there was some evidence of easing demand and falling supply. The unemployment rate 3m/year for April fell to 3.8% and declined further to 3.6% in July. Although now back below pre-pandemic levels, the recent decline was driven by an increase in inactivity rather than demand for labour. Pay growth in July was 5.5% for total pay (including bonuses) and 5.2% for regular pay. Once adjusted for inflation, however, growth in total pay was -2.6% and -2.8% for regular pay.

With disposable income squeezed and higher energy bills still to come, consumer confidence fell to a record low of -44 in August, down -41 in the previous month. Quarterly GDP fell -0.1% in the April-June quarter driven by a decline in services output, but slightly better than the 0.3% fall expected by the Bank of England.

The Bank of England increased the official Bank Rate to 2.25% over the period. From 0.75% in March, the Monetary Policy Committee (MPC) pushed through rises of 0.25% in each of the following two MPC meetings, before hiking by 0.50% in August and again in September. August's rise was voted by a majority of 8-1, with one MPC member preferring a more modest rise of 0.25%. The September vote was 5-4, with five votes for an 0.5% increase, three for an 0.75% increase and one for an 0.25% increase. The Committee noted that domestic inflationary pressures are expected to remain strong and so given ongoing strong rhetoric around tackling inflation further Bank Rate rises should be expected.

On 23rd September the UK government, following a change of leadership, announced a raft of measures in a 'mini budget', loosening fiscal policy with a view to boosting the UK's trend growth rate to 2.5%. With little detail on how government borrowing would be returned to a sustainable path, financial markets reacted negatively. Gilt yields rose dramatically by between 0.7% - 1% for all maturities with the rise most pronounced for shorter dated gilts. The swift rise in gilt yields left pension funds vulnerable, as it led to margin calls on their interest rate swaps and risked triggering large scale redemptions of assets across their portfolios to meet these demands. It became necessary for the Bank of England to intervene to preserve market stability through the

purchase of long-dated gilts, albeit as a temporary measure, which has had the desired effect with 50-year gilt yields falling over 100bps in a single day.

Bank of England policymakers noted that any resulting inflationary impact of increased demand would be met with monetary tightening, raising the prospect of much higher Bank Rate and consequential negative impacts on the housing market.

After hitting 9.1% in June, annual US inflation eased in July and August to 8.5% and 8.3% respectively. The Federal Reserve continued its fight against inflation over the period with a 0.5% hike in May followed by three increases of 0.75% in June, July and September, taking policy rates to a range of 3% - 3.25%.

Eurozone CPI inflation reached 9.1% y/y in August, with energy prices the main contributor but also strong upward pressure from food prices. Inflation has increased steadily since April from 7.4%. In July the European Central Bank increased interest rates for the first time since 2011, pushing its deposit rate from -0.5% to 0% and its main refinancing rate from 0.0% to 0.5%. This was followed in September by further hikes of 0.75% to both policy rates, taking the deposit rate to 0.75% and refinancing rate to 1.25%.

### **Financial markets**

24. Uncertainty remained in control of financial market sentiment and bond yields remained volatile, continuing their general upward trend as concern over higher inflation and higher interest rates continued to dominate. Towards the end of September, volatility in financial markets was significantly exacerbated by the UK government's fiscal plans, leading to an acceleration in the rate of the rise in gilt yields and decline in the value of sterling.

Due to pressure on pension funds, the Bank of England announced a direct intervention in the gilt market to increase liquidity and reduce yields.

Over the period the 5-year UK benchmark gilt yield rose from 1.41% to 4.40%, the 10-year gilt yield rose from 1.61% to 4.15%, the 20-year yield from 1.82% to 4.13% and the 50-year yield from 1.56% to 3.25%. The Sterling Overnight Rate (SONIA) averaged 1.22% over the period.

### **Credit background**

25. Having completed its full review of its credit advice on unsecured deposits at UK and non-UK banks, in May Arlingclose extended the maximum duration limit for five UK banks, four Canadian banks and four German banks to six months. The maximum duration for unsecured deposits with other UK and non-UK banks on Arlingclose's recommended list is 100 days. These recommendations were unchanged at the end of the period.

Arlingclose continued to monitor and assess credit default swap levels for signs of credit stress but made no changes to the counterparty list or recommended durations. Nevertheless, increased market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remains under constant review.

	<b><u>Revision to CIPFA Codes</u></b>
26.	CIPFA published revised Prudential and Treasury Management Codes in December 2021. The Prudential Code took immediate effect although detailed reporting requirements could be deferred until the 2023/24 financial year and have not been included in this report whilst we are reviewing the impact of the proposed changes.
27.	<p>The main changes or expected changes from previous codes include:</p> <ul style="list-style-type: none"> <li>• Additional reporting requirements for the Capital Strategy.</li> <li>• For service and commercial investments, in addition to assessments of affordability and prudence, an assessment of proportionality in respect of the Authority’s overall financial capacity (i.e. whether plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services).</li> <li>• Forward looking prudential code indicators must be monitored and reported to members at least quarterly.</li> <li>• A new indicator for net income from commercial and service investments to net revenue stream.</li> <li>• Inclusion of the liability benchmark as a treasury management prudential indicator. CIPFA recommends this is presented as a chart of four balances – existing loan debt outstanding; loans CFR, net loans requirement, liability benchmark – over at least 10 years and ideally cover the authority’s full debt maturity profile.</li> <li>• Excluding investment income from the definition of financing costs.</li> <li>• Credit and counterparty policies should set out the Authority’s policy and practices relating to Environmental, Social and Governance (ESG) investment considerations.</li> <li>• Additional focus on the knowledge and skills of officers and elected members involved in decision making</li> </ul>
28.	Early indications are that future long-term investments, such as CCLA will be prohibited but we will not need to unwind existing investments.

## KEY FINANCIAL RISKS

The following table identifies the key financial risks to the council's financial position over the short to medium term together with a summary of the mitigating actions in place and planned. These financial risks are reflected in the assessment of the adequacy of estimates and reserves. The assessment of risk is based on the following risk scoring criteria:

LIKELIHOOD (Probability)					
A - Almost certain	> 95%	↑	Is expected to occur in most circumstances		
B - Likely			Will probably occur in most circumstances		
C - Possible	50%		Might occur at some time		
D - Unlikely		↓	Could occur at some time		
E - Very Unlikely	< 5%		May only occur in exceptional circumstances		

IMPACT	5 - Minor	4 - Moderate	3 - Significant	2- Major	1- Extreme
Service delivery / key priorities	No noticeable effect	Some temporary disruption to a single service area/ delay in delivery of one of the council's objectives	Regular disruption to one or more services/ a number of corporate objectives would be delayed or not delivered	Severe service disruption on a directorate level / many corporate priorities delayed or not delivered	Unable to deliver most priorities / statutory duties not delivered
Financial Impact	Loss or loss of income < £10k	Loss or loss of income £10k - £499k	Loss or loss of income £500k - £4.99m	Loss or loss of income £5m < £9.99m	Loss or loss of income >£10m
Reputation	Internal review	Internal scrutiny required to prevent escalation	Local media interest. Scrutiny by external committee or body	Intense public, and media scrutiny	Public Inquiry or adverse national media attention

- Robustness of estimates

Key Financial Risk	INHERENT RISK		Comments/Mitigating Actions in place	RESIDUAL RISK	
	Likelihood	Impact		Likelihood	Impact
FE1. Interest rates are underestimated.	Likely	Major	<ul style="list-style-type: none"> <li>Prudent estimates are made around future rates when costing the financing of the capital programme.</li> <li>Market intelligence provided by Treasury Management advisors.</li> <li>Treasury Management Strategy is aligned with CIPFA Code and DLUHC Guidance re investing funds prudently and having regard to the security and liquidity of its investments before seeking the highest rate of return.</li> </ul>	Possible	Significant
FE2. Existing fees and charges: Projected levels of income within the period are not achieved and/or maintained.	Possible	Significant	<ul style="list-style-type: none"> <li>Fees and charges have been reviewed as part of the business planning process. If there are 'in year' shortfalls these form part of the budget monitoring processes.</li> </ul>	Possible	Significant
FE3. New income streams: Projected levels of income within the period are not achieved.	Possible	Significant	<ul style="list-style-type: none"> <li>Income generating activity has been identified as part of current approved savings proposals. There is a risk that in light of the economic backdrop that these levels of income will not be achieved.</li> <li>Higher risk as it is based on new sources of income.</li> </ul>	Possible	Significant
FE4. Volatility of Business Rates funding given the uncertainty around impact of successful appeals.	Likely	Major	<ul style="list-style-type: none"> <li>The appeals provision has been reviewed and updated in light of known current appeals/challenges and potential threats and will be reviewed on a regular basis.</li> <li>Appeals can be backdated and as a consequence of this the Council has set aside a provision to deal with this element of the financial impact.</li> <li>The appeals window for the 2017 rating list will be closed on 31 March 2023 and there may be an increase in the number of cases lodged as the deadline approaches.</li> <li>Legislation has been enacted to prevent appeals as a consequence of measures to control COVID-19. Billing authorities were allocated a share of a £1.5Bn COVID-19 Additional Relief Fund for 2021/22 to award discretionary relief to those business ineligible for existing support linked to business rates.</li> </ul>	Possible	Significant

- **Robustness of estimates**

Key Financial Risk		INHERENT RISK		Comments/Mitigating Actions in place	RESIDUAL RISK	
		Likelihood	Impact		Likelihood	Impact
FE5.	<b>Increase in demand led spending pressures</b> (including impact of Welfare Reform, social care, safeguarding) over and above the current budget provision.	Possible	Extreme	<ul style="list-style-type: none"> <li>• Annual budget setting process developed in consultation with service managers</li> <li>• Monitoring of capital (quarterly) and revenue (monthly) budgets, reported to EMB and Cabinet (Quarterly).</li> <li>• Action plans to address any significant in year budget variances are agreed with EMB with the status of the agreed actions reported to EMB on a monthly basis</li> <li>• Destination 22 action plan intended to reduce the number of Looked After Children</li> </ul>	Possible	Major
FE6a.	Third party provider costs will increase as a result of the introduction of the <b>National Living Wage</b>	Almost certain	Significant	<ul style="list-style-type: none"> <li>• As each contract is procured any impact of this will need to be assessed and addressed to ensure services are procured within budget.</li> </ul>	Possible	Significant
FE6b.	<b>Third party provider costs increase</b> as result of SCC having to 'step in' in the event of potential provider failure (social care providers)	Unlikely	Significant	<ul style="list-style-type: none"> <li>• ICU contract monitoring arrangements and general market oversight and intelligence</li> <li>• Market Sustainability and Fair Cost of Care grant funding has been received in 2022/23, at least 75% of which is to be used to increase fee rates (if rates are below the fair cost of care)</li> </ul>	Very Unlikely	Moderate
FE7.	<b>Legal challenge to savings proposals</b> that could result in the proposal being either discontinued or revised.	Possible	Significant	<ul style="list-style-type: none"> <li>• Robust budget consultation process in place for any service redesign proposals.</li> </ul>	Unlikely	Moderate
FE8.	<b>Pressure on returns from investment properties</b> in both the short and longer term.	Possible	Major	<ul style="list-style-type: none"> <li>• There is a full and robust process around the financial and legal analysis of the individual investments.</li> <li>• Investments are diversified between sectors.</li> <li>• No current plans to expand the Property Investment Fund</li> </ul>	Possible	Significant
FE9.	<b>Voluntary sector</b> is either unwilling or unable to support the delivery of certain services or activities	Possible	Major	<ul style="list-style-type: none"> <li>• Review the overall expectation and co-ordination of the services required of the voluntary sector.</li> <li>• Consideration is given to this risk in deciding whether to design services around the voluntary sector</li> </ul>	Possible	Significant
FE10.	The council's <b>service delivery partners</b> seek to exit an agreement or are no longer able to deliver the required service or the council seeks to reach an exit agreement.	Likely	Major	<ul style="list-style-type: none"> <li>• Central Contracts Team monitors and work closely with the council's significant service delivery partners.</li> <li>• Contractual obligations on both parties that set out the respective roles and responsibilities.</li> </ul>	Possible	Significant
FE11.	The Council may receive reduced funding if Government make changes to the Local Government funding mechanism. Such changes may include removing the ring-fence for Public Health Grant and rolling it in to general funding.	Possible	Major	<ul style="list-style-type: none"> <li>• The Council will plan for any proposed changes through the Medium Term Financial Strategy process.</li> </ul>	Possible	Major



- Adequacy of proposed financial reserves

Key Financial Risk		INHERENT RISK		Comments/Mitigating Actions	RESIDUAL RISK	
		Likelihood	Impact		Likelihood	Impact
FR1.	<b>Business Rate Retention &amp; Council Tax Growth</b> - the council fails to collect, retain and grow business rate income	Possible	Major	<ul style="list-style-type: none"> <li>• For the business rates multiplier, the assumption built into the MTFS is based on an annualised CPI Rate reflecting the uplift set by government. The government has frozen the business rate multiplier for 2022/23, however councils will be compensated for this via grants.</li> <li>• The MTFS includes assumptions on growth which have been reviewed in conjunction with the Development &amp; Growth team and Business rates collection team, including pipeline developments and their assumed operational dates. This will be monitored on a frequent basis as part of the standard monitoring arrangements.</li> <li>• Business rates are set to be revalued with an effective date of April 2023. Dependent on the outcome of the revaluation exercise, this may impact on the level of retained business rates and/or their collectability. As far as reasonably practicable, the Government intend to adjust business rates top-ups/tariffs to eliminate the impact of the 2023 revaluation on local authorities' retained business rates.</li> </ul>	Possible	Significant
FR2.	<b>Delivery of all of the agreed savings</b> is not achieved.	Possible	Extreme	<ul style="list-style-type: none"> <li>• Progress and delivery of the overall programme and individual projects is monitored at Executive Director level, by EMB, with any non achievement forming part of the normal budget monitoring action plan process.</li> <li>• EMB review the validity and achievability of projects and provide approval (or not) to projects</li> </ul>	Possible	Major
FR3.	The Government could impose a lower <b>Council Tax referendum</b> threshold and/or reduce or remove the <b>Adult Social Care Precept</b>	Possible	Significant	<ul style="list-style-type: none"> <li>• SCC's 'core' Council Tax and Adult Social Care Precept were frozen in the 2022/23 budget. The MTFS assumes increases of 1.99% for 'core' Council Tax and no increase in the Adult Social Care Precept for future years.</li> <li>• The Adult Social Care Precept was introduced as part of the Autumn 2015 Spending Review and allowed local authorities with social care responsibilities to increase Council Tax provided it was ring-fenced to Adult Social Care budgets.</li> <li>• The option for a Social Care Precept has applied for a number of years and the Spending Review 2021 indicated a 1% flexibility is likely to apply for each year of the 3-year spending review (2022/23 - 2024/25).</li> </ul>	Possible	Significant
FR4.	<b>Slippage in capital receipts</b> (not accompanied by a slippage in spend).	Possible	Significant	<ul style="list-style-type: none"> <li>• Non-receipt of any planned income will require a permanent draw from reserves, additional borrowing or for savings to be found in the capital programme.</li> <li>• Impact reflects the cost of borrowing in short term (the interest payments).</li> </ul>	Possible	Moderate
FR5.	If <b>building inflation</b> was to exceed general inflation over a prolonged period, this would have a significant adverse impact on <b>HRA balances</b> and, in turn, the business model in respect of the redevelopment and refurbishment of the SCC Housing stock.	Possible	Major	<ul style="list-style-type: none"> <li>• Surpluses are liable to change annually, either favourably or not, and this will be reflected in the annual review of stock investment needs and estimated unit rates.</li> <li>• Monitoring and assessment of potential impact with business model sufficiently flexible to allow for reassessment of priority outcomes against available budget.</li> </ul>	Possible	Major
FR6.	The level of funds within the <b>internal insurance provisions</b> is inadequate to meet current or future demand	Possible	Significant	<ul style="list-style-type: none"> <li>• The adequacy of the provision is informed by the output from periodical (at least triennial) external actuarial reviews of the funds.</li> <li>• The level of funding required is reviewed as part of annual budget setting process and the position, in respect of potential liabilities is reviewed on a monthly basis.</li> </ul>	Unlikely	Significant

- Adequacy of proposed financial reserves

Key Financial Risk		INHERENT RISK		Comments/Mitigating Actions	RESIDUAL RISK	
		Likelihood	Impact		Likelihood	Impact
FR7.	<b>Ad hoc or unforeseen events / emergencies.</b>	Possible	Extreme	<ul style="list-style-type: none"> <li>• The Council's Reserves may be utilised in respect of the financial impact of such an event.</li> <li>• Subject to the nature of the event alternative sources of funding might be available e.g. Bellwin Scheme.</li> <li>• In previous years the Government allocated un-ringfenced support funding to local authorities to meet COVID-19 pressures and provided funding to meet some fees and charges income losses and some irrecoverable tax losses, as well as providing some ring-fenced grant funding for specific measures e.g. infection control. No un-ringfenced funding has been provided for 2022/23, so use of reserves may be required to meet any COVID-19 expenditure or income losses.</li> </ul>	Possible	Major
FR8.	The cost of implementing the <b>Care Act 2014</b> is greater than anticipated.	Possible	Significant	<ul style="list-style-type: none"> <li>• The Government announced a new basis for Social Care provision on 7 September 2021, with a "cap and floor" scheme being implemented from October 2023 to be funded via a new Health and Social Care Levy. In the Growth Plan announced on 23 September 2022 the Health and Social Care Levy was scrapped, however, as yet, no changes to adult social care reforms have been proposed.</li> <li>• No costing analysis has been provided so it is unclear whether the quantum of funding earmarked at a national level will be sufficient to cover the costs of the scheme. There is also a risk that the method for distributing the funding will be unfavourable to the Council.</li> <li>• The 2022/23 Services Grant announced in the Provisional Local Government Finance Settlement provides funding to meet the Council's cost of the new Health and Social Care Levy (payable from April 2022), however this funding is only guaranteed for 1 year. There is a possibility that the funding may be removed from local government resources in 2023/24 following the scrapping of the Health and Social Care Levy.</li> </ul>	Possible	Significant
FR9.	<b>CCG</b> could seek to reduce its level of contribution to the 'pooled budgeting' arrangement with SCC	Possible	Major	<ul style="list-style-type: none"> <li>• Ongoing relationship and dialogue with CCG re shared objectives and outcomes.</li> </ul>	Unlikely	Significant
FR10.	The council is unable to quantify the financial impact on both vulnerable individuals and key council services arising from implementation of <b>welfare reforms</b>	Possible	Significant	<p>The impact of Welfare Reform on all service areas will be difficult to monitor or to mitigate against.</p>	Possible	Significant
FR11.	<b>Inflation increases</b> at a higher rate than anticipated	Likey	Significant	<ul style="list-style-type: none"> <li>• Assumptions have been made in the estimates about the likely level of general inflation that will apply in 2022/23. CPI is currently running at 10.1% (September 2022), well above the level that had been anticipated.</li> <li>• Market intelligence provided by Arlingclose - independent treasury advisors.</li> <li>• An amount is included in the MTFS to cover key elements of inflation, based on assumed inflation rates at the time the MTFS is agreed.</li> <li>• Beyond this provision, it would be managed as an 'in year' issue and services would normally be expected to absorb the difference.</li> </ul>	Likely	Significant
FR12.	<b>Pay Inflation</b> is at a higher rate than anticipated	Likely	Major	<ul style="list-style-type: none"> <li>• The MTFS model approved in February 2022 was based on a pay award of 2.5% for 2022/23 and 2.0% thereafter.</li> <li>• Pay awards for the majority of local government employees are agreed through the National Joint Council for Local Government Services, with representatives from both employers and trade unions.</li> <li>• The employer's side of the NJC has made an offer of a £1,925 flat rate increase on all spinal column points. This is equivalent to a 5.6% increase for SCC.</li> </ul>	Likely	Significant

FR13.	Exiting the European Union - Uncertainty and economic forces, at least in the short term, within both the local business and wider business sector may have an adverse impact on investment decisions and local employment which, in turn, would impact on business rate income.	Likely	Significant	<ul style="list-style-type: none"> <li>• <i>National and local modelling in respect of the future approach to business rate retention will need to reflect changes in the financial environment.</i></li> <li>• <i>There may be either pressure or incentives for non UK owned business to move operations back to within an EU country.</i></li> <li>• <i>Treasury Management advisors are regularly updating the Council on the economic impact of exiting the European Union, the strength of the pound, inflation and interest rates.</i></li> </ul>	Likely	Significant
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- Adequacy of proposed financial reserves

Key Financial Risk		INHERENT RISK		Comments/Mitigating Actions	RESIDUAL RISK	
		Likelihood	Impact		Likelihood	Impact
FR14.	There are unplanned and unforeseen consequences (and costs) arising from the implementation of new, or changed, systems and processes across service areas within the organisation	Possible	Significant	<ul style="list-style-type: none"> <li>• A Projects and Change Team is in place. A full programme management approach is taken, including planning and risk assessment, with significant support to major projects.</li> </ul>	Unlikely	Significant
FR15.	New accounting rules for financial investments may result in adverse valuation movements being charged to the General Fund in the year that they occur.	Possible	Significant	<ul style="list-style-type: none"> <li>• Accounting rules require gains/losses from valuation movements for certain types of financial investments to be recognised in the year they occur, rather than when the investments are sold.</li> <li>• The Government put in place legislation to mitigate the impact on the General Fund for the five years 2018/19 to 2022/23. Local authorities are lobbying for the mitigation to be extended. If it isn't, the Medium Term Financial Risk Reserve will be used to manage the volatility that the timing difference may cause.</li> </ul>	Unlikely	Significant
FR16.	COVID-19 will adversely impact on budgets	Almost certain	Major	<ul style="list-style-type: none"> <li>• COVID-19 is having ongoing financial effects, as well as introducing significant uncertainty for future financial projects. Major income streams are likely to be impacted, such as council tax and business rates, as well as numerous service costs rising due to increased demand e.g. for social care. The Council included anticipated additional expenditure/income losses in the MTFS agreed in Feb 2021. The MTFS will continue to be used to model the potential effects and ensure the authority continues to plan ahead with robust estimates.</li> </ul>	Almost certain	Significant
FR17.	The cumulative deficit on the Dedicated Schools Grant (DSG) may have to be met from the General Fund if the statutory override is not extended.	Possible	Extreme	<ul style="list-style-type: none"> <li>• The cumulative DSG deficit, forecast to be £10.24M at the end of 2022/23, is being held in a separate account in accordance with legislation. The statutory override runs out at the end of 2022/23.</li> <li>• Work is being undertaken as part of the DfE programme Delivering Better Value in Special Education Needs &amp; Disabilities to reduce costs.</li> </ul>	Possible	Major

### Prudential Indicators Relating to Treasury

	<u>Maximum</u>	<u>Forecast</u>	<u>Status</u>
Maximum Level of External Debt £M	£975M	£418M	Green
As % of Authorised Limit	100%	42.87%	Green
	<u>Maximum</u>	<u>Highest YTD</u>	<u>Status</u>
Authorised Limit for external debt £M	£975M	£327M	Green
Operational Limit for external debt £M	£850M	£327M	Green
Maximum external borrowing year to date	£785M	£266M	Green
Limit of fixed interest debt %	100%	83.2%	Green
Limit of variable interest debt %	50%	16.8%	Green
Limit for Non-specified investments £M	£100M	£28M	Green
<b>Other Treasury Performance Indicators</b>	<u>Target</u>	<u>Actual Qtr 2</u>	<u>Status</u>
Average % Rate Long Term New Borrowing	2.40%	2.94%	Red
Average % Rate Existing Long Term Borrowing	3.00%	2.83%	Green
Average Short Term Investment Rate - Cash	0.01%	2.12%	Green
Average Short Term Investment Rate – Fixed	0.01%	1.80%	Green
Average Long Term Investment Rate - Bonds	2.00%	5.27%	Green
Average Return on Property Fund	4.00%	3.98%	Amber
Average Return on All Investments	2.40%	3.44%	Green

### Minimum Level of General Fund Balances

		<u>Status</u>
Minimum General Fund Balance	£10.1M	
Forecast Year End General Fund balance	£10.1M	Green

### Income Collection

	<u>2022/23 Target</u>	<u>Qtr 2 YTD</u>	<u>Status</u>
Collection rate	>100%	96.92%	Amber
Average days sales outstanding	</= 62 days	83	Red
Outstanding debt more than 12 months old	</= 20.52%	27.85%	Red
Debt written off	</= 1%	0.40%	Green

### Creditor Payments

	<u>2022/23 Target</u>	<u>Qtr 2 YTD</u>	<u>Status</u>
Valid and undisputed invoices paid within 30 days	96%	82.97%	Red

**Tax Collection rate**

	<b><u>2021/22</u></b> <b><u>Actual</u></b> <b><u>Rate</u></b>	<b><u>Target</u></b> <b><u>Collection</u></b> <b><u>Rate</u></b>	<b><u>Qtr 2 Collection Rate</u></b>		<b><u>Status</u></b>
			<b><u>Last Year</u></b>	<b><u>This Year</u></b>	
Council Tax	92.67%	95.20%	52.87%	53.05%	Amber
National Non Domestic Rates	95.90%	97.56%	53.54%	58.35%	Green

# Agenda Item 10

Appendix 6

## HOUSING REVENUE ACCOUNT FORECAST OUTTURN POSITION FOR 2022/23

The Housing Revenue Account is currently forecast to have a nil variance against the budgeted deficit for the year, no movement from the position forecast at quarter 1.

	Budget Qtr 2	Annual Forecast Qtr 2	Forecast Variance Qtr 2	Forecast Variance Qtr 1	Variance Movement from Qtr 1
	£M	£M	£M	£M	£M
<b>Expenditure</b>					
Responsive & cyclical repairs	20.63	21.45	0.82 A	1.12 A	0.30 F
Rents payable	0.10	0.20	0.10 A	0.10 A	0.00
Debt management	0.08	0.08	0.00	0.00	0.00
Supervision & management	25.05	25.85	0.80 A	0.84 A	0.04 F
Interest & principal repayments	5.16	4.86	0.30 F	0.00	0.30 F
Depreciation	23.76	21.86	1.90 F	1.90 F	0.00
Direct revenue financing of capital	2.54	2.40	0.14 F	0.78 F	0.64 A
<b>Total Expenditure</b>	<b>77.33</b>	<b>76.71</b>	<b>0.62 F</b>	<b>0.62 F</b>	<b>0.00</b>
<b>Income</b>					
Dwelling rents	(71.84)	(71.22)	0.62 A	0.62 A	0.00
Other rents	(1.18)	(1.18)	0.00	0.00	0.00
Service charge income	(2.34)	(2.34)	0.00	0.00	0.00
Leaseholder service charges	(1.05)	(1.05)	0.00	0.00	0.00
Interest received	0.00	0.00	0.00	0.00	0.00
<b>Total Income</b>	<b>(76.41)</b>	<b>(75.79)</b>	<b>0.62 A</b>	<b>0.62 A</b>	<b>0.00</b>
<b>(SURPLUS)/DEFICIT</b>	<b>0.92</b>	<b>0.92</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

NB Numbers are rounded

The SIGNIFICANT movements between quarter 1 and quarter 2 for the HRA are:

Service Area	Movement in Forecast Variance Between Qtr 1 and Qtr 2 £M	Explanation:
Responsive and Cyclical repairs	0.30 F	The recharge rate applied to Housing Operatives has been updated mid-year to take into account cost pressures in 2022/23. This will ensure a fairer distribution of cost to the capital programme and will reduce pressure on the Housing Revenue Account.

Interest & Principal repayments	0.30 F	A review of the Housing capital programme during July 2022 identified a likely underspend. This, combined with underspend on the capital programme at the end of 2021/22 has allowed the interest forecast to be reduced by £0.3M.
Direct Revenue Financing	0.64 A	Efforts are being made to ensure the working balance to the HRA is maintained at £2M. The level of saving still to be achieved is £0.14M, a reduction of £0.64M since Quarter 1.

### **Landlord Controlled Heating Account**

The Council provides landlord controlled heating to 5,664 tenants and leaseholders across the City. Costs are incurred by the Council in respect of electricity, gas and geothermal power, and are subsequently recharged to tenants. The charges to tenants increased in 2022/23 by 16%, and energy costs have significantly increased (88% for electricity, 150% for gas). The current projected deficit on the account for 2022/23 is as follows:

	<b>£M</b>
Forecast energy cost	7.50
Forecast full year income	(4.60)
<b>In-Year Deficit</b>	<b>2.90</b>
Deficit brought forward from 2021/22	0.88
<b>Deficit carried forward to 2023/24</b>	<b>3.78</b>



**COLLECTION FUND REVENUE ACCOUNT**  
**FOR YEAR ENDED 31ST MARCH 2023**

	Current Budget 2022/23 £M	Forecast 2022/23 £M	Variance Adverse / (Favourable) 2022/23 £M
<b>Council Tax</b>			
<b>Total Council Tax Income</b>	(128.46)	(128.74)	(0.29)
<b>Total Council Tax Expenditure (incl. precepts)</b>	131.37	131.21	(0.17)
<b>Council Tax Deficit/(Surplus) for the Year</b>	2.92	2.47	(0.45)
Council Tax Deficit/(Surplus) Brought Forward	(2.65)	(2.76)	(0.11)
<b>Council Tax Deficit/(Surplus) Carried Forward</b>	0.26	(0.29)	(0.56)
<b>Business Rates</b>			
<b>Total Business Rates Income</b>	(123.32)	(120.63)	2.69
<b>Total Business Rates Expenditure</b>	99.05	96.78	(2.26)
<b>Business Rates Deficit/(Surplus) for the Year</b>	(24.27)	(23.84)	0.43
Business Rates Deficit/(Surplus) Brought Forward	26.26	17.11	(9.15)
<b>Business Rates Deficit/(Surplus) Carried Forward</b>	1.99	(6.73)	(8.72)
<b>Total Collection Fund (Surplus)/Deficit</b>	2.26	(7.03)	(9.28)
<b>Council Tax (Surplus)/Deficit</b>			
Contribution (to)/ from SCC		(0.25)	
Contribution (to)/ from HPCC		(0.04)	
Contribution (to)/ from H and IOW F&R		(0.01)	
Council Tax Collection Fund Balance c/f		(0.29)	
<b>NDR (Surplus)/Deficit</b>			
Contribution (to)/ from SCC		(3.30)	
Contribution (to)/ from DLUHC		(3.37)	
Contribution (to)/ from H and IOW F&R		(0.07)	
NDR Collection Fund Balance c/f		(6.73)	
<b>Total SCC (Surplus)/Deficit</b>		(3.55)	
ADD: Variance in grant estimated as due from Government (General Fund)		(1.18)	
ADD: Shortfall in grant income c/f from 2021/22 due to deferral of CARF schei		4.43	
<b>NET SCC (Surplus)/Deficit for future budget purposes at Qtr 2</b>		(0.29)	

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<b><u>CAPITAL FINANCIAL MONITORING FOR THE PERIOD TO SEPTEMBER 2022</u></b>			
1.	Table 1 shows the changes to the individual portfolio programmes. The updated programme for the General Fund is £353.13M and £267.12M for the HRA.		
2.	Due to the current financial environment, there has been a need to review the programme, against the backdrop of rising inflation which is significantly increasing construction costs and rising interest rates which has seen the cost of borrowing more than double since the budgets were set in February 2022.		
3.	Details of changes made since the quarter 1, totalling a net decrease of £5.97M can be found in annex 2.1. £0.99M has been added to the programme under either by delegated decisions or previous Cabinet/Council papers and £6.96M net reduction requires approval, as detailed in paragraph 3 and 4.		
<b><u>Table 1 – Changes to Portfolio Programmes</u></b>			
	<b>Latest Programme £M</b>	<b>Previous Programme £M</b>	<b>Total Change £M</b>
Children & Learning	71.34	71.07	0.26
Communities & Customer Engagement	0.72	0.97	(0.25)
Economic Development	4.37	3.05	1.32
Finance & Change	19.90	27.01	(7.11)
Health, Adults & Leisure	18.35	18.85	(0.50)
Housing & the Green Environment	32.85	33.82	(0.97)
Leader	9.72	9.72	0.00
Safer City	0.66	0.16	0.50
Transport & District Regeneration	195.23	194.85	0.38
<b>Total GF Capital Programme</b>	<b>353.13</b>	<b>359.50</b>	<b>(6.37)</b>
Housing Revenue Account	267.12	266.72	0.40
<b>Total Capital Programme</b>	<b>620.25</b>	<b>626.22</b>	<b>(5.97)</b>
NB. there may be small arithmetic variations in the table as figures have been rounded			
<b>CHANGES TO THE PROGRAMME</b>			
<b><u>Economic Development</u></b>			
4.	Approval is sought for the addition and spend of £1.32M, £0.61M in 2022/23 and £0.71M in 2023/24 for Council Corporate Buildings. This will enable essential works to be undertaken to ensure and extend the life of our corporate assets. These works will be funded by council resources.		
<b><u>Communities &amp; Customer Engagement</u></b>			
5.	Approval is sought for the reduction of £0.25M in 2022/23, for the Extend Library Opening Hours project. Options for this will now be considered as part of a larger project around localities working. This was to be funded by council resources and therefore this will reduce the cost of borrowing.		

	<u>Finance &amp; Change</u>
6.	Approval is sought for the reduction of £4.11M in 2022/23, for the Corporate Assets Decarbonisation Scheme (CADS). At present there are no plans to spend this budget. Future budgets will be allocated as and when new schemes are developed and invest to save projects proposed. This was to be funded by council resources and therefore this will reduce the cost of borrowing.
7.	Approval is sought for the reduction of £2.50M in 2022/23, for the Civic centre Upgrade . This project was paused during covid-19 and the no new works are proposed to start. There remains adequate budget to undertake the works that are currently in progress. This was to be funded by council resources and therefore this will reduce the cost of borrowing.
8.	Approval is sought for the reduction of £0.50M in 2022/23, for the IT Equipment and Software Refresh. The phasing of the refresh programme has been extending allowing for a surplus to be declared. This was to be funded by capital receipts, which will now be available to spend on other projects.
	<u>Health, Adults &amp; Leisure</u>
9.	Approval is sought for the reduction of £0.50M in 2022/23, for the Golf Course project. There are currently no plans to spend this budget. This was to be funded by council resources and therefore this will reduce the cost of borrowing.
	<u>Housing &amp; the Green Environment</u>
10.	Approval is sought for the reduction of £0.30M in 2022/23, for the Green City Action Plan. There are currently no plans to spend this budget, as it was originally intended to support a bus project, for which the grant bid was unsuccessful. This was to be funded by council resources and therefore this will reduce the cost of borrowing.
11.	Approval is sought for the reduction of £1.00M, £0.25M in 2022/23 and £0.75M in 2023/24, for the Hoglands Park & Pavilion. There are currently no plans to spend this budget. It is hoped that a wider vision will be developed in the near future for the whole park and will incorporate this project. Funding will be allocated once there is a plan. This was to be funded by council resources and therefore this will reduce the cost of borrowing.
	<u>Safer City</u>
12.	Approval is sought for the addition and spend of £0.50M, in 2022/23, for Motorcycle Interventions. This will enable essential safety works to be undertaken, and measures introduced to reduce the impact motorcycles have on the Council's neighbourhoods and residents. These works will be funded by the Community Infrastructure Levy (CIL).
	<u>Transport &amp; District Regeneration</u>
13.	Approval is sought for the addition and spend of £0.70M, in 2023/24, to the Itchen Bridge project. The additional budget will allow the project to deliver the essential structural repairs to the bridge and deliver additional safety measures for users of the bridge. These works will be funded by the Community Infrastructure Levy (CIL).
14.	Approval is sought for the virement of £0.50M, in 2023/24, from the Highways project to the Safer Streets project. This was always the anticipated use of the funding but when it was added to the budget in February 2022, it was allocated incorrectly. These works will be funded by the Community Infrastructure Levy (CIL).

15.	Approval is sought for the reduction of £0.07M in 2022/23, for the Public Transport - Zebra project. There are currently no plans to spend this budget, as it was originally intended to support a grant bid which was unsuccessful. This was to be funded by council resources and therefore this will reduce the cost of borrowing.																																							
16.	Approval is sought for the reduction of £0.25M in 2022/23, for Lordswood Close - Unadopted Road. There are currently no plans to spend this budget, as the project is no longer supported. This was to be funded by council resources and therefore this will reduce the cost of borrowing.																																							
<b>SLIPPAGE AND REPHASING</b>																																								
17.	Slippage occurs where works are not expected to take place according to the provisions agreed in the capital programme. Re-phasing of capital expenditure is due to works being carried out sooner than anticipated, budget and funding is brought forward from future years to match the expenditure.  Following a review to ensure that all projects are accurately profiled, and budgets are suitably aligned to anticipated works and spend, there is £14.95M of General Fund and £3.74M of HRA anticipated work in 2022/23 where work has slipped into later years. Details of schemes with major slippage and where any rephasing has been applied are provided in annex 2.3.																																							
18.	Table 2 below summarises resulting net slippage and rephasing by individual capital programmes. There is zero net effect to the budgets over the 5-year capital programme.																																							
	<table border="1"> <thead> <tr> <th><u>Table 2 – Net Slippage</u></th> <th><b>Movement in 2022/23 £M</b></th> <th><b>Annex 2.3 Ref</b></th> </tr> </thead> <tbody> <tr> <td>Children &amp; Learning</td> <td>(9.84)</td> <td>1-7</td> </tr> <tr> <td>Communities &amp; Customer Engagement</td> <td>0.00</td> <td>-</td> </tr> <tr> <td>Economic Development</td> <td>0.00</td> <td>-</td> </tr> <tr> <td>Finance &amp; Change</td> <td>(0.15)</td> <td>-</td> </tr> <tr> <td>Health, Adults &amp; Leisure</td> <td>(0.40)</td> <td>8</td> </tr> <tr> <td>Housing &amp; the Green Environment</td> <td>(0.43)</td> <td>9</td> </tr> <tr> <td>Leader</td> <td>(2.09)</td> <td>10</td> </tr> <tr> <td>Safer City</td> <td>0.00</td> <td>-</td> </tr> <tr> <td>Transport &amp; District Regeneration</td> <td>(2.05)</td> <td>11-12</td> </tr> <tr> <td><b>Total General Fund</b></td> <td><b>(14.95)</b></td> <td></td> </tr> <tr> <td>Housing Revenue Account</td> <td>(3.74)</td> <td>13-17</td> </tr> <tr> <td><b>Total Capital Programme</b></td> <td><b>(18.69)</b></td> <td></td> </tr> </tbody> </table> <p>NB. there may be small arithmetic variations in the table as figures have been rounded</p>	<u>Table 2 – Net Slippage</u>	<b>Movement in 2022/23 £M</b>	<b>Annex 2.3 Ref</b>	Children & Learning	(9.84)	1-7	Communities & Customer Engagement	0.00	-	Economic Development	0.00	-	Finance & Change	(0.15)	-	Health, Adults & Leisure	(0.40)	8	Housing & the Green Environment	(0.43)	9	Leader	(2.09)	10	Safer City	0.00	-	Transport & District Regeneration	(2.05)	11-12	<b>Total General Fund</b>	<b>(14.95)</b>		Housing Revenue Account	(3.74)	13-17	<b>Total Capital Programme</b>	<b>(18.69)</b>	
<u>Table 2 – Net Slippage</u>	<b>Movement in 2022/23 £M</b>	<b>Annex 2.3 Ref</b>																																						
Children & Learning	(9.84)	1-7																																						
Communities & Customer Engagement	0.00	-																																						
Economic Development	0.00	-																																						
Finance & Change	(0.15)	-																																						
Health, Adults & Leisure	(0.40)	8																																						
Housing & the Green Environment	(0.43)	9																																						
Leader	(2.09)	10																																						
Safer City	0.00	-																																						
Transport & District Regeneration	(2.05)	11-12																																						
<b>Total General Fund</b>	<b>(14.95)</b>																																							
Housing Revenue Account	(3.74)	13-17																																						
<b>Total Capital Programme</b>	<b>(18.69)</b>																																							
<b>20202/23 MONITORING POSITION</b>																																								
19.	The forecast performance of individual capital programmes in 2022/23 is summarised in table 2 below.																																							

<b>Table 2 – Summary of the General Fund &amp; HRA Capital Forecast 2022/23</b>				
	<b>Revised Programme £M</b>	<b>Forecast £M</b>	<b>Forecast Variance £M</b>	<b>Forecast Variance %</b>
Children & Learning	21.29	21.21	(0.08)	(0.37)
Communities & Customer Engagement	0.72	0.72	0.00	0.00
Economic Development	2.92	2.92	0.00	0.00
Finance & Change	7.86	7.86	0.00	0.00
Health, Adults & Leisure	3.04	3.04	0.00	0.00
Housing & the Green Environment	14.53	12.41	(2.12)	(14.57)
Leader	3.55	3.55	0.00	0.00
Safer City	0.66	0.66	0.00	0.00
Transport & District Regeneration	67.63	68.49	(0.86)	1.27
<b>Total General Fund</b>	<b>122.21</b>	<b>120.87</b>	<b>(1.34)</b>	<b>(1.09)</b>
Housing Revenue Account	46.20	42.12	(4.08)	(8.83)
<b>Total Capital Programme</b>	<b>168.41</b>	<b>162.99</b>	<b>(5.42)</b>	<b>(3.22)</b>
<b><u>Financed by</u></b>				
*CR - GF Borrowing	(43.93)	(43.38)	(0.55)	-1.24
*CR - HRA Borrowing	(15.22)	(15.05)	(0.17)	-1.10
Capital Receipts	(3.61)	(3.61)	0.00	0.00
Contributions	(13.85)	(13.49)	(0.36)	-2.62
Capital Grants	(63.48)	(63.05)	(0.43)	-0.67
Direct Revenue Financing	(2.18)	(1.99)	(0.19)	-8.54
HRA – MRA	(26.14)	(22.42)	(3.74)	-14.29
<b>Total Funding</b>	<b>168.41</b>	<b>162.99</b>	<b>(5.42)</b>	<b>-3.22</b>
*CR – Council Resources NB there may be small arithmetic variations in the table as figures have been rounded				
20.	The forecast spend for 2022/23 is £168.41M, giving a total forecast favourable variance of £5.42M. The reasons for the major forecast surplus/deficit variances are detailed in Annex 2.2.			
<b>CAPITAL RESOURCES</b>				
21.	The resources which can be used to fund the capital programme are as follows: <ul style="list-style-type: none"> <li>• Central Government Grants and from other bodies</li> <li>• Contributions from third parties</li> <li>• Council Resources - Capital Receipts from the sale of HRA assets</li> <li>• Council Resources - Capital Receipts from the sale of General Fund assets</li> <li>• Revenue Financing</li> </ul>			

	<ul style="list-style-type: none"> <li>• Council Resources – Borrowing</li> </ul>
22.	Capital Receipts from the sale of Right to Buy (RTB) properties are passed to the General Fund capital programme to support the Private Sector Housing schemes.
23.	It should be noted that the revised General Fund Capital programme is based on prudent assumptions of future government grants to be received. Most of these grants relate to funding for schools and transport and are un-ringfenced. However, in 2022/23 these grants have been passported to these areas.
24.	Annex 2.4 details the current level of available resources. This shows that the largest resource currently un-earmarked is S106 developer contributions. This relates to receipts in the latter part of 2021/22 for which the works are still being scoped and will be added to the programme during 2022/23. All S106 contributions come with specific conditions as to how the money must be spent.
<b>OVERALL CAPITAL PROGRAMME AND FINANCING</b>	
25.	The revised overall programme by year, including amendments that are being requested as part of this report and use of resources, can be found in Annex 2.5.
26.	The most significant amount of funding for the General Fund programme is provided by capital grants. Previously council resources, which at present, is mainly through borrowing. There has been a drive to reduce borrowing costs, due to increasing interest rates, to avoid an unbudgeted pressure on the GF revenue account. The HRA programme is primarily funded by Major Repairs Reserve (direct revenue contribution).
<b><u>SUPPORTING DOCUMENTATION</u></b>	
<b>Annexes</b>	
1.	GF & HRA Programme Changes Since Last Reported Position
2.	GF & HRA Major Forecast Variances as at September 2022
3.	GF & HRA Slippage & Rephasing as at September 2022
4.	GF Capital Resources Available as at September 2022
5.	GF & HRA Revised 5 Year Programme and Use of Resources.

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**GENERAL FUND & HRA: PROGRAMME AMENDMENTS SINCE LAST REPORTED POSITION**

Portfolio	Scheme	£M	*Council/Cabinet **Delegated Approval	Funding Source	App. 2 Ref
<b><u>Additions to the Programme</u></b>					
Children & Learning	DT Block renovations - Great Oaks	0.26	**	Government Grant	
Economic Development	Council Corporate Buildings	1.32	^	Council Resources	4
Housing & the Green Environment	Weston Shore Coastal Erosion	0.03	**	Grant	
	High Priority Play Areas	0.30	**	CIL	
		0.33			
Safer City	Safer City - Motorcycle interventions	0.50	^	CIL	12
Transport & District Regeneration	Itchen Bridge	0.70	^	CIL	13
	Safer Streets	0.50	^	CIL	14
		1.20			
<b>Total Additions to the GF Programme</b>		<b>3.61</b>			
<b>Total Additions to the HRA Programme</b>	Lift Refurbishment - Shirley Towers	0.40	**	Council Resources	
<b>Total Additions to the Overall Programme</b>		<b>4.01</b>			
<b><u>Reductions to the Programme</u></b>					
Communities & Customer Engagement	Extend Library Opening Hours	(0.25)	^	Council Resources	5
Finance & Change	Corporate Assets Decarbonisation Scheme(CADS)	(4.11)	^	Council Resources	6
	Civic Centre Upgrade	(2.50)	^	Council Resources	7
	IT Equipment and Software Refresh	(0.50)	^	Capital Receipts	8
		(7.11)			
Health, Adults & Leisure	Golf Course	(0.50)	^	Council Resources	9
Housing & the Green Environment	Green City Action Plan	(0.30)	^	Council Resources	10
	Hoglands Park & Pavillion	(1.00)	^	Council Resources	11
		(1.30)			
Transport & District Regeneration	Highways	(0.50)	^	CIL	14
	Public Transport - Zebra	(0.07)	^	Government Grant	15
	LordswoodClose - Unadopted Road	(0.25)	^	Council Resources	16
		(0.82)			
<b>Total Reductions to the GF Programme</b>		<b>(9.98)</b>			
<b>Total Variations to the Overall Programme</b>		<b>(5.97)</b>			
		£M			
	* - Approved By Council/Cabinet	0.00			
	** - Approved under Delegated Powers	0.99			
	^ - Require Approval	(6.96)			
<b>Total Variations to the Overall Programme</b>		<b>(5.97)</b>			

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### Forecast Major GF & HRA Variance Since Last Reported Position

	<b>HOUSING &amp; THE GREEN ENVIRONMENT</b>
1.	<p><u>1,000+ Parking Spaces (Surplus of £2.12M in 2022/23)</u>                      The 1000 parking spaces project was reviewed during the summer of 2022, and the outcome of that review was that only projects currently in progress would continue.</p>
	<b>TRANSPORT &amp; DISTRICT REGENERATION</b>
2.	<p><u>Bridges (Surplus of £0.95M in 2022/23)</u>                      Final costings have now been received for the programme and have come in £0.40M less than anticipated and £0.55M had been set aside for repairs to Itchen Bridge, which is now being taken forward as a separate project.                       This surplus will be used to offset the deficit on the highways programme.</p>
3.	<p><u>Footways/Pavements (Surplus of £0.33 in 2022/23)</u>                      All the projects that can be delivered in year, have now been scoped and costed by our strategic partner, BBLP there is a forecast surplus. This surplus will be used to offset the deficit on the roads programme.</p>
4.	<p><u>Road Programme (Deficit of £2.14M in 2022/23)</u>                      Over the Summer there has been a drive to complete a large number of projects, as part of the Additional Road Programme. Unfortunately, due to increasing costs caused by inflationary pressures, availability of resources and changes to scope, there is forecast deficit of £2.14M, offset by the £1.28 surplus detailing paragraphs 2 and 3.</p>
	<b>HRA</b>
5.	<p><u>HFRS Fire Safety / Sprinkler Project (Deficit of £0.43M in 2022/23)</u>                      Housing operations and external contractors are projecting additional costs due to COVID shutdown and restrictions accessing flats to undertake fire stopping works. This has led to lack of maintenance of the flat ventilations. Therefore, additional works have been identified to replace non-functioning extract fire damper cones with fire damper grilles to ensure adequate extract and protection against smoke and fire spread. The programme is reviewing the existing ducts and grilles that have asbestos containing products and will be looking to upgrading them. As a result, the project will be incurring a deficit in 22/23.</p>
6.	<p><u>Estate Regeneration Woodside/Wimpson (Deficit of £0.57M in 2022/23)</u>                      During the year 21/22, the Potters Court project (commenced 2015 / 2016), previously anticipated underspending against the project budget of £26.01M, and it was recorded and reported throughout the year leading to 2022/23.                       However, March 2022 the Project recorded the requirement to finance further works having acknowledged deficiencies in the delivered works, which shall have to be corrected, namely the relocation of lift landing call buttons, replacement of lift landing doors (14nr) and potential corrective Works in</p>

	<p>association with the Renewables.</p> <p>As a result of the additional work, the project is expected to be delivered within its original project budget of £26.01M, rather than the previously reported underspend. This means that the project requires a sum of £0.59M to finance the works noted above, whilst the issue of who is responsible to fund these works is resolved. The funds from other area of the HRA programme can be used to fund this Deficit.</p>
7.	<p><u>Disabled Adaptations (Deficit of £0.20M in 2022/23)</u>  After a review of the programme, additional works around hearing impairment and other contractor sourced installations have been identified. Therefore, the project will be incurring a deficit.</p>
8.	<p><u>Structural Works (Deficit of £0.20M in 2022/23)</u>  This budget has an element of contingency works within it for new issues being found and resolved once work has started. The condition surveys identified work over and above the contingency in the budget, which will be rectified over 3 years. As a result, this project will be incurring a deficit.</p>
9.	<p><u>Electrical Heating Systems (Surplus of £1.60M in 2022/23)</u>  CityEnergy currently delivering works to 172 properties across the City. LADS2 Gov. grant funding secured and used to upgrade heating to properties identified as poor thermal performance. However, progress has been hindered by recruitment issues and therefore, this budget will be incurring a surplus of £1.6m.</p>
10.	<p><u>Sprinkler Work (Surplus of £1.25M in 2022/23)</u>  The project had to be re-tendered, and the scope of works changed by omitting and adding blocks, this has delayed the project. However, tenders have been received recently and a contractor has been appointed. The first batch of orders were raised, but the project is still behind programme. As a result, the project will be incurring a surplus as future works will be covered by the set budgets.</p>
11.	<p><u>1,000+ Parking Spaces (Surplus of £1.31M in 2022/23)</u>  The 1000 parking spaces project was reviewed during the summer of 2022, and the outcome of that review was that only projects currently in progress would continue.</p>

### Major GF & HRA Slippage & Rephasing Since Last Reported Position

<b>CHILDREN &amp; LEARNING</b>	
1.	<p><u>SEND Review (Slippage £2.46M from 2022/23, £21.85M from 2023/24, £10.29M from 2024/25, £8.78M into 2025/26. £25.82M into 2026/27)</u></p> <p>Following the outcome of the feasibility studies a report is being taken to Cabinet to agree how the project should proceed. Based on this proposed programme of works a new, more realistic, profile has been established.</p>
2.	<p><u>Schools Condition Works (Slippage of £2.00M from 2022/23 to 2023/24)</u></p> <p>There are a number of schemes within the Schools Condition Works that require to be slipped to 2023/24 due to either scope being developed or school holiday working. The main schemes are:</p> <ul style="list-style-type: none"> <li>• Compass school door &amp; roof replacement £0.73M</li> <li>• Regents Park Roof £0.57M</li> <li>• Oakwood Primary Windows and Roof £0.64M</li> </ul>
3.	<p><u>St Georges Expansion (Slippage of £1.94M from 2022/23 to 2023/24)</u></p> <p>Major issues with the original Contractors tender evaluation, so the decision was taken to re-tender, which is still ongoing. Due to escalating construction costs there may be a potential budget shortfall in 2023/24.</p>
4.	<p><u>Regent Park Sports Facility (Slippage £1.32M from 2022/23 into 2023/24)</u></p> <p>Tendering/ Scoping of the scheme has identified a potential budget shortfall of circa £0.35M. Whilst the scope is being assessed to come within budget the project has been delayed.</p>
5.	<p><u>Townhill Junior School Roof (Slippage of £1.30M from 2022/23 into 2023/24)</u></p> <p>Scheme had been delayed largely due to a submission to the DFE for funding for a new school which proved unsuccessful. Initial scoping of the work indicates a potential budget shortfall which needs resolving before the project can proceed.</p>
6.	<p><u>Newlands Hearing Centre (Slippage of £0.50M from 2022/23 into 2023/24)</u></p> <p>As with a number of schemes within the current economic climate a potential budget shortfall is in the process of being scoped.</p>
7.	<p><u>Early Years Expansion Programme (Slippage of £0.23M from 2022/23 to 2023/24)</u></p> <p>Delays to a couple of schemes totalling £0.08M plus £0.14M of contingency.</p>
<b>HEALTH, ADULTS &amp; LEISURE</b>	
8.	<p><u>Holcroft House Fire Safety Measures (Slippage of £0.40M from 2022/23 into 2023/24)</u></p> <p>There has been a delay to the works due to the identification of asbestos within the building. This has resulted in revising the scheduled plan to enable any additional works that may be required. The current planned works are now not starting until October 22 onwards with work carrying on into 2023/24.</p>

	<b>HOUSING &amp; THE GREEN ENVIRONMENT</b>
9.	<u>Solar Powered Compactor Bins (Slippage of £0.43M from 2022/23 into 2023/24)</u> Following a review of the capital programme, the decision was taken to phase the project over a longer period.
	<b>LEADER</b>
10.	<u>Restoring and Promoting Heritage Assets (Slippage of £2.09M from 2022/23 and £0.27M from 2023/24 to 2024/25)</u> This budget has been reprofiled to align with the planned programme of works for restoring the heritage assets now that this schedule has been established. The programme is no longer being accelerated to meet the City of Culture deadline.
	<b>TRANSPORT &amp; DISTRICT REGENERATION</b>
11.	<u>Bridges (Slippage of £0.86M from 2022/23 to 2023/24)</u> This is predominately due to the works on Millbrook footbridge now being undertaken in 2023/24. A number of smaller projects have been delayed due to factors outside our control where we are awaiting input from external partners.
12.	<u>Future Transport Zone (Slippage of £0.86M from 2022/23 to 2023/24)</u> The delivery of some elements of the FTZ programme has been impacted by external factors outside of the direct control of the programme team (primarily delays incurred to project delivery associated to COVID 19 and recruitment/retention of staff). The slippage reflects those delays, while ensuring that all funding bid objectives are achieved.
	<b>HRA</b>
13.	<u>Roofing (Rephase of £0.70M from 2024/25 and 2025/26 into 2022/23)</u> The Flat Roofing Contractor has experienced difficulties with unprecedented cost increases on the current fixed price contract. To mitigate the difficulties that the contractor is experiencing, and to ensure completion of the contract, the proposal is to accelerate the remaining works from 2024/25 and 2025/26 into 2022/23. The current contract works are Section 20 led which means that part of the cost is payable by the leaseholders. This would hinder the finalisation of the flat roofing programme if the contractor was unable to complete due to further cost implications. The rephase will not hinder future year budgets as the new contract works are still in the process of being identified and will not require the full budget.
14.	<u>Communal Areas Works (Rephase of £0.20M from 2023/24 into 2022/23)</u> Initially this programme was delayed as access to work areas were restricted due to COVID. However, after a review the programme is now progressing ahead of the schedule. The contractors have identified doors to be prioritised and are able to bring works forward from 2023/24 into 2022/23.

15.	<p><u>Container Homes (Slippage £0.19M from 2022/23 into 2023/24)</u></p> <p>As part of the process of connecting the services to the new buildings a wayleave is required by SSE to access and install their equipment on SCC land, which is causing delays. Without the wayleave, a service trench cannot be excavated for power and water. The Wayleave has been escalated within the legal team with the priority status increased to red.</p>
16.	<p><u>Passive Fire Safety Works (Slippage of £4.27M from 2022/23 into 2023/24)</u></p> <p>The project has been faced with delays due to the tendering process sent out to SEC Framework, therefore, the timescales for appointing a contractor means that spend is unlikely to start until early 2023/24. As a result, the project will incur slippage from 2022/23 to 2023/24.</p>
17.	<p><u>External Wall Insulation (Slippage of £0.13M from 2022/23 into 2023/24)</u></p> <p>The project has been delayed due to satisfying the section 20 compliance process that had to be carried out before commencement of works. This means that it will have to go through a consultation process as works on this project is part recoverable from the current leaseholders. Therefore, the project will incur a slippage from 22/23 into 23/24 looking to commence works early 23/24.</p>

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# Agenda Item 10

## Appendix 12

### Capital Resources Available as at September 2022 (Capital Receipts; Community Infrastructure Levy and Section 106 funds)

Resource	Balance Bfwd £M	Received to Date 2022/23 £M	Allocated to Current Programme £M	Ear- marked £M	Available Funding £M	Anticipated Receipts in Year £M
Capital Receipts	(1.84)	(0.13)	1.08	0.00	(0.89)	(1.82)
CIL	(15.56)	(0.43)	22.07	1.00	(0.00)	(1.57)
S106	(9.43)	(0.92)	8.23	0.00	(2.12)	(0.10)
	<b>(26.83)</b>	<b>(1.48)</b>	<b>31.38</b>	<b>1.00</b>	<b>(3.01)</b>	<b>(3.49)</b>

NB. there may be small arithmetic variations in the table as figures have been rounded

### General Fund Capital Receipts Forecast

	Bfwd £M	2022/ 2023 £M	2023/ 2024 £M	2024/ 2025 £M	2025/ 2026 £M	2026/ 2027 £M	Total £M
Current Forecast	(1.84)	(1.95)	(0.00)	0.00	0.00	0.00	(3.79)

NB. there may be small arithmetic variations in the table as figures have been rounded

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# Agenda Item 10

## Appendix 13

### General Fund & HRA - Revised 5 Year Programme Totals and Use of Resources

#### Programme Comparison

	2022/ 2023 £M	2023/ 2024 £M	2024/ 2025 £M	2025/ 2026 £M	2026/ 2027 £M	Total £M
Revised Programme	168.41	191.47	98.46	70.44	91.46	620.25
Previous Programme	189.11	202.54	107.75	61.18	65.64	626.22
<b>Movement</b>	<b>(20.70)</b>	<b>(11.07)</b>	<b>(9.29)</b>	<b>9.27</b>	<b>25.82</b>	<b>(5.97)</b>

Programme	2022/ 2023 £M	2023/ 2024 £M	2024/ 2025 £M	2025/ 2026 £M	2026/ 2027 £M	Total £M
Children & Learning	21.29	11.51	3.93	8.78	25.82	71.34
Communities & Customer Engagement	0.72	0.00	0.00	0.00	0.00	0.72
Economic Development	2.92	1.44	0.00	0.00	0.00	4.37
Finance & Change	7.86	9.05	2.99	0.00	0.00	19.90
Health, Adults & Leisure	3.04	9.01	6.30	0.00	0.00	18.35
Housing & the Green Environment	14.53	4.62	6.00	6.20	1.50	32.85
Leader	3.55	3.83	2.35	0.00	0.00	9.72
Safer City	0.66	0.00	0.00	0.00	0.00	0.66
Transport & District Regeneration	67.63	54.44	18.52	22.94	31.70	195.23
<b>Total General Fund</b>	<b>122.21</b>	<b>93.90</b>	<b>40.09</b>	<b>37.92</b>	<b>59.02</b>	<b>353.13</b>
Housing Revenue Account	46.20	97.57	58.38	32.52	32.44	267.12
<b>TOTAL CAPITAL PROGRAMME</b>	<b>168.41</b>	<b>191.47</b>	<b>98.46</b>	<b>70.44</b>	<b>91.46</b>	<b>620.25</b>

#### Use of Resources

*CR - GF Borrowing	(43.93)	(43.88)	(20.00)	(10.10)	(29.51)	(147.42)
*CR - HRA Borrowing	(15.22)	(58.82)	(27.98)	(4.40)	(4.40)	(110.82)
Capital Receipts	(3.61)	(13.03)	(4.82)	(1.99)	(1.99)	(25.44)
Direct Revenue Financing	(13.85)	(10.35)	(6.50)	(6.95)	(2.25)	(39.91)
Capital Grants	(63.48)	(39.66)	(13.59)	(20.87)	(27.26)	(164.86)
Contributions	(2.18)	(1.40)	(0.56)	(0.48)	(0.48)	(5.09)
HRA – MRA	(26.14)	(24.33)	(25.01)	(25.66)	(25.58)	(126.72)
<b>Total Financing</b>	<b>(168.41)</b>	<b>(191.47)</b>	<b>(98.46)</b>	<b>(70.44)</b>	<b>(91.46)</b>	<b>(620.25)</b>

\*CR – Council Resources

NB. there may be small arithmetic variations in the tables as figures have been rounded

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<b>DECISION-MAKER:</b>	CABINET	
<b>SUBJECT:</b>	Place Based Governance Arrangements	
<b>DATE OF DECISION:</b>	15 November 2022	
<b>REPORT OF:</b>	Councillor Fielker Cabinet Member for Health, Adults and Leisure	
<b><u>CONTACT DETAILS</u></b>		
<b>Executive Director</b>	<b>Title</b>	Director of Commissioning – Integrated Health and Care
	<b>Name</b>	Terry Clark
<b>Author:</b>	<b>Title</b>	Director of Commissioning – Integrated Health and Care
	<b>Name</b>	Terry Clark
<b>STATEMENT OF CONFIDENTIALITY</b>		
N/A		
<b>BRIEF SUMMARY</b>		
<p>Partners across Southampton have a long history of integration and working effectively together to agree and deliver shared outcomes across Health &amp; Social Care. Over the past year as part of the Integrated Care System implementation, Partners have been working collaboratively to develop and transition to new governance arrangements that will support closer system working and integration across Health &amp; Social Care within Southampton.</p> <p>This paper sets out proposals for revised Place-based governance arrangements.</p>		
<b>RECOMMENDATIONS:</b>		
	That the following changes to the Terms of Reference for the Joint Commissioning Board are approved:	
(i)	The Joint Commissioning Board is renamed as the Southampton Health & Care Partnership Board.	
(ii)	<p>That the membership of the board is constituted of the following from November 2022:</p> <ul style="list-style-type: none"> <li>• DASS &amp; Cabinet Member of Health, Adults and Leisure</li> <li>• DCS &amp; Cabinet Member of Children’s Services</li> <li>• Director of Public Health</li> <li>• Leader of the Council</li> <li>• Clinical Director for Southampton Place – HIOW ICB</li> <li>• Place Director for Southampton – HIOW ICB</li> </ul>	
(iii)	<p>That by April 2023 the membership is constituted of those in (ii) and the following additional representatives:</p> <ul style="list-style-type: none"> <li>• Senior Representative of UHS</li> <li>• Senior Representative of Solent</li> <li>• Senior Representative of Southern</li> <li>• Service User &amp; Carers Voice</li> <li>• Voluntary Sector Representative</li> </ul>	

	<ul style="list-style-type: none"> <li>Children’s Social Care Provider Representative</li> <li>Adult Social Care Provider Representative</li> </ul>
(iv)	That any further changes to the Terms of Reference are delegated to the Director Legal and Business Services following consultation with Cabinet Member for Health, Adults and Leisure to approve on behalf of the Council.
<b>REASONS FOR REPORT RECOMMENDATIONS</b>	
1.	To implement revised governance arrangements following the implementation of the Integrated Care System across Hampshire and Isle of Wight in line with NHS Reforms.
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>	
2.	N/A
<b>DETAIL (Including consultation carried out)</b>	
3.	<p>Place Based governance elements of the ICS are being formed. The term ‘place’ is used to describe the geographical level that sits beneath an integrated care system. Boundaries of place are normally synonymous with local authority areas, and this is the case for the place of Southampton. Across the ICS, there will be 4 Places, Southampton, Portsmouth, Hampshire and Isle of Wight.</p> <p>Although Southampton has been successful in its integration journey with one of the largest pooled budgets across the country (circa £140m), as part of the current governments plans to ensure success like Southampton’s is replicated across the country, new legislation has been developed to further support and deliver the next phase of this integration.</p> <p>Appendix 1 outlines the proposal for the Joint Commissioning Board (JCB) to be reconstituted as the strategic place-based partnership board for Southampton: The Southampton Health and Care Partnership Board from November 2022. In addition, the appendix sets out the changes required to implement the new Board, which consist of minor changes to the Terms of Reference, such as the membership of the board.</p>
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
4.	N/A
<b><u>Property/Other</u></b>	
5.	N/A
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
6.	The Health & Care Act 2022 sets out arrangements for reform to the NHS to create Integrated Care Systems consisting of an Integrated Care Board and an Integrated Care Partnership. Both of these were implemented on the 1 <sup>st</sup> July 2022 across Hampshire & Isle of Wight. As part of these reforms new Place Based Governance need to be in place by April 2023.

	This report sets out how the current Joint Commissioning Board will be reconstituted to deliver this in accordance with s.1 Localism Act 2011. In light of the fact that the board already exists, and there are only minor changes to the Terms of Reference for this Board, there are no new legal implications.
<b><u>Other Legal Implications:</u></b>	
7.	The governance arrangements and Terms of Reference are fully compliant with the requirements of the Human Rights Act 1998 and the Equalities Act 2010.
<b>RISK MANAGEMENT IMPLICATIONS</b>	
8.	N/A
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
9.	The proposals are wholly consistent with the provisions of the Council's various policy framework plans as they relate to joint working with health partners to improve services to the Council's administrative area.

<b>KEY DECISION</b>	Yes
<b>WARDS/COMMUNITIES AFFECTED:</b>	ALL
<u>SUPPORTING DOCUMENTATION</u>	
<b>Appendices</b>	
1	PLACE BASED GOVERNANCE ARRANGEMENTS FOR SOUTHAMPTON
2	Development of our Place Based Governance Arrangements for Southampton

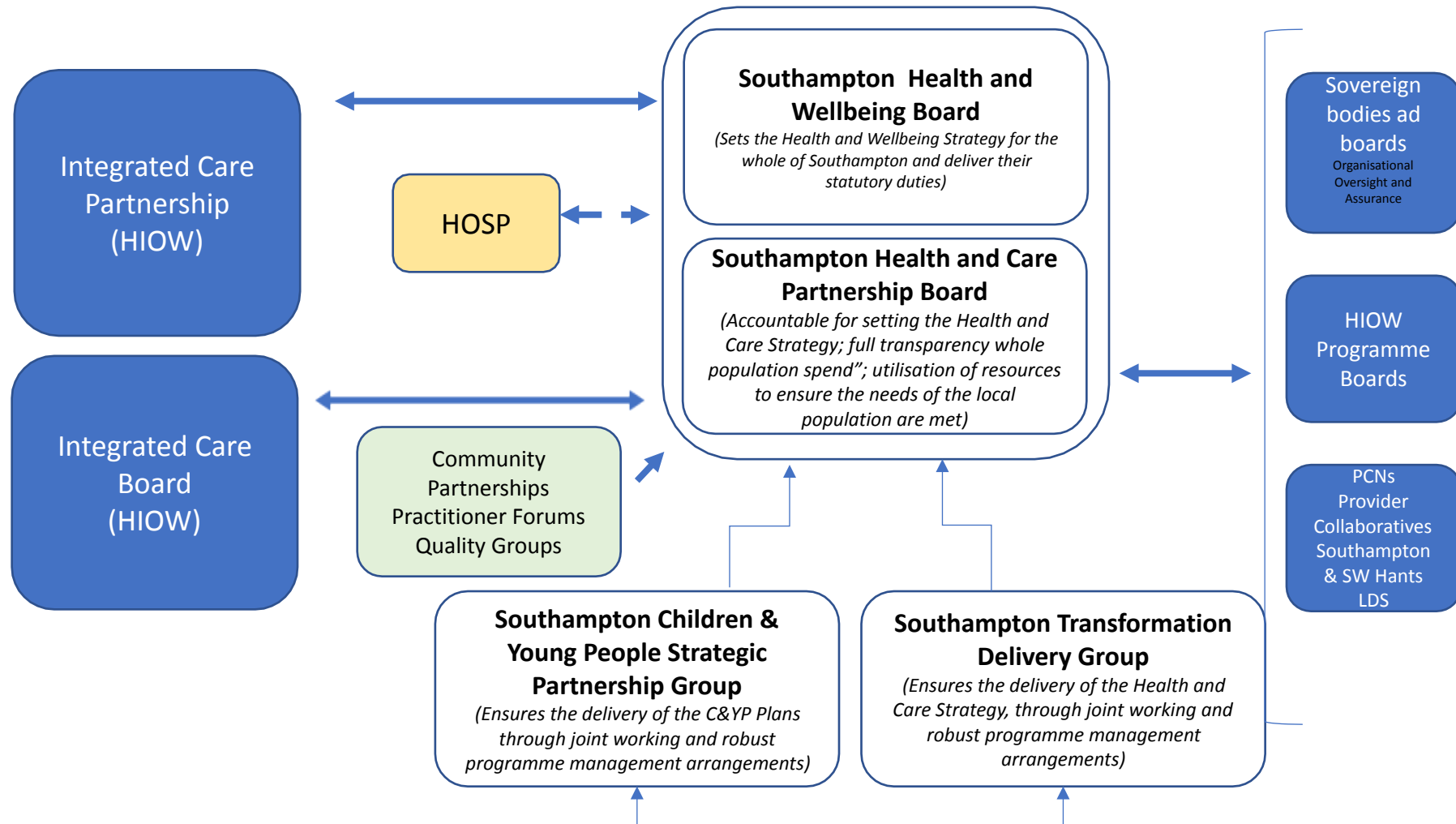
#### Documents In Members' Rooms

1.	None
<b>Equality Impact Assessment</b>	
<b>Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.</b>	<b>No</b>
<b>Data Protection Impact Assessment</b>	
<b>Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.</b>	<b>No</b>
<b>Other Background Documents</b>	
<b>Other Background documents available for inspection at:</b>	
<b>Title of Background Paper(s)</b>	<b>Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)</b>
1.	None

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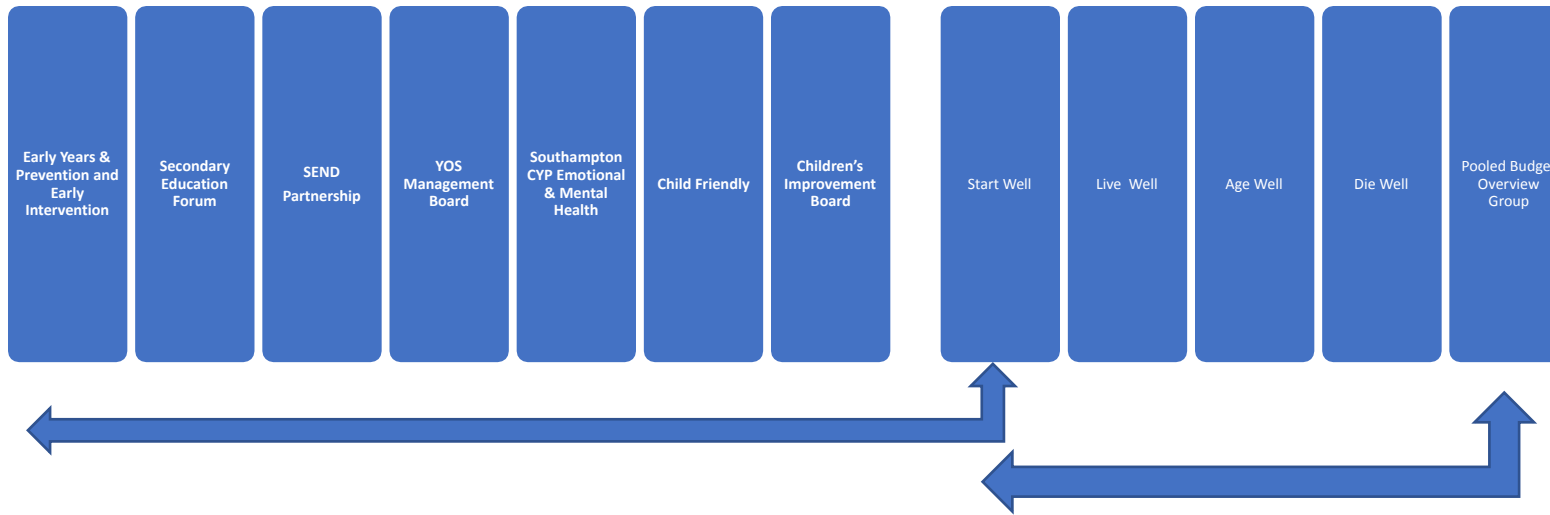
## Southampton City – Place Governance Structure



# Southampton Health & Care Partnership Board

Southampton Children & Young People Strategic Partnership Group

Southampton Transformation Strategic Delivery Group



### Development of our Place Based Arrangements

#### 1 Introduction

- 1.1 This paper sets out proposals for the implementation of new place-based governance arrangements following the go live of the Integrated Care System on the 1<sup>st</sup> July 2022.
- 1.2 Partners across Southampton have a long history of integration and working effectively together to agree and deliver shared outcomes across Health & Social Care. Over the past year as part of the Integrated Care System implementation, Partners have been working collaboratively to develop and transition to new governance arrangements that will support closer system working and integration across Health & Social Care within Southampton.
- 1.3 Although Southampton has been successful in its integration journey with one of the largest pooled budgets across the country (circa £140m), as part of the current governments plans to ensure success like Southampton's is replicated across the country, new legislation has been developed to further support and deliver the next phase of this integration.

#### 2 Place within the ICS

- 2.1 The term 'place' is used to describe the geographical level that sits beneath an integrated care system. Boundaries of place are normally synonymous with local authority areas, and this is the case for the place of Southampton. Across the ICS, there will be 4 Places, Southampton, Portsmouth, Hampshire and Isle of Wight.
- 2.2 Since 2014 within Southampton, the council and NHS have been working in an integrated way through the Integrated Commissioning Unit and the Joint Commissioning Board, which has both Health and Local Authority representatives. Decisions affecting the City's residents in relation to Health & Social Care have been primarily taken at the Board. The board has worked well in overseeing the priorities for the City's residents, shaping, and championing integrated service delivery.
- 2.3 As an early adopter of integration and recognising that working in a collaborative way can deliver improved outcomes for Southampton, we have been able to:
  - Develop one of the largest pooled budgets in the country totalling c.£140m.
  - We have developed the Southampton City Health and Care Strategy (2020-2025) which is supported by all stakeholders and sets the vision and ambition for the place-based partnership over the coming years.
  - Delivered Joint teams in provider services such as rehabilitation and reablement, and children's locality teams.

- Continued to embed Joint roles and joint decision-making forums across organisational boundaries.
- 2.4 While Southampton has always been at the forefront of integration and partnership working. The new arrangements across the NHS, with the introduction of the ICS, gives us an opportunity to further strengthen our approach and governance arrangements locally.
- 2.5 As part of the changes in the NHS, new Place based partnerships need to be in place by April 2023. These partnerships will be central to influencing and supporting the work of the ICB. They will lead the detailed design and delivery of integrated services and be the voice of Southampton within the ICS arrangements.
- 2.6 The partnerships will involve the NHS, local councils, community and voluntary organisations, local residents, people who use services, their carers and representatives and other community partners with a role in supporting the health and wellbeing of the population. Place based partnerships are recognised as the foundations for integrated care systems and are described as partnerships that develop over time building on existing relationships.
- 2.7 The role of Place-based partnerships are to:
- Lead on the vision for health & care in the city, working with the Health and Wellbeing Board to improve population health and healthcare.
  - Be responsible for setting the strategic direction and development of the place based 5-year Health and Care Strategy.
  - Monitor the implementation of the 5-year Health and Care Strategy to ensure it meets agreed priorities, objectives and performance targets
  - Ensure resources are committed appropriately, with adequate oversight, to deliver the Health and Care Strategy.
  - Responsible for Southampton “Place” and achieving better outcomes for our local population as a result of strong integration
  - Accountable for those areas of health and social care commissioning covered by the Better Care Fund (BCF) Section 75

### **3 Developing Southampton “place”**

- 3.1 As set out earlier in this report, Southampton has for several years been working in a place-based way through the Joint Commissioning Board. As part of the process to align to the framework set out by government, Southampton needs to start the process of transitioning to revised Place Based arrangements.
- 3.2 Discussions/workshops have taken place across the ICB, at the current Joint Commissioning Board, with members of both Groups (Administration & Opposition), Health Overview and Scrutiny Panel, the voluntary sector and carers to look at ways in which new place-based arrangements could be implemented. There has been a clear

consensus that we need to build on what already works and is in place in. Therefore, the following is proposed:

## Governance

- 3.3 That the Joint Commissioning Board (JCB) be reconstituted as the strategic place-based partnership board for Southampton: The Southampton Health and Care Partnership Board from November 2022.
- 3.4 The Terms of Reference (ToR) for the JCB be carried over to the new Board, with minor revisions to the name and membership. The ToR will then be revised in incremental stages as the Board establishes itself within the new HloW ICS structure.
- 3.5 To continue with a rotational chair approach, until such time as the Southampton Health and Care Partnership Board is fully established, at which point, a review of the Chairs role will be undertaken to establish what the requirement for Southampton “place” is and action taken accordingly.
- 3.6 That the membership of the board is revised to reflect additional members to join the Board, in line with national guidance and that these members are added to the board in phases over the transition period to April 2023.

- 3.7 The first meeting of the board in November is constituted with the following initial membership:

Organisation	Member
Local Authority	DASS & Lead Member Function DCS & Lead Member Function DPH Function Leader of the Council
HIOW – Southampton Place	Clinical Director Place Director

- 3.8 By April 2023 that the membership of the board consists of the following representatives:

Organisation	Member
Local Authority	DASS & Lead Member Function DCS & Lead Member Function DPH Function Leader of the Council
HIOW – Southampton Place	Clinical Director Place Director
Providers of acute, community and mental health services	Senior representation from UHS Senior representation from Solent Senior representation from Southern
Voluntary sector and service user voice	Service User and Carer Voice representatives

	Vol Sector Representative
Provider representation	Children's Social Care Provider Adults Social Care Provider

3.9 The new Partnership Board will continue to meet in public as is currently the case with the JCB. This will continue to ensure that decisions made that effect the residents of the Southampton are taken in an open and transparent way.

### Milestone Plan

3.12 From now through to the end of March 2023 there are a range of developments which need to be completed to ensure the beginning of Southampton's place journey is in the best possible position from April 2023.

3.13 The proposed place governance and accountability structure is attached in Appendix 1. The following sets out the actions that needed to be taken over the remainder of the year.

### 3.14 Table 1 – Development Table

Area	Development required
Shared priorities for service transformation	Finalise our refreshed shared transformation priorities for 2023/24, with a clear focus on actions to reduce health inequalities as part of our Health & Care Plan work.
System financial plan	Continue to develop and set out the underpinning place-based financial framework for our system and link this with our transformation programme to support increased grip on delivery as part of our BCF Pooled Budget arrangement for 2023 onwards.  Agree Place Budget for 2023/24.  Finalise Financial framework: principles and delegation

Review our capability and capacity to support successful delivery of our aims and objectives	Finalise and implement review of our functions at place level across commissioning, transformation, delivery, assurance and planning in light of the latest guidance, good practice and expectations about the role of place in supporting Health & Care across Southampton
Southampton Health and Care Partnership Board	<ul style="list-style-type: none"> <li>• Identify Accountable Person</li> <li>• Continue engagement with relevant groups to identify appropriate representation.</li> <li>• Update Terms of Reference following transition (ToR) <ul style="list-style-type: none"> <li>○ Membership</li> <li>○ Delegated responsibility</li> <li>○ Voting</li> <li>○ Quoracy</li> <li>○ Review of the s75 partnership agreement</li> <li>○ Review of risk sharing principles</li> </ul> </li> </ul>
Southampton Transformation Delivery Group	<ul style="list-style-type: none"> <li>• Review range of Delivery Groups</li> <li>• Identify future Delivery Group requirements</li> </ul>

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<b>DECISION-MAKER:</b>	<b>Cabinet</b>
<b>SUBJECT:</b>	<b>Introduction of Fees for Council's Public Electric Vehicle Chargers</b>
<b>DATE OF DECISION:</b>	<b>15<sup>th</sup> November 2022</b>
<b>REPORT OF:</b>	<b>Councillor Lisa Mitchell Cabinet Member for Housing and the Green Environment</b>

<u><b>CONTACT DETAILS</b></u>			
<b>Executive Director</b>	<b>Title</b>	<b>Executive Director Place</b>	
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<b>STATEMENT OF CONFIDENTIALITY</b>
None

<b>BRIEF SUMMARY</b>
<p>Southampton City Council (SCC) has used government grant money to install 46 publicly accessible electric vehicle chargers (EVC's) in its car parks and highways. We have become the largest single provider in the city and since their introduction we have offered these on a free to use basis to encourage the uptake of electric vehicles (EV's) and the benefits they offer in terms of reducing carbon emissions and improving local air quality.</p> <p>The EVC's are spread across 17 locations in the city and we now experiencing regular use as EV's are becoming more common place on our roads. It is understood that a free to use network is now not the main driver for EV uptake and SCC is now experiencing significant costs to maintain this service, driven by an increase in demand and rising energy costs. It is therefore proposed to introduce a competitive fee for usage that will contribute towards our energy consumption costs and other overheads whilst ensuring the chargers offer an attractive option for EV users.</p>

<b>RECOMMENDATIONS:</b>	
(i)	<p><b>To end the free to use offer at SCC’s public EV chargers and introduce a fee-paying service at an introductory rate of £0.45/kwh (inclusive of VAT) from the 12<sup>th</sup> December 2022.</b></p> <p>Future fees will be reviewed routinely and updated where necessary to ensure income is aligned with costs.</p>
(ii)	<p><b>For those chargers SCC currently provides for the dedicated use by SCC licensed taxi and private hire vehicles, to delegate authority to the Executive Director of Place, following consultation with the relevant Cabinet Member, to relax the current access restriction and/or introduce fees at a future date and when satisfied that this sector has sufficient charging infrastructure available to support its transition to EV’s.</b></p>
<b>REASONS FOR REPORT RECOMMENDATIONS</b>	
1.	<p>SCC is under no statutory or grant agreement obligation to maintain a free to use service. When the council first introduced EV chargers in 2018, they were offered on a “free to use” basis for a limited period to incentivise early take up of EV’s in the city at a time when they were not as an attractive proposition to drivers as they have become today. The growth of the EV market is now accelerating in the UK, driven by the 2030 restrictions on the sale of new petrol and diesel vehicles. SCC has seen a seven-fold increase in energy consumption at its public chargers in 2022 whilst it has also experienced a four-fold increase in its energy costs since 2020. The cost for maintaining this service at current energy costs (October 2002) and consumption rates is approximately £13,505 per month. This is placing a pressure on SCC’s finances and restricting its ability to further invest into its charging infrastructure at a time when the priority needs to shift towards providing a service at a scale to satisfy future demand.</p>
2.	<p>Two rapid chargers are currently offered exclusively to SCC licensed taxi and private hire vehicles on a free to use basis as part of the council’s Local NO2 Plan and efforts to reduce taxi related emissions. Currently only 3 EV’s are licensed in the city and registered to use the chargers. Although SCC has been able to stimulate a significant shift towards lower emission hybrid vehicles in recent years, further effort is required to support this sectors transition to full EV’s and to realise their wider benefits. This is already underway as part of the Hants 2025 Project and would benefit from retaining these chargers on a free to use and exclusive access basis until there are further practical charging options available and the viability of running an EV is more widely accepted.</p>
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>	
3.	<p><b>Do not implement a fee for use of SCC’s Public EV Chargers.</b></p> <p>The public charging network is currently using approximately 36,500 kwh of energy per month (measured July-September 2022) at an estimated cost of £13,505 (based on unit energy cost of £0.37 kwh from October 2022). There is capacity for further uptake and energy consumption.</p>

	The energy costs are forecast to increase to £0.45 kwh. If the use of our chargers remained at 36,500kwh per month, the cost to the Council would be £16,425per month (£197,100 per Anum) and would represent a significant pressure on council finances.
4.	<b>Introduce fees for charging at SCC Public EV Chargers at a different rate.</b> An introductory rate of £0.45 kwh (£0.38 kwh excluding VAT) would offer a commercially competitive rate that is comparable to other providers (see paragraph 35) and would contribute significantly towards energy costs (see paragraph 36). If this rate is not sufficient to recover costs it can be adjusted accordingly and in accordance with the Officer Scheme of Delegation. Any surplus generated after operator and energy costs are paid can be used accommodate any future increases in energy costs and support ongoing maintenance charging network. Future fees will be adjusted to ensure this pricing strategy is maintained and that may include raising or lowering fees in response to the market price that SCC can secure.
5.	<b>Shut down SCC's public EV charging service.</b> The widespread adoption of EV's is key component of the UK's Net Zero Strategy. As the increase in private and commercial EV ownership expands so does the need for charging these vehicles. Many users do not have ability to charge at home or work and there is an expectation that local authorities will play a key role in delivering the public charging infrastructure needed to satisfy future demand. SCC is currently the biggest provider of public EV charging in Southampton and will need to maintain this to ensure the transition to EV's is otherwise not hindered in the city.
<b>DETAIL</b>	
6.	When SCC first introduced EVC's in 2017, sales of Battery Electric Vehicles (BEV's) and Plug in Hybrid Vehicles (PHEV's) in the UK totalled 46,000 for the entire year, less than 2% of total new registrations. SCC introduced its chargers on a free to use basis to encourage the uptake of low emission plug in vehicles in the city and realise their benefits in terms of reduced emissions and an opportunity to improve local air quality.
7.	In November 2020 the UK government announced that the sale of new petrol and diesel cars and vans will be restricted by 2030 and all new cars and vans must be fully zero emission at the tailpipe from 2035. Between 2030 and 2035, new cars and vans can be sold if they have the capability to drive a significant distance with zero emissions (for example, plug-in hybrids or full hybrids). In response, manufacturers are now offering an increasing range of EV's that are becoming more affordable and offer better range.
8.	The cost of new EV's still currently remains higher that traditional petrol and diesel vehicles but running costs are often quoted as being lower and lifetime ownership costs are currently comparable. It is estimated that electric cars and vans will be cheaper to produce than combustion vehicles by 2027.
9.	In 2021 electric cars made up 18.5% of all new cars registered. As of the end of June 2022, there were more than 910,000 plug-in cars with approximately 510,000 BEVs and 400,000 PHEVs registered. During the period up to 2010-2015 the majority of the new registrations were PHEVs, but in 2020 with longer

	<p>range and greater model choice available as BEVs, this reversed with pure EVs now leading on monthly sales and annual market share. The growth of the EV market is expected to accelerate in the coming years as the UK prepares itself for the 2030 restrictions on new petrol and diesel vehicle sales. By the end of 2022, it's projected that, electric cars will outsell diesel and mild hybrid diesel. Petrol is set to remain the most popular fuel choice for used car buyers for the next few years, yet, while diesel is expected to become a niche choice over time as drivers opt for cleaner and cheaper plug-in alternatives.</p>
10.	<p>EV Chargers fall into four categories depending on their charging ability – Slow, Fast, Rapid and Ultra Rapid.</p> <ul style="list-style-type: none"> <li>• Slow chargers are generally home based and run directly of the 230V supply using the standard three pin plug at around 2.3kwh that would charge a car fully in 15- 20hrs or also specific home EV charges can be fitted that can offer around 3.6kwh and up to 7Kwh depending on supply and charger type – both will charge an EV a little quicker at about 12hrs for the 3.6kw and 8hrs with more power.</li> <li>• Fast Chargers are more commonly see as the standard carpark / roadside chargers and are predominantly 7Kwh but can also be up to 22kwh – A 7kwh charger would charge a vehicle from empty in about 7 hrs but are ideal for “top up” charging whist parking for a longer period.</li> <li>• Rapid Chargers are more powerful and would typically be DC 50kwh- 100kwh and offer a much quicker option. These tend to be more suited for a defined destination location as opposed to on street due to the cost of the unit and the infrastructure required. A rapid charger would typically charge a car from empty to full in about an hour or would top up as much as 80% in 20 minutes.</li> <li>• Ultra-Rapid Chargers are becoming a little more well-known and being generally available at “charging Hubs” and can give power up to 350kwh. These can charge bigger batteries and more powerful EV’s quickly. These could add range of 100 miles in only 10 minutes.</li> </ul>
11.	<p>SCC presently provides 39 fast chargers in its car parks and 7 on street (46 total). Two rapid chargers are also offered exclusively to taxi operators, as part of the Local NO2 Plan and efforts to reduce taxi related emissions.</p>
12.	<p>Commercial EV Charging operators have a raft of pricing options based upon the type and power available usually broken down to the 4 main types above. In essence you pay more for the faster charge as these units cost more to instal and maintain. In addition, operators frequently include the following in their pricing strategies.</p> <ul style="list-style-type: none"> <li>• Connection fees - Each time you connect to their network you pay a standing charge in addition to the energy you take.</li> <li>• Subscription – To gain access to a network of chargers that an individual operator has, they require you to pay a monthly subscription in addition to paying for the energy you take.</li> </ul>
13.	<p>Typically charging costs are in addition to any other parking charges and SCC proposes to apply this same convention. EV’s whether charging or otherwise have never been exempt from parking fees in SCC car parks but a concessionary season ticket is available. SCC proposes to introduce fees at a</p>

	single flat rate with no subscription or connection fees, offering customers a simple and transparent pricing scheme.
14.	Energy consumed by SCC's chargers is typically registered at a meter for a general site or area and their costs have been absorbed within the operating budget for these sites i.e. Parking Services and Highways, rather than any dedicated budget. However, energy consumption for individual chargers can be obtained from their operating systems and this suggests they are currently using approximately 36,500kwh of energy per month (measured July-September 2022). Currently the cost of energy equates to £13,505 per month.
15.	There has been a significant spike in use of SCC's chargers since the turn of the year. and energy consumption has increased seven-fold (see appendices). This can be attributed in part due to the lifting of COVID restrictions and the increasing numbers of EV's on our roads. But it has become evident that our free to use model has become increasingly more attractive as the cost of home charging and commercial charging services has increased over this period. We are also aware that commercial fleet operators are now using our facilities, and this will also be contributing to the uplift
16.	Although the uptake in EV's by city businesses should be applauded, this commercial scale of use is not in the spirit of our original "free to use" offer and some car drivers have expressed their frustration of being blocked from chargers due to the presence of commercial vans. SCC parking Services are in the process of initiating a consultation that would enable them to restrict commercial vehicles accessing our car parks as one way of managing the issue.
17.	It is believed that in many cases the free to use offer is attracting a significant amount of opportunistic use and other, viable charging options (like home and workplace charging) are being overlooked in preference for our fully subsidised offer. It is anticipated that the introduction of fees is likely to normalise behaviours and could alleviate the more immediate problems caused by larger commercial vehicles. Operating models that offer chargers to commercial users for overnight charging only, are being considered as a longer-term solution.
18.	The introduction of a fee-paying service for our facilities is not considered likely to otherwise impair the local uptake of electric vehicles in the city. Free to use services are becoming increasingly scarce. These are generally subsidised by major retailers with a view to gaining and maintaining customer loyalty and offer a limited charging opportunity due to time restrictions and charging speeds. It is anticipated that we may experience a short-term reduction in usage as behaviours are normalised and a switch to other charging options occurs. It is not expected the introduction of fees on SCC's network will have any significant impact on EV uptake. It is expected that the trend for EV's will continue to increase at pace and demand for our charging network to follow in the medium term.
19.	The media have recently been reporting that the costs of fuelling an EV against a Petrol or diesel equivalent are narrowing and could be similar. These figures are generally based upon using the most expensive charger options (i.e., the Rapid and Ultra Rapid chargers) and not the Fast (7 – 22kwh) chargers that

	SCC generally have. Rapid type chargers represent the most expensive part of the market and would typically be used to top-up vehicles on long journeys rather than being the primary means of charging for the majority of vehicles.															
20.	The technology within all the charger units supports payments already so no additional software or hardware is required to initiate the fee charging. The back-office functions can be easily set and managed to facilitate fee taking and the existing Charge Point Operator will be responsible for collecting all payments and returning to SCC, less an agreed commission.															
21.	A proportion of this income will be journaled internally to cover energy costs and ensure metered costs paid by specific service areas are accounted for. This will be managed by SCC's Energy Team.															
22.	<p>SCC propose that fees will only be introduced after a period of at least 17 days' notice and will be supported by a communications campaign to ensure that all users are aware of the changes in use, including contact with Smart Cities Card Users and broader details across all our Social Channels, on-site signage (at all public carparks and on street locations with chargers) and visual messages on the chargers themselves.</p> <p>We will be clear to explain the reasons why we are introducing the fees to include the following message:</p> <ul style="list-style-type: none"> <li>- Free EV Charger use was introduced as a limited trail trial to encourage early uptake of EV's.</li> <li>- SCC have placed 46 Public chargers across the city and are seeing a significant uplift in use as EV numbers increase.</li> </ul> <p>Our Fees will reflect our current energy costs and be set at a typical market price and support future investment and on-going maintenance.</p>															
23.	<p>Public charger costs have risen steeply in recent months in response to energy price increases. But petrol and diesel prices have also increased and the cost per mile of an EV verses a similar sized and powered petrol or diesel remains attractive.</p> <table border="1" data-bbox="263 1350 1268 1906"> <thead> <tr> <th>Petrol</th> <th>Diesel</th> <th>Battery Electric – Using public rapid chargers on a non-subscription basis @ 63p per kWh</th> <th>Battery Electric – Using fast chargers on a non-subscription basis @ 45p per kWh</th> <th>Battery Electric – Using home charger @ 35p per kWh (energy price guarantee 1/10/2022)</th> </tr> </thead> <tbody> <tr> <td>19p</td> <td>21p</td> <td>18p</td> <td>13p</td> <td>10p</td> </tr> <tr> <td colspan="2">As reported by RAC Price Watch Sept 2022</td> <td colspan="2">Based on Shell UK tariff 1/8/2022 (the largest UK operator) and vehicle efficiency of 3.5 miles per kWh (as used by RAC Price Watch).</td> <td>Based on energy price guarantee 1/10/2022 and vehicle efficiency of 3.5 miles per kWh (as used by RAC Price Watch)</td> </tr> </tbody> </table>	Petrol	Diesel	Battery Electric – Using public rapid chargers on a non-subscription basis @ 63p per kWh	Battery Electric – Using fast chargers on a non-subscription basis @ 45p per kWh	Battery Electric – Using home charger @ 35p per kWh (energy price guarantee 1/10/2022)	19p	21p	18p	13p	10p	As reported by RAC Price Watch Sept 2022		Based on Shell UK tariff 1/8/2022 (the largest UK operator) and vehicle efficiency of 3.5 miles per kWh (as used by RAC Price Watch).		Based on energy price guarantee 1/10/2022 and vehicle efficiency of 3.5 miles per kWh (as used by RAC Price Watch)
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24.	In addition, EV ownership also offers lower service and maintenance costs, reduction in Road Fund License (Road Tax), Congestion Charges and the longer life expectancy of the drive train and components (with the reduction in															

	moving wear parts). A typical modern petrol engine is made up of approximately 2,000 components whilst an EV has 20, so significantly less to wear out or be replaced during its life.
26.	<p>SCC has offered other incentives to EV drivers including;</p> <ul style="list-style-type: none"> <li>• A 90% discount on any city centre season ticket for electric vehicle users</li> <li>• Owners of EV's living in local council areas can currently cross the Itchen Bridge free of charge with a SmartCities card</li> </ul> <p>Like our free to use chargers these offers were introduced to encourage the early adoption of EV's in the city and so were not intended to be retained indefinitely. They are routinely reviewed and a decision regarding their managed withdraw will be made independently of the decision regarding the introduction of fees for chargers. Further details are provided an appendix 5</p>
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
27.	SCC chargers use two back-office systems managed by MER and Shell Recharge. These are common operators across the UK's public EV charging network. Users gain access via an App, card or fob (depending on preference) and must open an account which involves registering a payment card. Where a fee for charging applies, the operators debit the user's account according to their terms and conditions for each kwh supplied. For this service the supplier takes a commission of 10% of the income generated.
28.	Fees could be introduced as early as 12 <sup>th</sup> December 2022, allowing sufficient time to complete an appropriate level of internal engagement prepare the back-office systems and communications plan to ensure all users are given due notice of the change.
29.	Over the past three months we have been delivering an average of circa 36,500kwh of energy to our charger network per month, at a cost rate of £0.20 p/kwh and an estimated cost of approximately £7,300 per month (£87,600 per annum) and it is estimated to rise to c. £13,500 per month due to increased energy costs. As charging is free to the user, this cost has fallen on the council, and the total cost for 2022/23 up to end of August has been approximately £39,000.(January 2022 6,969 kwh, February 2022 7,357 kwh, March 2022 17,899 kwh, April 2022 33,500 kwh, May 2022 31,636 kwh, June 2022 29,440 kwh, July 2022 36,308 kwh, August 2022 33,455 kwh)

30.	<p>SCC is experiencing a large rise in the cost of energy. From October 2022 we could pay up to £0.37kwh for our highest rates. The table below shows a rise in energy costs to a possible £0.45 kwh in 23/24.</p> <table border="1" data-bbox="261 315 1027 607"> <thead> <tr> <th data-bbox="261 315 557 367">Financial Year</th> <th data-bbox="557 315 1027 367">£/kWh</th> </tr> </thead> <tbody> <tr> <td data-bbox="261 367 557 418">2020-21</td> <td data-bbox="557 367 1027 418">£0.15 – mean</td> </tr> <tr> <td data-bbox="261 418 557 470">2021-22</td> <td data-bbox="557 418 1027 470">£0.20 – mean</td> </tr> <tr> <td data-bbox="261 470 557 555">2022-23</td> <td data-bbox="557 470 1027 555">£0.37 – “worst case” rate from October 2022</td> </tr> <tr> <td data-bbox="261 555 557 607">2023-24</td> <td data-bbox="557 555 1027 607">£0.45– Forecast rate</td> </tr> </tbody> </table> <p>Actual costs can vary from site-to-site dependent upon distribution costs, time of use and whether the Climate Change Levy applies. For previous years the mean rate can be quoted. For calculating ongoing costs in 2022/23, a “worst case” unit cost for energy offers a conservative estimate. In reality, actual costs maybe lower and will vary according to usage across the network.</p>	Financial Year	£/kWh	2020-21	£0.15 – mean	2021-22	£0.20 – mean	2022-23	£0.37 – “worst case” rate from October 2022	2023-24	£0.45– Forecast rate
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31.	<p>If the forecast unit energy costs of £0.45 kwh were realised in 2023/24 and our current level of use remains at 36,500 kwh costs could reach circa £16,425 per month (£197,100 per Anum).</p>										
32.	<p>Whilst we are experiencing an unprecedented upsurge in energy costs, pricing of public chargers at present tends to reflect the price the supplier has current access to with their projected profit or margin added, so at present a representative cost of £0.30-£0.45/kwh is the norm but prices are rising daily and an expected £0.45/kwh to £0.50/kwh is becoming thought of as a competitive daily rate on 7kwh-22kwh (Fast) public chargers with a rate of £0.65-£0.75/kwh) for 50kwh- 100kwh Rapid chargers. Shell UK is the largest provider of public EV chargers and currently offers its fast chargers at £0.45/kwh and its rapid chargers at up to £0.65/kwh. SCC could match the lower rate (45p/kwh) for both its fast and rapid chargers whilst still recovering current and immediately foreseeable energy costs and management costs (including VAT and Charge Point Operator commission for collecting fees).</p>										



33.	<p>Supplies of electric vehicle charging through charging points in public places are charged at the standard rate of VAT. A charge to the user of £0.45 p/kwh for EVCs in 2022/23 will result in income net of VAT of £0.375 p/kwh. It is forecast that for this period energy will cost £0.37 p/kwh based on a 'worst-case scenario' estimate. Based on estimated usage of 36,500 kwh per month the table below shows the net cost of EVCs for the financial year 2022/23 after charging is introduced.</p> <p>For the period of December 2022 to March 2023 (once a charge is being made) the forecast net cost will be reduced to around £6,000 for these EVCs from £55,000. This reduced cost will need to be funded from the general fund if it is not recovered through charging for use.</p> <table border="1" data-bbox="260 622 1257 1525"> <thead> <tr> <th></th> <th colspan="2">2022/23</th> </tr> <tr> <th></th> <th>Dec 22 – Mar 23</th> <th>Monthly</th> </tr> </thead> <tbody> <tr> <td>Estimated kWh Usage</td> <td>146,000</td> <td>36,500</td> </tr> <tr> <td>Forecast Income @ £0.375 p/kwh(excluding VAT</td> <td>£54,750</td> <td>£13,688</td> </tr> <tr> <td>Less 10% Delivery partner charge (based on net income</td> <td>£5,475</td> <td>£1,369</td> </tr> <tr> <td><b>Net Forecast Income</b></td> <td><b>£49,750</b></td> <td><b>£12,319</b></td> </tr> <tr> <td>Cost of energy @ £0.37 p/kwh</td> <td>£54,020</td> <td>£13,505</td> </tr> <tr> <td>Cost of Free Use Chargers for taxis</td> <td>£1,147</td> <td>£287</td> </tr> <tr> <td><b>Total Forecast Cost of EVCs</b></td> <td><b>£55,167</b></td> <td><b>£13,792</b></td> </tr> <tr> <td><b>Net Forecast Cost</b></td> <td><b>£5,892</b></td> <td><b>£1,473</b></td> </tr> </tbody> </table> <p>To breakeven the average cost of energy would need to reduce to £0.33 p/kwh or the price charged to users would need to be £0.50 p/kwh inc VAT (£0.42 p/kwh excl. VAT).</p>		2022/23			Dec 22 – Mar 23	Monthly	Estimated kWh Usage	146,000	36,500	Forecast Income @ £0.375 p/kwh(excluding VAT	£54,750	£13,688	Less 10% Delivery partner charge (based on net income	£5,475	£1,369	<b>Net Forecast Income</b>	<b>£49,750</b>	<b>£12,319</b>	Cost of energy @ £0.37 p/kwh	£54,020	£13,505	Cost of Free Use Chargers for taxis	£1,147	£287	<b>Total Forecast Cost of EVCs</b>	<b>£55,167</b>	<b>£13,792</b>	<b>Net Forecast Cost</b>	<b>£5,892</b>	<b>£1,473</b>
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34.	In 2023/24 based on the estimated cost of energy of £0.45 p/kwh and assuming the same usage of 36,500 kwh, the charge to users would need to increase to £0.55 p/kwh inc VAT (£0.45 p/kwh excl. VAT) to break even.																														
35.	Costs related to concessions offered as incentives to encourage use of EV's (appendix 6) have been ignored in all scenarios as they are funded separately.																														
36.	It is proposed that income generated and actual energy costs are monitored and routinely reviewed to determine if income is sufficient to recover actual energy costs. In the event that a deficit is likely to be realised then fees can be adjusted accordingly to ensure no ongoing losses and even recover losses																														

	<p>already experienced. Similarly, fees can be lowered if a surplus is expected. A surplus would help provide a buffer to accommodate any future increases in energy costs (that may arise before we can adjust the fee to the appropriate level) and assist support ongoing maintenance the charging network.</p> <p>Amendments to the fees will be made in accordance with the Officer Scheme of Delegation with account taken of the ongoing monitoring of the market rate SCC incurs versus amount charged and the forecast deficit or surplus resulting.</p>
37.	<p>The cost of supplying energy to the two Taxi only chargers, equates to less than 5% of the total energy consumption across the public charging network (1423kwh monthly average vs total monthly average of 36,500kwh in period June-August 2022). These levels of consumption can be covered by the fees received whilst making no material effect on the unit price charged public users. As described in paragraph 51 this arrangement will be subject to regular review, considering the number of eligible vehicles, other charging options available and the cost of maintaining the offer.</p>
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
38.	<p>The Council has the power to introduce and charge for EV connection points under s.1 Localism Act 2011. SCC has no obligation to offer a free to use EV charging service. Grants used to support delivery of the network or, the Local NO2 Plan and associated Ministerial Direction, do not include any conditions relating to the fees charged for their use.</p>
<b><u>Property/Other</u></b>	
39.	<p>None. All chargers are sited on SCC land holdings in public car parks or on Highways land. The locations are listed in the appendices.</p>
<b><u>Other Legal Implications:</u></b>	
40.	<p><b>Further rises in energy costs could occur and income received may not be sufficient to cover cost.</b> Income and costs will need be monitored and reviewed <u>every quarter</u> to ensure that fees are suitable and sufficient to cover future costs. Actual fees can be decided and revised expediently in accordance with the Officer Scheme of delegation. The proposals are fully in accordance with the provisions of the Human Rights Act 1998, the Crime &amp; Disorder Act 1998 and the Equalities Act 2010.</p>
<b>RISK MANAGEMENT IMPLICATIONS</b>	
41.	<p><b>The introduction of fees triggers a reduction in use of chargers and anticipated incomes are not realised.</b> To date capital costs for installing SCC's EV charging network and providing maintenance contracts have been covered by UK government grant funding. As such, fees need only recover our energy costs and a service charge for fee collection and any reduction in use would not affect our ability to cover costs.</p>
42.	<p><b>The introduction of fees triggers a reduction in use of chargers and anticipated incomes are not realised.</b> It is anticipated that we will initially experience a reduction in use as consumers are currently taking full advantage of the free to use offer – which is particularly attractive whilst commercial charge point tariffs and home charging energy costs rise. Demand is then likely to be</p>

	restored as the proportion of EV's on the road continues to increase. To date capital costs for installing SCC's EV charging network and providing maintenance contracts have been covered by UK government grant funding. As such, fees need only recover our energy costs and a service charge for fee collection. So any reduction in use would not affect our ability to cover costs.
43.	<b>The introduction of fees impairs local uptake of EV's.</b> Paragraph 24 highlights that all EV charging options still remain competitive compared with petrol and diesel costs. It is expected that the trend for EV's will continue to increase at pace, driven by the UK ban on petrol and diesel vehicles and increasingly attractive options provided by manufacturers.
44.	<b>In order to recover our costs, SCC fees becoming prohibitively expensive, and our network no longer offers a viable option for EV drivers.</b> As the network does not need to recover capital or maintenance costs in the short to medium terms there is some confidence that we can maintain a competitive service. A concessions/partnership model is being assessed to support future investment and fees would naturally be aligned with the EV charging market.
45.	<b>Criticism for use of external grant funding to support delivery of the EV chargers then drawing a revenue income for their use.</b> There is no obligation under any of the grant funding received to maintain a free to use model and although installations costs have been supported it is not financially viable for SCC to support ongoing costs indefinitely.
46.	<b>Criticism for having excessive fees.</b> Unit costs will be benchmarked against other public EV charging providers to ensure they are competitive and will be reviewed regularly.
47.	<b>Accusation of profiteering.</b> Costs and incomes will be reviewed regularly, and income will be used to recover the cost of energy use and for maintenance, management and development of the network for the benefit of customers.
48.	<b>The taxi and private hire sector needs specific support to their transition to EV's.</b> SCC currently maintains two free to use rapid chargers for the dedicated use by SCC licensed taxi and private hire vehicles and proposes to maintain this arrangement until the sector is supported by more charging options. It must be acknowledged that SCC is under no obligation to maintain a free to use service, is unlikely to have the financial resources to maintain it indefinitely and should not be subsidising this sector when financially viable and accessible options become available. Currently only 3 EV's are licensed in the city and registered to use the chargers and short-term costs can be absorbed (see paragraph 36 and 39). It is anticipated that SCC's Hants 2025 Project can provide an additional 6-8 rapid chargers in 2023 and demonstrate the viability of operating an electric taxi or private hire vehicles with its "try before you buy" leasing and business case scheme. These outcomes would then prompt a review of the arrangements for the existing rapid chargers.
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
49.	<b>Efforts to maintain and enhance the cities EV charging infrastructure are consistent with;</b>

	<ul style="list-style-type: none"> <li>• Southampton City Council Green City Plan 2030 and the ambition to “develop a growing network of electric vehicle charging points across the city....”</li> <li>• Southampton City Strategy 2015- 25 by supporting a good transport infrastructure.</li> <li>• Southampton’s Transport Strategy 2040 and a focus on “encouraging greater a publicly accessible network</li> <li>• Southampton City Council, Medium Term Financial Strategy 2022/23 – 2025/26, section 1.4.3. Savings - The Council’s approach continues to be on driving through efficiencies and cost reductions, together with delivering savings through income generation with a view to protecting front line services and Council priorities.</li> </ul>
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<b>KEY DECISION?</b>	<b>Yes</b>
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<b>WARDS/COMMUNITIES AFFECTED:</b>	All areas
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SUPPORTING DOCUMENTATION

**Appendices**

1.	Inventory of SCC’s dedicated taxi/private hire vehicle and public EV chargers
2.	Electricity Use and Number of Charge Sessions Feb 2018 to Aug 2022
3.	SCC Public EV charger use January – May 2022 by location
4.	Total usage of SCC public EV charger 2018 to 2022
5.	Equality and Safety Impact Assessment
6.	SCC benefits for EV drivers

**Documents In Members’ Rooms**

1.	None
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**Equality Impact Assessment**

<b>Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.</b>	Yes
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**Data Protection Impact Assessment**

<b>Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.</b>	No
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**Other Background Documents**

**Other Background documents available for inspection at:**

<b>Title of Background Paper(s)</b>	None
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# Agenda Item 12

## Appendix 1

Appendix 1 – Inventory of SCC’s dedicated taxi/private hire vehicle and public EV chargers

Type	Location	Model	Instal date	Address
Public	Bedford Place MSCP 01	New Motion 04 Business	27/02/2018	Bedford Place MSCP, Lower Banister Street, Southampton SO15 2DB
Public	Bedford Place MSCP 02	New Motion 04 Business	31/10/2017	Bedford Place MSCP, Lower Banister Street, Southampton SO15 2DB
Public	Bedford Place MSCP 03	New Motion 04 Business	27/02/2018	Bedford Place MSCP, Lower Banister Street, Southampton SO15 2DB
Public	Bedford Place MSCP 04	New Motion 04 Business	27/02/2018	Bedford Place MSCP, Lower Banister Street, Southampton SO15 2DB
Public	Bedford Place MSCP 05	New Motion 04 Business	02/05/2018	Bedford Place MSCP, Lower Banister Street, Southampton SO15 2DB
Public	Bedford Place MSCP 06	New Motion 04 Business	27/02/2018	Bedford Place MSCP, Lower Banister Street, Southampton SO15 2DB
Public	Brunswick Place	Alfen EVE 7KW 2FC	14/07/2022	Brunswick Place, Southampton SO15 2AN
Public	Brunswick Place	Alfen EVE 7KW 2FC	14/07/2022	Brunswick Place, Southampton SO15 2AN
Public	Brunswick Place	Alfen EVE 7KW 2FC	14/07/2022	Brunswick Place, Southampton SO15 2AN
Public	Brunswick Place	Alfen EVE 7KW Single	14/07/2022	Brunswick Place, Southampton SO15 2AN
Public	Colonnade CP	Alfen EVE 7KW 2FC	18/04/2019	Colonnade Car Park, Portsmouth Road, Southampton SO19 7QT
Public	Eastgate MSCP 01	New Motion 04 Business	31/10/2017	Eastgate MSCP, 7 Eastgate Street, Southampton SO14 3HB
Public	Eastgate MSCP 02	New Motion 04 Business	06/03/2018	Eastgate MSCP, 7 Eastgate Street, Southampton SO14 3HB
Public	Eastgate MSCP 03	New Motion 04 Business	06/03/2018	Eastgate MSCP, 7 Eastgate Street, Southampton SO14 3HB
Public	Eastgate MSCP 04	New Motion 04 Business	31/10/2017	Eastgate MSCP, 7 Eastgate Street, Southampton SO14 3HB
Public	Eastgate MSCP 05	New Motion 04 Business	31/10/2017	Eastgate MSCP, 7 Eastgate Street, Southampton SO14 3HB
Public	Eastgate MSCP 06	New Motion 04 Business	02/11/2017	Eastgate MSCP, 7 Eastgate Street, Southampton SO14 3HB
Public	Grosvenor MSCP 01	New Motion 04 Business	07/03/2018	Grosvenor Square MSCP, Grosvenor Sqaure, Southampton SO15 2UA
Public	Grosvenor MSCP 02	New Motion 04 Business	07/03/2018	Grosvenor Square MSCP, Grosvenor Sqaure, Southampton SO15 2UA
Public	Grosvenor MSCP 03	New Motion 04 Business	07/03/2018	Grosvenor Square MSCP, Grosvenor Sqaure, Southampton SO15 2UA

Public	Grosvenor MSCP 04	New Motion 04 Business	07/03/2018	Grosvenor Square MSCP, Grosvenor Sqaure, Southampton SO15 2UA
Public	Grosvenor MSCP 05	New Motion 04 Business	07/03/2018	Grosvenor Square MSCP, Grosvenor Sqaure, Southampton SO15 2UA
Public	Grosvenor MSCP 06	New Motion 04 Business	07/03/2018	Grosvenor Square MSCP, Grosvenor Sqaure, Southampton SO15 2UA
Public	Grosvenor Square	Alfen EVE 22KW 2FC	13/07/2022	Grosvenor Square , Grosvenor Square, Southampton SO15 2UA
Public	Lances Hill CP	Alfen EVE 7KW 2FC	01/08/2019	Lances Hill Car Park, Bitterne Road, Southampton SO18 1DN
Public	Marlands MSCP 01	New Motion 04 Business	12/03/2018	Marlands/Asda MSCP, Harbour Parade, Southampton SO15 1BA
Public	Marlands MSCP 02	New Motion 04 Business	12/03/2018	Marlands/Asda MSCP, Harbour Parade, Southampton SO15 1BA
Public	Marlands MSCP 03	New Motion 04 Business	12/03/2018	Marlands/Asda MSCP, Harbour Parade, Southampton SO15 1BA
Public	Marlands MSCP 04	New Motion 04 Business	01/11/2017	Marlands/Asda MSCP, Harbour Parade, Southampton SO15 1BA
Public	Marlands MSCP 05	New Motion 04 Business	12/03/2018	Marlands/Asda MSCP, Harbour Parade, Southampton SO15 1BA
Public	Marlands MSCP 06	New Motion 04 Business	12/03/2018	Marlands/Asda MSCP, Harbour Parade, Southampton SO15 1BA
Public	Oakbank Road CP	Alfen EVE 7KW 2FC	25/04/2019	Oakbank Road Carpark, Oakbank Road, Southampton SO19 9DT
Public	Peartree Gardens CP	Alfen EVE 7KW 2FC	15/05/2019	Peartree Gardens Car Park, Angel Crescent, Southampton SO19 7BY
Public	Southbrook Road South CP	Alfen EVE Double 22KW 2FC	04/06/2020	Southbrook Road South Car Park, Southbrook Road, Southampton SO15 1GQ
Public	Townhill 01	New Motion 90 Pro	14/12/2018	Roundhill Close, Southampton SO18 2FT
Public	Townhill 02	New Motion 08 Business Lite	21/06/2018	Roundhill Close, Southampton SO18 2FT
Public	Victoria Road CP	Alfen EVE 7KW 2FC	17/04/2019	Victoria Road Car Park, Victoria Road, Southampton SO19 9EG
Public	West End Road CP	Alfen EVE 7KW 2FC	31/10/2019	West End Road Car Park, West End Road, Southampton SO18 6TE
Public	West Park MSCP 01	New Motion 04 Business	06/03/2018	West Park MSCP, West Park Road, Southampton SO15 1FZ
Public	West Park MSCP 02	New Motion 04 Business	06/03/2018	West Park MSCP, West Park Road, Southampton SO15 1FZ
Public	West Park MSCP 03	New Motion 04 Business	06/03/2018	West Park MSCP, West Park Road, Southampton SO15 1FZ
Public	West Park MSCP 04	New Motion 04 Business	31/10/2017	West Park MSCP, West Park Road, Southampton SO15 1FZ
Public	West Park MSCP 05	New Motion 04 Business	01/11/2017	West Park MSCP, West Park Road, Southampton SO15 1FZ
Public	West Park MSCP 06	New Motion 04 Business	13/06/2018	West Park MSCP, West Park Road, Southampton SO15 1FZ
Public	Whites's Road CP	Alfen EVE 7KW 2FC	15/05/2019	White's Road Car Park, White's Road, Southampton SO19 7NP

Public	Woodley Road CP	Alfen EVE 7KW 2FC	17/04/2019	Woodley Road Car Park, Woodley Road, Southampton SO19 9DW
Taxi	Lances Hill CP	ABB Terra 53 Rapid 50Kw	30/07/2019	Lances Hill Car Park, Bitterne Road, Southampton SO18 1DN
Taxi	Central Station	ABB Terra 53 Rapid 50Kw	12/03/2020	Southampton Central Station, Blechynden Terrace, Southampton SO15 1AL

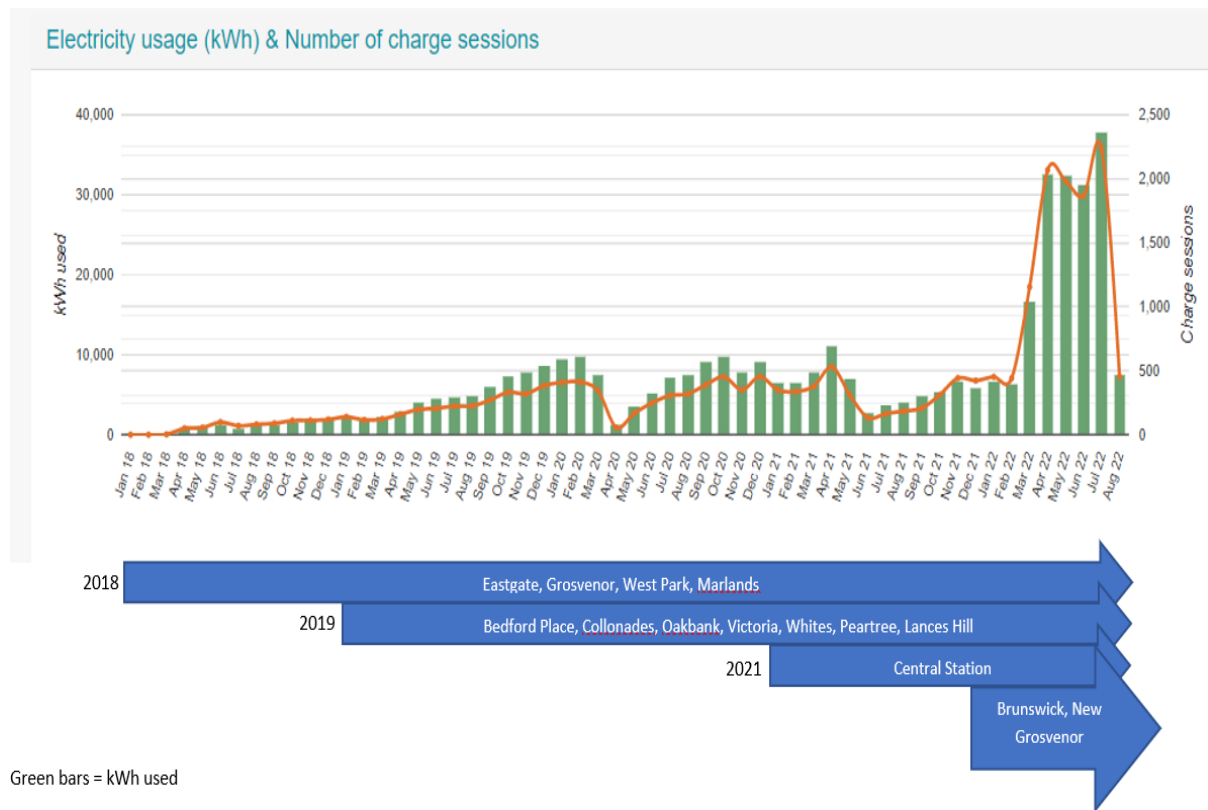
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# Agenda Item 12

## Appendix 2

### Appendix 2 - Electricity Use and Number of Charge Sessions Feb 2018 to Aug 2022

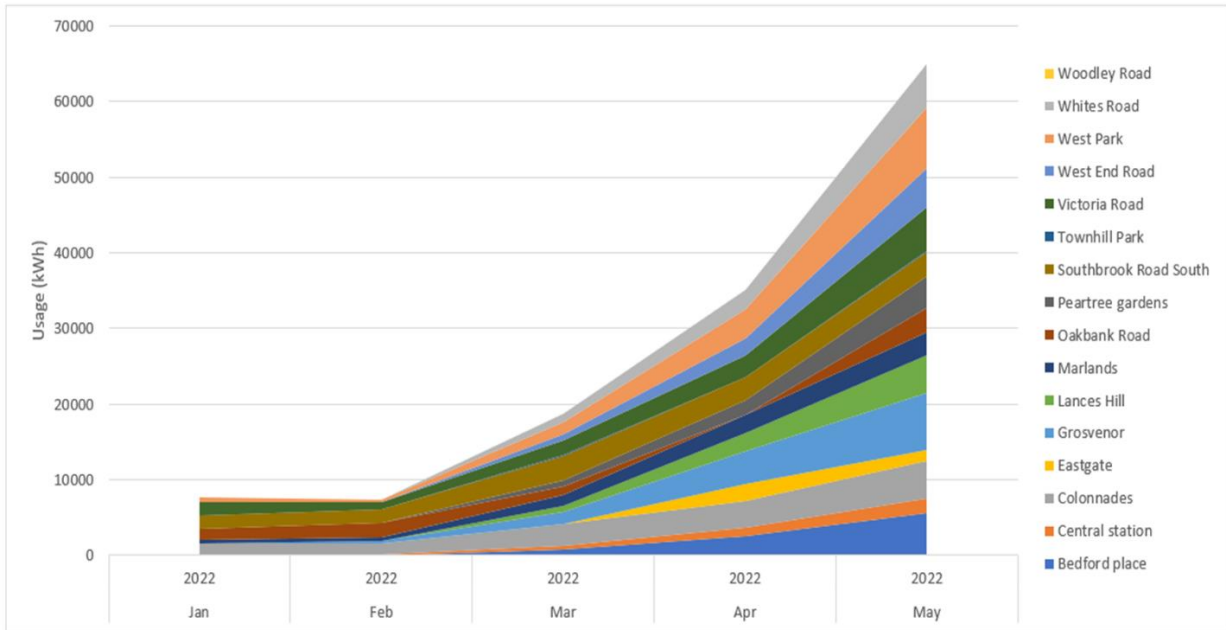


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# Agenda Item 12

## Appendix 3

### Appendix 3 – SCC Public EV charger use January – May 2022 by location



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### Appendix 4 - Total usage of SCC public EV charger 2018 to 2022

<b>Year</b>	<b>Charge sessions</b>	<b>kWh used</b>	<b>CO<sub>2</sub> savings (kg)</b>
2018	800	12,566.76	10,461.828
2019	3622	43,198.93	35,963.109
2020	5507	62,533.39	52,059.047
2021	4539	60,333.53	50,227.664
2022 (to date)	10731	170,635.077	142,053.702

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## Equality Impact Assessment

<b>Name or Brief Description of Proposal</b>	Introduction of Fees for Council's Public Electric Vehicle Chargers
<b>Brief Service Profile</b>	Southampton City Council (SCC) has used government grant money to install 46 publicly accessible electric vehicle chargers (EVC's) at 17 locations in its car parks and highways. We have become the largest single provider in the city and since their introduction we have offered these on a free to use basis to encourage the uptake of electric vehicles (EV's) and the benefits they offer in terms of reducing carbon emissions and improving local air quality. SCC seeks to end the free to use offer at SCC's public EV chargers and introduce a fee-paying service at an introductory rate of £0.45 kwh from the 12 <sup>th</sup> of December 2022. Future fees will be reviewed routinely and updated where necessary to ensure income is aligned with costs
<b>Summary of Impact and Issues</b>	The growth of the EV market is now accelerating in the UK, driven by the 2030 restrictions on the sale of new petrol and diesel vehicles. SCC has seen a seven-fold increase in energy consumption at its public chargers in 2022 whilst it has also experienced a four-fold increase in its energy costs since 2020. The cost for maintaining this service at current energy costs (October 2022) and consumption rates is approximately £13,875 per month. This is placing a pressure on SCC's finances.
<b>Potential Positive Impacts</b>	<p>SCC is under no statutory or grant agreement obligation to maintain a free to use service. By providing a service that can recover its costs SCC will be able to focus on seeking further investment to develop its charging infrastructure at a time when the priority needs to shift towards providing a service at the scale needed to satisfy future demand. A pay to use service will also be compatible with our medium/long term goal of securing a concessions/partnership agreement with a supplier who is able to bring the expertise and investment needed to build an effective infrastructure for the future.</p> <p>The current free to use model is attracting a significant amount of opportunistic use and other, viable charging options (like home and workplace charging) are being overlooked in preference for our fully subsidised offer. It is anticipated that the introduction of fees is likely to normalise behaviours and could alleviate some of the more immediate pressures being placed on our chargers whilst EV car drivers and larger commercial vehicles compete for access.</p>

## Potential Negative Impacts

Impact Assessment	Details of Impact	Possible Solutions
<b>Age</b>	No impact	
<b>Disability</b>	No impact	
<b>Gender Reassignment</b>	No impact	
<b>Marriage and Civil Partnership</b>	No impact	
<b>Pregnancy and Maternity</b>	No impact	
<b>Race</b>	No impact	
<b>Religion or Belief</b>	No impact	
<b>Sex</b>	No impact	
<b>Sexual Orientation</b>	No impact	
<b>Community Safety</b>	No impact	
<b>Poverty</b>	Users less able to pay for charging a vehicle will be disproportionately affected	The free to use service has been advertised as a temporary arrangement users should not expect to have the running costs of their EV subsidised indefinitely. EV's remain cheaper to operate than a conventional vehicle even when charging is dependent upon using a fee-paying service.
<b>Other Significant Impacts</b>	Users are unaware of the change or the fees applicable	Fees will only be introduced after a targeted communication campaign and costs will be displayed at all locations, webpages and operating apps.



### Appendix 6 – SCC benefits for EV drivers

In addition to its EV charging network, SCC offers;

1. Owners of fully electric vehicles living in local council areas can currently cross the Itchen Bridge free of charge with a SmartCities card.

There are currently 148 EV users using the [SmartCities](#) card offer.

Assuming this is used for a daily return trip on working days, at peak times this equates to 40p x 2 (return trip) x5 (days per week) x48 (typical working weeks per year) = £192 per year per user

Total potential value = £28,416

2. A 90% discount on any [city centre season ticket](#) for electric vehicle users.

A total of 47 EV drivers have been issued discounted car parking season tickets the value of which is summarised below.

	Discount (£'s)	No.	Value (£'s)
Off Street Season Ticket 12 months	990	37	36,630
Off Street Season Ticket 6 months	518	4	2,072
Off Street Season Ticket 3 months	270	3	810
Residents Off Street 12 months	585	1	585
Residents Off Street 6 months	337		0
Residents On Street 12 months	810	2	1,620
Residents On Street 6 months	427		0
Residents On Street Weekend	270		0
		Total Value	£41,717

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<b>DECISION-MAKER:</b>	CABINET
<b>SUBJECT:</b>	SACRE – ANNUAL REVIEW OF CONSTITUTION
<b>DATE OF DECISION:</b>	15 NOVEMBER 2022
<b>REPORT OF:</b>	<b>COUNCILLOR PAFFEY</b> <b>CABINET MEMBER FOR CHILDREN AND LEARNING</b>

<b><u>CONTACT DETAILS</u></b>			
<b>Executive Director</b>	<b>Title</b>	EXECUTIVE DIRECTOR WELLBEING (CHILDREN AND LEARNING)	
	<b>Name:</b>	<b>Robert Henderson</b>	Tel: 023 8083 2079
	<b>E-mail</b>	<b>Robert.henderson@southampton.gov.uk</b>	
<b>Author:</b>	<b>Title</b>	<b>Cross Phase Adviser</b>	
	<b>Name:</b>	<b>Alison Philpott</b>	Tel: 07500050277
	<b>E-mail</b>	Alison.philpott@southampton.gov.uk	

<b>STATEMENT OF CONFIDENTIALITY</b>
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Not applicable.

<b>BRIEF SUMMARY</b>
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The Council is required to consult SACRE (Southampton Standing Advisory Council on RE) annually on a review of the SACRE Constitution and receive any recommended changes put forward following that consultation. Following review of available data regarding the representation of religious and belief demographics within the City, the Local Authority is proposing the following change to the membership of SACRE, which will be referred to SACRE at its next available meeting; adding a Humanist representative to Group A to reflect a group who have supported Southampton SACRE locally for a number of years and moving towards the SACRE having representatives of a wider range of beliefs held by people living in Southampton. This was partially moved towards last year with a non-religiously affiliated representative that the South Hampshire Humanists successfully put forward a representative for. The proposal also includes that SACRE continue to include those with professed religious and non-religious beliefs, in line with the teaching required in the Locally Agreed Syllabus and acknowledging that a Humanist representative will not represent all worldviews or belief systems.

<b>RECOMMENDATIONS FOR CABINET:</b>
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	(i)	To recommend Southampton City Council Cabinet approve the amended Constitution for SACRE attached at Appendix 1 including the addition of a Humanist voting member in Group A as well as retaining an annually reviewed membership representative for a member with no specific religious affiliation. recognising secular representation as a 'belief' within the meaning of the Human Rights Act 1998 and accurately reflecting the changing nature of religious and non-religious beliefs in current society and the Southampton area.
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	(ii)	To note Cabinet will be asked to delegate authority to the Executive Director of Wellbeing, following consultation with the Chair of Sacre to agree an application process and determine any applications / appoint members to the vacancies approved in I above.
	(iii)	To note Cabinet will be asked to delegate authority to the Executive Director of Wellbeing, following consultation with the Chair of Sacre to carry out a further review of SACRE membership once the Census 2021 data has been published in 2023 and to bring back any further recommendations on Membership changes to the next annual review of the SACRE Constitution in November 2023..

### REASONS FOR REPORT RECOMMENDATIONS

1.	Data that was analysed in last year's review from the available school information systems indicate that the proportions of parents of over 13,500 children (40%) recorded that their child has "no religion" which is the largest single group represented across current pupils across the city. This remains the case in the most recent pupil level data.
2.	During the review (November 2020) full voting membership for Humanists as a specific group was considered, but not recommended. The two previous decisions have been considered in this review and there was insufficient evidence that Humanists would represent all people who would be within this population group hence the proposed Humanist member plus retaining the non-affiliated member.
3.	A review of pupil data continues to show a need to reflect wider 'belief' systems (including a belief in secularism) and recognises based on the current evidence that a place should be made available to accommodate this within the SACRE Constitution. In order to ensure all groups representing secular or non-religious beliefs have an opportunity to apply for a place on SACRE an application process, has been proposed so SACRE can aim to ensure appropriate representation from across all groups, within the SACRE legal framework, who may belong to the population group in the city, and recognise this would include people who would say they are Humanists, hence the proposal of a full member representative for Humanists. No other group with worldview values and beliefs have approached or been involved in SACRE.
4.	If this proposal is rejected and the current constitution reviewed in November 2021 persists then it is probable that the South Hampshire Humanists and / or other affected groups will seek a Judicial Review with an aim to have the decision overturned. This would potentially have a financial and reputational implication to SCC.

### ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5.	To either give full membership to Southampton Hampshire Humanists, but thereby preventing other non-faith groups being represented, <b>or</b> having no non-faith groups represented on SACRE which would disenfranchise a sizeable proportion of those living in Southampton and prevent their views and opinions from helping to shape the overall nature of Religious Education in maintained schools specifically under SACRE statutory duties, and those non-maintained who follow the Locally Agreed Syllabus.
6.	Alternatively, to continue with either non-affiliated membership or co-opted member status, however this has previously been the subject of legal

	challenge by a Local Humanist group and while a legal challenge may be defensible under current legislation, it is unlikely to be in the public interest to defend such proceedings when there is evidence supporting the need to review membership to include more secular belief systems being represented on SACRE.
<b>DETAIL (Including consultation carried out)</b>	
7.	There is a legal duty to review the membership of SACRE annually in accordance with the Education Reform Act 1988 and Education Act 1996.
8.	Investigation has been carried out to ascertain what local population and school level data is available to aid SACRE to determine their decision. The data sets used rely upon all schools having input all information for all pupils. Data validity check indicates this is likely to be reasonably accurate, but it is not 100%. The pupil census information no longer captures religion as a required field hence the non-complete data. 88% of Southampton Schools follow the Locally Agreed RE Syllabus which the SACRE has responsibilities for – all maintained schools, but also 25 out of 29 academies also choose to follow the local syllabus. The 5 Catholic schools have their own Diocesan syllabus they must follow. Therefore, just over 80% of pupils across the city are educated through the SACRE recommended syllabus. The census data, yet to be available will provide more reliable data upon which to base any further decision making for next year's review.
9.	The South Hampshire Humanists continue to express a desire to be represented on SACRE as full members. Their expressions of interest can be taken forward as applications for a place on SACRE within group A – Secondly, South Hampshire Humanists can be as part of the proposed application process for a full member place, or remain as a Local Authority designated place for representatives of other belief or non-religiously affiliated groups.
10.	The South Hampshire Humanists initially requested their co-opted position be changed to a voting member of Group A and did apply for the non-affiliated member position successfully last year, but remain in a position they wish to hold a full membership position for a Humanist rep.
11.	Legal advice was sought by the Council in September 2019 which indicated it was not appropriate to convert the Humanist co-opted position to a full voting one at that time.
12.	Following the request from South Hampshire Humanists to be considered for a full voting position on SACRE a legal challenge was launched in December 2020 by way of pre action protocol letter (Judicial Review). The Council sustained its legal advice, taking independent Counsels Opinion on the merits of its position, and the Judicial Review was withdrawn. The Council did however agree to review the membership of SACRE as part of that withdrawal agreement and bring forward proposed changes to the SACRE Constitution in November 2021 based on evidence of belief and non-belief systems within the City and the degree to which any individual organisation could claim to represent those. While it is clear that there is a substantial proportion of the population identifying that they either have no faith or another form of belief system, there is insufficient data currently available to determine that these individuals and groups would be adequately represented by the South Hampshire Humanist organisation. It is therefore proposed, in

	order to be fair and transparent, that a place be offered to the South Hampshire Humanist application in Group A, and also retain a further secular belief representative through an application process available for any other as yet unknown groups.
13.	SACRE has not been consulted on the proposed changes due to changed meeting dates due to the postponement of the September SACRE meeting and meeting date changes as a result of availability of SACRE members for the planned November meeting date due to work and other commitments. The SACRE can agree or not with the LA decision. It is the decision of the LA to make and whilst the LA would always wish to consult the SACRE on any proposed changes this has not been possible due to the issues set out.
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
14.	None applicable
<b><u>Property/Other</u></b>	
15.	Time implication is likely to be required to manage the application process. This may require the Executive Director for wellbeing to set aside time to meet, consider and take decisions regarding further new member groups. It is anticipated that due to SACRE members being volunteers and from a range of locations the process will be developed to manage a remote process to review applications but interviews will be prioritised to be in-person.
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
16.	The SACRE has been established pursuant to the Education Reform Act 1988 and its membership is determined in accordance with s390 Education Act 1996 and supporting Regulations and Guidance.
17.	s390 of the 1996 Act requires that the Council appoint to Group A “a group of persons to represent such Christian denominations and other religions and denominations of such religions as, in the opinion of the authority, will appropriately reflect the principal religious traditions in the area”. Even if the words “or beliefs” are inserted after “such religions” and “or belief” after “traditions” as recent challenges have argued should be the case in accordance with the provisions of the Human Rights Act 1998, the Council may appoint full members of Group A only where it is satisfied that those members “appropriately reflect” the “principal” religious (or belief) traditions in the area. The Council has determined there is a need to provide voting places to up to two additional members on Sacre: one to be selected from the South Hampshire Humanists and one additional member to be selected via a fair and transparent application process absent further detail of the breakdown of these beliefs into, for example, belief systems other than Humanist.
<b><u>Other Legal Implications:</u></b>	
18.	Human Rights Act 1998 (discussed above).
<b>RISK MANAGEMENT IMPLICATIONS</b>	
19.	Risks around the decision are linked to any decisions SACRE make in the future. This is linked to the current GROUP A membership having vacancies

	as well as adopting a process that may be viewed by some as being beyond the legal SACRE framework.
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
20.	The work of SACRE meets a statutory duty - a regularly reviewed Locally Agreed Syllabus for Religious Education, with monitoring across schools to improve outcomes for children regarding school's statutory duties for religious education and collective worship. It also provides advice and guidance to schools regarding faith matters they may encounter, including for the teaching of statutory relationships guidance from a faith perspective.

<b>KEY DECISION?</b>	No
<b>WARDS/COMMUNITIES AFFECTED:</b>	All
<u>SUPPORTING DOCUMENTATION</u>	
1.	Proposed changes to membership and constitution
2.	ESIA

#### Documents In Members' Rooms

1.	none
<b>Equality Impact Assessment</b>	
<b>Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.</b>	<u>Yes</u>
<b>Data Protection Impact Assessment</b>	
<b>Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.</b>	<b>No</b>
<b>Other Background Documents</b>	
<b>Other Background documents available for inspection at:</b>	
<b>Title of Background Paper(s)</b>	<b>Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)</b>
1.	Appendix has the relevant document "Proposed SACRE membership and constitution 2021-2022"
2.	Equality impact assessment being undertaken

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## SOUTHAMPTON CITY COUNCIL

### STANDING ADVISORY COUNCIL ON RELIGIOUS EDUCATION (SACRE)

#### Proposed CONSTITUTION November 2022- November 2023

#### 1 **AIM**

- 1.1 The aim of the SACRE is to provide advice to the Authority upon such matters connected with collective worship in schools, and the religious education to be taught in accordance with an agreed syllabus.
- In Southampton, SACRE will also liaise with academy and free schools not required to teach the Locally Agreed Syllabus, but a syllabus of their choosing, so as to provide overview of matters connected with collective worship and religious education across maintained, academy and free schools in the city to support best practice identification and raise concerns if needed.

#### 2 **OBJECTIVES**

- 2.1 The core objectives of the SACRE are:

- to provide independent consultation and detailed scrutiny on any matters within its scope of interest;
- to determine any application from the head teacher of a maintained school, following consultation with the governing body, for an amendment to the requirement that collective worship be wholly or mainly of a broadly Christian character;
- to publish an annual report which:
  - i. specifies any matters on which the SACRE has advised the Authority;
  - ii. broadly describes the nature of that advice; and
  - iii. sets out its reasons for offering advice on any matters which were not initially referred to the SACRE by the Authority.

In addition to making the report available for public inspection, a copy shall be sent to the relevant Government Department and to the National Association of SACREs (NASACRE) as well as any other organisations the SACRE deems appropriate.

- To ensure that any complaints made to SACRE regarding RE or Collective Worship in schools are managed in accordance with Southampton City Councils complaints process.

#### 3 **SCOPE OF INTEREST**

- 3.1 The scope of interest of the SACRE shall include:

- any such matters connected with collective worship in City schools, and the religious education to be taught in accordance with an agreed syllabus as the Authority may refer to the SACRE, or as the SACRE may consider appropriate; and
- the statutory duty of the Authority to review its agreed syllabus every five years and to convene an Agreed Syllabus Conference.

#### **4 RELATIONSHIP OF THE SACRE WITH THE LOCAL AUTHORITY**

- 4.1 The SACRE will have a separate identity and independent voice within the arrangements. The SACRE should be consulted by the Local Authority on any issues falling within its scope of interest.

#### **5 ACCOUNTABILITY AND BUSINESS PLANNING**

- 5.1 The SACRE is independent of the Council. The Education Reform Act 1988 requires the City Council as a Local Authority to establish a SACRE. When reports and actions are required that need to be considered by the Council they will be formally considered by the Cabinet or Cabinet Member or Officer acting under delegated powers.

#### **6 LEGAL FRAMEWORK**

- 6.1 The SACRE is established pursuant to the Education Reform Act 1988.
- 6.2 To facilitate the effective operation of the SACRE in accordance with its aims, the SACRE will respond as necessary to any further government guidance, legislation or new initiatives impacting upon the areas of responsibility of functions of the SACRE.

#### **7 THE ACTIVITIES OF THE SACRE**

- 7.1 In pursuit of its aims the SACRE will:
- operate to a timetable that mirrors the municipal year of the Local Authority.
  - hold meetings (including extraordinary meetings) at a time of day and at an appropriate location to allow full participation by members:
    - i. at the Civic Centre and/or other venues;
    - ii. at the end of the school day;
    - iii. or otherwise notified to SACRE members five clear working days before each regular meeting.

- hold its meetings at least once per term, no less than three times per year;
- require at least one member from each voting group to be present to constitute a quorum in order to have a fully constituted meeting;
- always seek to operate on a consensus basis. If it is not possible to reach a consensus, members will be required to undertake a formal vote as set out in paragraph 12 of this Constitution;

review and recommend to Cabinet (Cabinet Member) any amendments to its Constitution on an annual basis following a formal consultation process with the relevant parties;

- review and adopt the terms of reference for any sub-committees on an annual basis at the first meeting of each financial year following a formal consultation process with the sub-committees;
- keep a written record of all SACRE meetings and meetings of any sub-committees;
- any member of the SACRE may submit items to be included on the agenda of a main meeting of the SACRE supported by a written statement/report to the Chair at least 10 working days before the meeting;
- agenda and reports will be circulated generally at least five working days prior to the meeting;
- create sub-committees where necessary;
- be able to ask that the Local Authority consider holding an extraordinary meeting of the SACRE at the written request of at least one member.

### **Confidential Business**

- Report authors are responsible for informing the clerk, in advance, of the status of reports to be included on the Agenda and if they contain confidential or commercially sensitive information and with such items of business, the principles of the Local Government (Access to Information) Act 1985 will apply. Reports that are to be treated as confidential should be marked accordingly and contain the appropriate confidentiality clause.
- Where an item of business before the SACRE is marked as confidential, that item of business will be discussed in private. The professional advisors to the SACRE may attend and speak at the SACRE meetings on consideration of all matters considered in private. Members of the public and observers (including other elected Members or Officers of the Council) shall be excluded from the consideration of any confidential item.

## 8 **FREEDOM OF INFORMATION**

- 8.1 Request for Information under the Freedom of Information Act will be handled in accordance with the Council's published procedures for dealing with such requests.

Any Member of the SACRE receiving a request under the FOIA will be required to pass that request to Legal & Democratic Services within 24 hours of receipt of that request in order that Legal & Democratic Services may deal with the request on behalf of the SACRE within the 20 working day time limit.

Where a request has been made for the disclosure of information covered by a qualified exemption under the Freedom of Information Act 2000 (or other relevant information), the Chair, vice-chair and professional adviser of the SACRE will be invited to attend a Public Interest Test Panel meeting to consider the potential disclosure. If the Chair, vice chair or professional adviser are unable to attend the meeting the request will be dealt with by the Panel at their discretion. Where the Panel decides that the balance of interest is in favour of the disclosure of the information requested, Legal & Democratic Services will arrange for disclosure. Where the Panel decides that the balance is in favour of the non-disclosure of the information requested, the information requested will be withheld and Legal & Democratic Services will arrange for the reasons for the decision to be communicated in writing. Such decisions will be made after taking any appropriate legal advice in accordance with the Council's published policies and procedures.

## 9 **MEMBERSHIP**

- 9.1 The SACRE shall comprise members drawn from four groups, appointed by the Authority, as specified below:

### GROUP A

One representative of each of the religions and other bodies listed below:

Christian Denominations

The Roman Catholic Church	The Methodist Church
The Baptist Union	The United Reformed Church
The Religious Society of Friends	The Assemblies of God
The Greek Orthodox Church	The Salvation Army
The Fellowship of Independent Evangelical Churches	
Southampton City Mission	

Religions other than Christianity

Judaism	Islam
Hinduism	Sikhism
Buddhism	Baha'i

Other bodies

South Hampshire Humanists

Appointed representative for people with non-religious affiliation or belief not represented by any other membership group

GROUP B

Four representatives of the Church of England nominated by the Diocese of Winchester

GROUP C

Four teachers/ retired teachers representing associations recognised by the Authority for the purposes of consultation and negotiation with one representative per association.  
National Education Union (NEU), National Association Schoolmasters and Union of Women Teachers (NASUWT), National Association of Head teachers (NAHT), Association of School and college leaders (ASCL).

GROUP D

Four representatives of the Southampton City Council, at least two of whom shall be elected members of the City Council.

- 9.2 In addition to members drawn from these four groups detailed above, one person **co-opted** in respect of the Academies and free schools operating in the City of Southampton which previously had Community or Voluntary status may sit as a member of the SACRE. Academies are included (for non-voting purposes) simply because they are not technically represented by any other group and deliver part of the public sector curriculum (albeit with a different status to maintained schools) and effectively replace the old concept of Government Maintained schools. Foundation schools are not specifically included because they are effectively covered elsewhere as they are maintained schools (in common with community and Voluntary schools) and are thus represented by other groups already present on the Committee. **They may meet the Group C definition and sit in Group C or may be co-opted.**
- 9.3 The SACRE may co-opt additional persons, including such teachers as may be necessary to ensure adequate representation of teachers who are actively concerned with religious education. Co-options shall be for the period set by the SACRE.
- 9.4 Members of the SACRE, with the exception of co-opted members and the non-religious affiliate member, shall be appointed for a period of four years, **unless constitution review indicates they no longer are representative of a group locally.**
- 9.5 In accordance with regulations, the Local Authority will review the membership of the SACRE on an annual basis in line with the Constitutional review, and may terminate the membership of any member of the SACRE by giving one month's written notice.
- 9.6 In addition to the term of office coming to an end, a member ceases to be a member of the SACRE if he or she resigns from the SACRE or no longer occupies the office which he or she was nominated to represent.
- 9.7 A member of the SACRE appointed by the Authority may be removed from membership by the Authority at any time if, in the opinion of the Authority, the person ceases to be representative of either the denomination, religious group, association or Academy which he/she was appointed to represent.
- 9.8 Subject to condition 9.7, above, members of the SACRE having served a full term are eligible for re-appointment.
- 9.9 The SACRE will receive support and advice from the Local Authority School Improvement Officers.
- 9.10 At the discretion of the Chair of the SACRE, Advising Officers can attend SACRE meetings. Advising Officers provide information and professional expertise but are not members of the SACRE and cannot vote.

- 9.11 The Executive Director Wellbeing, and the Executive Member with responsibility for the SACRE shall have a standing invitation to attend all SACRE and sub-committee meetings but are not members of the SACRE and cannot vote. At the discretion of the Chair they may address the meeting.
- 9.12 At the discretion of the Chair of the SACRE, Observers can attend SACRE meetings. Observers are interested individuals who have been invited to attend SACRE meetings. At the discretion of the Chair of the SACRE observers can address the meeting but they are not members of the SACRE and cannot vote.

Meetings of the SACRE are open to the public unless members resolve that an item of business be considered in private session and with such items of business the principles of the Local Government (Access to Information) Act 1985 will apply.

Members of the public do not have a right to speak at any meeting of the SACRE but may address the SACRE at the discretion of the Chair. Members of the public do not have rights to vote.

The Chair of the meeting can ask a member of the public to leave the meeting if they are obstructing the good running of the meeting or offensive towards any members. The request to remove a member of the public can be made by any member.

## 10 ELECTION AND NOMINATION OF SACRE MEMBERS

- 10.1 Members of the SACRE are responsible for the method by which they elect and nominate their representatives, and each faith or representative group within the SACRE will be responsible for the method by which they elect their representatives that they then put forward.
- 10.2 The membership of existing schools members is valid until such members' terms of office come to an end or they resign or they become otherwise ineligible for membership. When a vacancy does arise, the authority must appoint a replacement schools member to the SACRE to represent the same group as the retiring/outgoing member.

10.3 Nomination of the individual representative members is by a process of supported nomination from the body the person will be representative of. The SACRE will formally endorse membership by a simple majority **group** vote at the next available meeting of the SACRE.

10.4 In respect of new faith representative groups seeking a member place – the group the member would join will need to vote to recommend the addition to the Local Authority **in its next review of the constitution.** The chair will take the SACRE recommendation forward to Executive member for Wellbeing for consideration and decision. **This will occur in line with the Annual review of the constitution.**

10.5 Application to the SACRE to be considered for the No religious affiliation or belief representative can be made by any person who considers themselves as such and will require them to demonstrate how they will be able to positively contribute to the work of Southampton SACRE and the meeting of its statutory duties. **This process will be further developed by the chair and professional adviser for applications for January -December 2023** This representative's membership will be reviewed annually and will be for the same, full academic year. At the end of the year re-application can be made by the same person. This representative will have full voting rights within group A

## 11 **MEETINGS**

11.1 Meetings of the SACRE shall be held in public.

## 12 **VOTING**

12.1 On any matter to be decided by the SACRE, the four groups A, B, C, and D shall be entitled to vote and each group shall have a single vote. The Academies' representative and the co-opted members do not have a vote, **unless the Academies member is also a Group C representative..**

12.2 Decisions within a group about how the vote is to be cast do not require unanimity. Each group is to regulate its own proceedings, including provision for resolving deadlock. **A majority group decision can be made once time for deadlock to be resolved has been provided.**

12.3 In the event of a tied vote, the Chair shall have the casting vote.

## 13 **CODE OF PRACTICE**

13.1 Members of the SACRE will operate in accordance with the Local Code of Conduct for Members. Members are therefore required to sign a declaration in respect of the Code of Conduct and also complete a Register of their Interests.



13.2 Interests, whether personal or prejudicial, should be declared. If a member has a prejudicial interest they should declare that interest and withdraw from the meeting and take no part in the decision.

13.3 Members who fail to attend three consecutive meetings without a satisfactory explanation will have their membership reviewed by the SACRE.

#### 14 **CHAIRING**

14.1 The Chair and Vice Chair will be appointed from the members of Groups A, B, C and D. Such appointments shall be for the Municipal Year or until the person appointed ceases to be a member of the SACRE, whichever is sooner.

14.2 Persons continuing to be members of the SACRE are eligible for re-appointment to the position of Chair or Vice Chair **once they have been a full voting member for 2 continuous academic years. Non-voting members cannot take the role of chair of vice-chair.**

#### 15 **SERVICING THE COMMITTEE**

15.1 The specific responsibilities of the Chair and Members of the SACRE will be as set out in this Constitution and the Education Reform Act 1988.

15.2 The specific responsibilities of meeting support of the City Council will be to:-

- convene meetings of the SACRE;
- arrange accommodation for meetings;
- co-ordinate and act as secretariat to meetings;
- copy, circulate and dispatch appropriate papers; and

Democratic services will provide appropriate guidance on the operation of local government and other relevant procedures.

15.3 The specific responsibilities of the Professional Advisors to the SACRE will be to:

- provide advice to the SACRE and any sub-committee(s) on professional issues; and
- advise and update SACRE members on any new government guidance or policy documents.
- Support SACRE members in their monitoring role
- Ensure that the review of the Locally Agreed Syllabus is carried out within statutory timescales

## 16 **DISPUTES AND COMPLAINTS**

- 16.1 The SACRE is intended to be a collaborative, co-operative body and needs to ensure that no particular sector or member is unduly favored. Problems and issues should normally be debated and resolved at the SACRE meetings. However, if parties feel that these have not been resolved, the following process should be followed and minutes taken.
- 16.2 Stage 1: The parties who are in dispute meet with the Chair of the SACRE and the Professional Advisor who will assist in finding or recommending a solution.
- 16.3 Stage 2: A special meeting of the SACRE is convened, with papers prepared by the parties representing different views. The Chair and the Professional Advisor also prepare a paper offering possible options for resolution. If the problem is not resolved, the dispute is referred to Stage 3.
- 16.4 Stage 3: If the issue is not resolved then guidance or clarification will be sought from the relevant Government Department.
- 16.5 Complaints from members of the public will be handled by the Council's Complaints Procedure.

## 17 **NON COMPLIANCE OF ACTIVITIES**

- 17.1 Issues of non-compliance will, in the first instance, be referred to the Chair of the SACRE who will investigate and attempt to reach satisfactory resolution through discussion with the representative of the agency concerned. In the event of satisfactory resolution not being reached, the matter will be referred to the next SACRE meeting.

## 18 **MONITORING AND INSPECTION**

- 18.1 The effectiveness of the SACRE will be assessed by Internal Review.

### **OVERVIEW AND SCRUTINY**

- 18.2 The SACRE and its members will co-operate with any reasonable request by the Council in respect of its overview and scrutiny functions under Section 21 Local Government Act 2000. Any requests for information or attendance of SACRE members at the relevant overview and scrutiny committee will be made as soon as possible and generally at least 10 days before the meeting.



### Equality and Safety Impact Assessment

The **Public Sector Equality Duty** (Section 149 of the Equality Act) requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people carrying out their activities.

The Equality Duty supports good decision making – it encourages public bodies to be more efficient and effective by understanding how different people will be affected by their activities, so that their policies and services are appropriate and accessible to all and meet different people’s needs. The Council’s Equality and Safety Impact Assessment (ESIA) includes an assessment of the community safety impact assessment to comply with Section 17 of the Crime and Disorder Act and will enable the Council to better understand the potential impact of proposals and consider mitigating action.

<b>Name or Brief Description of Proposal</b>	Changes to membership on SACRE
<b>Brief Service Profile (including number of customers)</b>	
The proposal, if agreed, will bring about two new representatives on SACRE to be a voice for people who would consider they are not represented through a religious group currently within the membership groups – but who have other religious alliance or beliefs as set out in the Human Rights Act.	
<b>Summary of Impact and Issues</b>	
<p>Impact is linked to religion or belief</p> <p>The South Hampshire Humanist group have requested a full voting place on SACRE for some time. Currently they have a representative in the non-affiliated representative membership space.</p> <p>The DFE and statute set out the legal position that SACREs must follow regarding membership and their responsibilities. This can be determined in a number of ways.</p> <p>During the constitution review analysis of the data provided to schools by parents regarding their child’s religious affiliation – or “No religion” has been undertaken.</p> <p>The data set is not full, and also relies on schools having recorded accurate information in a non-statutory aspect in their information system. However, it indicates a continuing proportion in line with last years review of 40% of the current school population have an aspect of “no religion” filled in. This would therefore support the proposal to widen the groups who may have a full place on SACRE from a current pupil population perspective.</p>	

We have not found any evidence to support that the South Hampshire Humanists group would represent the beliefs of all of those who have indicated “No Religion” so a place for South Hampshire Humanists is proposed in its own right, in addition to the non-affiliated position that can be applied for by people who would consider themselves to be part of a belief system but non-religious is proposed to accommodate.

This will enable a broad range of applicants, who would meet the criteria to be determined, to put forward how they will be able to support the statutory duties of SACRE for a period of an academic year. This will enable a wide group of people to have representation over time to contribute. It will be re-assessed when the most recent census data is available so this is taken into account also for the next review.

A process for application will be continued as per the previous year when this was introduced.. There is clear criteria for who can apply, criteria for those interested to include information against, an application template, and a timeframe for launching and undertaking the process. The timeframe should be relevant to the unique membership place and will run for a calendar year.

Co-opted members have an agreed timeframe of membership set for any period . Other SACRE members have a 4-year period of membership

Unfortunately SACRE has not been consulted in full prior to the proposed changes by the LA. This is due to the postponed meeting in September and rearranged meeting in November due to members non-availability. The LA will take any requested changes into the following years review, when the national census 2021 data will be available.

There may be other groups, who if the South Hampshire Humanists are given a specific member place would then feel not represented. Hence the proposed application for short time-framed positions is retained for 2022-2023.

The committee already acknowledged the need to be legally compliant whilst balancing the changing population position in the constitution review in 2020 and strongly felt that the DFE needed to take a national position on this to support all SACREs and review the statute rather than place individual SACREs in a difficult position. It is reasonable to think this may continue to be the SACRE and LA position.

Impact may be that SACRE may wish to propose something different to that which is proposed by the LA – or that South Hampshire Humanists do not accept the constitution membership amendments proposed. It also means that a further group representing as yet an unknown group could apply to take-up the non-affiliated place.

<b>Potential Positive Impacts</b>	
<p>Strengthen the defensible position of good decision making by SACRE by strengthening the good relations between different people.</p> <p>An additional representative for the indicated large pupil population group, with belief or no religion, who is able to demonstrate they are able to positively contribute to the statutory duties and scope of Southampton SACRE would be of benefit to the diversity of the full membership voting committee members.</p>	
<b>Responsible Service Manager</b>	
<b>Date</b>	
<b>Approved by Senior Manager</b>	
<b>Date</b>	

#### Potential Impact

<b>Impact Assessment</b>	<b>Details of Impact</b>	<b>Possible Solutions &amp; Mitigating Actions</b>
<b>Age</b>		
<b>Disability</b>		
<b>Gender Reassignment</b>		
<b>Marriage and Civil Partnership</b>		
<b>Pregnancy and Maternity</b>		
<b>Race</b>		
<b>Religion or Belief</b>	People who have beliefs, but not religious beliefs will be further included in SACRE decision making where voting is required	Solution is as proposed for one additions to group A
<b>Sex</b>		
<b>Sexual Orientation</b>		
<b>Community Safety</b>		
<b>Poverty</b>		
<b>Health &amp; Wellbeing</b>		

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
Other Significant Impacts		

DRAFT

<b>DECISION-MAKER:</b>	CABINET
<b>SUBJECT:</b>	TOWNHILL PARK REGENERATION: ROWLANDS WALK COMPULSORY PURCHASE ORDER
<b>DATE OF DECISION:</b>	15 November 2022
<b>REPORT OF:</b>	<b>CABINET MEMBER FOR HOUSING AND GREEN ENVIRONMENT</b>

<b><u>CONTACT DETAILS</u></b>			
<b>Executive Director</b>	<b>Title</b>	Executive Director Communities, Culture and Homes	
	<b>Name:</b>	Mary D’Arcy	Tel: 023 8083 4611
	<b>E-mail:</b>	Mary.d’arcy@southampton.gov.uk	
<b>Author:</b>	<b>Title</b>	Estate Regeneration Manager	
	<b>Name:</b>	Sue Jones	Tel: 023 8083 3929
	<b>E-mail:</b>	Sue.jones@southampton.gov.uk	

<b>STATEMENT OF CONFIDENTIALITY</b>
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Appendix 4 contains information deemed to be exempt from general publication based on Category 1 (information relating to any individual) and Category 3 (information relating to the financial or business affairs of any particular person (including the Authority holding that information)) of paragraph 10.4 of the Council’s Access to Information Procedure Rules.

In applying the public interest test this information has been deemed exempt from publication due to confidential sensitivity. It is not considered to be in the public interest to disclose this information as it would reveal financial information relating to individual leaseholders and details of proposed transactions which could put the council or other parties at a commercial disadvantage.

<b>BRIEF SUMMARY</b>
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This report outlines a proposal relating to the regeneration of Townhill Park. The regeneration proposals already have outline planning consent for a phased regeneration of the area. This report seeks resolution to make a compulsory purchase order (“Order”) to assist with the site assembly required to facilitate the regeneration of Plot 9 of the Townhill Park regeneration scheme (as edged red on the draft plan at Appendix 1 [A and B], also known as the “the Order land”).

<b>RECOMMENDATIONS:</b>
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	(i)	To approve making a compulsory purchase order pursuant to section 226(1)(a) of the Town and Country Planning Act 1990 and section 13(1) of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of land and rights for the purposes of securing the regeneration and redevelopment of land within Plot 9 comprising the demolition of the Rowlands Walk blocks and the erection of new housing accommodation.
	(ii)	To authorise the Executive Director for Communities, Culture and Homes following consultation with the Director of Legal and Business

		<p>Services to carry out the functions set out in (c), (d), (g) and to authorise the Director for Legal and Business Services to carry out the functions set out in (a), (b), (e) and (f) below:</p> <ol style="list-style-type: none"> <li>a. To take all steps to secure the making, confirmation, and implementation of the Compulsory Purchase Order (“Order”) including the publication and service of all notices and the promotion of the Council’s case at any public inquiry;</li> <li>b. To make any amendments, deletions or additions to the land identified in this report to be subject to the Order (“Order Land”) as to include and describe all interests in land and rights required to facilitate the carrying out of the redevelopment and regeneration of Plot 9 of Townhill Park;</li> <li>c. To identify and acquire interests and new rights required to facilitate delivery of the redevelopment and regeneration of Plot 9 Townhill Park either by agreement or compulsorily pursuant to the Order including conduct of negotiations, making provision for the payment of compensation;</li> <li>d. To negotiate, agree terms and enter into agreements with interested parties including the withdrawal of objections to the Order and/or undertakings not to enforce the Order on specified terms, including where appropriate removing land or rights from the Order, making provision for the payment of compensation and/or relocation;</li> <li>e. In the event the Order is confirmed by the Secretary of State, to advertise and give notice of confirmation and thereafter to take all steps to implement the Order;</li> <li>f. To take all steps in relation to any legal proceedings relating to the Order including defending or settling claims referred to the Lands Tribunal and/or applications to the courts and any appeals; and</li> <li>g. To retain and/or appoint external professional advisers and consultants to assist in facilitating the promotion, confirmation and implementation of the Order, the settlement of compensation and any other claims or disputes.</li> </ol>
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**REASONS FOR REPORT RECOMMENDATIONS**

1.	The Council originally resolved to regenerate the Townhill Park in March 2012 (Decision Reference CAB 11/12 7817). Outline planning consent was granted in May 2016 (planning reference 15/01856/OUT/7069).
2.	<p>The purpose of this report is to facilitate the demolition of 1 – 131 (odd numbers) Rowlands Walk within the Townhill Park area and the development of 51 new homes on Plot 9 of Townhill Park. The Council needs to demolish the 3 blocks that make up Rowlands Walk and form Plot 9 of the regeneration scheme. The Scheme for which the Order is being utilised consists of:</p> <p><i>“enhancement and part-redevelopment of the Townhill Park Estate with 665 new dwellings following demolition, associated parking and replacement public open space” (the “Scheme”)</i></p>



	of which Plot 9 forms part, and cannot do so until it has full ownership of all interests in the Order land.
3.	The Rowlands Walk blocks were built in the 1960s and have poor energy efficiency. It was also established that the balconies are defective and uneconomical to repair.
4.	To date and despite ongoing negotiations with affected parties, the Council has been unable to acquire all of the outstanding third party land interests in the proposed Order Land site through agreement and is unlikely to be able to do so without the use of the Order.
5.	The justification for making the Order is set out in the draft Statement of Reasons at Appendix 2 of this report, but can be summarised briefly as follows: <ul style="list-style-type: none"> <li>a. The blocks are beyond economic repair and form a key part of the wider Townhill Park regeneration area for which outline planning consent is in place;</li> <li>b. Redevelopment of the Order Land will contribute to the improvement of the environmental, economic and social wellbeing of the area.</li> </ul>
6.	The confirmation of an Order can be protracted if the Order is challenged, which means the Council must therefore proceed with starting the Order process now in order to avoid any further delays. A number of further steps will need to be taken to make, confirm and implement the Order. In order to expedite this progress, Cabinet is also asked to grant delegated authority to the relevant officers identified in the Recommendations section of this report to undertake the actions required.
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>	
7.	The Council gained outline planning consent to regenerate the Townhill Park area in 2016. The Council's stock in the area was in poor condition and in need of wholesale regeneration. The Rowlands Walk blocks have been identified as having defective balconies which are beyond economic repair. Plot 9 forms an integral part of the Townhill Park regeneration masterplan, which in turn drives environmental economic and social benefits to the area and the City of Southampton.
8.	The Council has attempted to reach a negotiated solution with the remaining leaseholders within these blocks, but this has not proved possible to date. It is therefore considered that whilst continuing to pursue a negotiated conclusion to acquiring the remaining external interests, making an Order is now the only option to ensure that the Council secures full ownership.
9.	The Council could choose to make an offer for 57 Rowlands Walk in the sum that the leaseholder has indicated they would accept. However, this is considerably higher than the level of the independent valuation. From time to time, the council has no option but to pursue Compulsory Purchase Orders, and it is important that the Council follows it's own policies and legislation, and treats all people fairly using the same approach.
<b>TOWNHILL PARK REGENERATION CONTEXT</b>	
10.	The Townhill Park area is a part of the city with very considerable levels of deprivation particularly as regards education, skills and training, employment and crime. The estate is located on the east edge of the city. The estate is narrow and runs north south with flats and terraces arranged around Meggeson Avenue the main distributor road. The landform is hilly and to the north-west is

	the semi wild area known as Frog's Copse, while the ancient Cutbush Lane lies on the eastern boundary.
11.	Townhill Park spans the North East of Bitterne Park and Harefield wards on the boundary edge in the east side of the city. It is represented by the Lower Level Super Output Areas (LSOA) E01017174, E01017179, E01017201 AND E01017202. Townhill Park has high levels of deprivation in the Crime domain. In other domains and overall, Townhill Park is in the mid-range for deprivation by England deciles. LSOA E01017202 is higher deprivation in many domains when compared with the other LSOA's in Townhill park, in particular Income deprivation affecting children index (IDACI), employment domain, health deprivation and disability domain and the education, skills and training domain.
12.	Townhill Park is an identifiable area of Southampton made up largely of 1960's and 70's blocks of flats and terraced houses. Many of the terraced houses have been purchased under Right to Buy. The blocks of flats are aging and becoming increasingly expensive to maintain and have poor energy efficiency ratings. The relationship of the blocks to the nearby open space does not optimise its use by residents. The council approved the design principles of the Townhill Park Regeneration in March 2012 and the initial investment in November 2012.
13.	The overall population for Townhill Park is approximately 5,988 people in 2021 (Source: Small Area Population Forecast – Hampshire County Council 2021-base) based on the LSOA in the area. Of which 3,026 are female (50.5%) and 2,962 are male (49.5%).
14.	The under 18 population is 1,325 people or 22.1% and the over 65 population represents 1,112 people or 18.6%. The population is estimated to increase to 6,671 people in 2028. An increase of 11.4% between 2021 and 2028 (as a natural forecast increase, not as a result of the Townhill Park regeneration scheme).
15.	It is estimated that there were 2,528 dwellings, in 2021, in Townhill Park and this is predicted to increase to 2,900 in 2028 an increase of 14.7% (as a natural forecast increase, not because of the Townhill Park regeneration scheme).
16.	In 2016 outline planning permission for 665 homes was granted. This included: enhancement and part-redevelopment of the Townhill Park Estate with 665 new dwellings following demolition, associated parking, and replacement public open space.
17.	56 new homes have been built and occupied in April 2019 at Roundhill Close. Considerable progress has been made on decommissioning of plots and is continuing. Townhill Park was awarded £3.75M Homes England (HE) Housing Infrastructure Funding (HIF) and this has been used to design and carry out infrastructure improvements to Meggeson Avenue and the creation of a new local park, Townhill Green completed in May 2022.
18.	Townhill Park Plots 2, 9 &10 are progressing on the basis of a 2-stage tender procurement to secure planning consent and deliver the schemes. Stage 1: Pre-Construction Services Agreement (PCSA), to achieve a revised and viable planning consent is currently underway. Stage 2 is the award of the building contract for subsequent construction stage activities. It is anticipated that this will provide circa 273 homes on the 3 sites.

19.	Decommissioning of the Rowlands Walk blocks commenced in October 2019 and at the time of writing, only the two remaining leasehold flats remain across all three blocks, and only one of those is still occupied.
20.	Since the early Master Plan work started in late 2011 there has been regular consultation with a range of bodies, including local residents. This included public consultation in June 2015 prior to the submission of the 2016 planning application. Also, in September 2015 the statutory public consultation as part of the planning process was also carried out.
21.	During the time the proposals have been developing there have been many changes in response to the consultations. These include: <ul style="list-style-type: none"> <li>• Withdrawal of the proposed housing site at Frog's Copse and on the land grassland west of Hidden Pond.</li> <li>• The vehicular link from Townhill Park to Cornwall Road or opening a link to Cutbush Lane was not progressed.</li> <li>• No development was pursued on the existing garage site and the open space at the top of Roundhill Close (Plots 3 and 4).</li> <li>• Postponing a decision on developing the site with the bus turning circle (Plot 14) and withdrawing it from the planning application. Discussions about its future will be held with the Townhill Park Forum.</li> </ul>
22.	During the process of developing the proposals for Townhill Park regeneration there has been broad and continuing public support for the regeneration proposals.
23.	The Townhill Park Forum receives quarterly updates on the proposals. It is made up of local community groups and interested parties and is facilitated by the local stakeholder group SO18 Big Local and provides valuable input and comment on the detail of the redevelopment proposals.
<b>PROPOSALS FOR THE ORDER LAND AND WIDER REGENERATION CONTEXT</b>	
24.	Proposals for the Order land known as Plot 9 are for redevelopment of the 3 existing blocks of flats and replacement with a mix of houses and flats. The 2016 planning consent contained 48 homes and the current proposal is for 17 houses and a block of 34 flats. There is associated parking for all homes within the plot and all homes will meet or exceed current energy standards.
25.	The wider regeneration proposals were set out in the 2016 outline planning permission for 665 homes. Proposals include redevelopment of the existing blocks of flats and replacement with a mixture of flats and houses, creation of a new green space in the centre of Townhill Park and improvements to the main road Meggeson Avenue to make the area more public transport, cycle and walking friendly. (The latter have already been completed with HE HIF funding as set out in paragraph 17 above). Further detail included: enhancement and part-redevelopment of the Townhill Park Estate with 665 new dwellings following demolition, associated parking, and replacement public open space. Full detailed permission was given for 276 homes, and subsequent 389 homes in outline with Access, Layout and Scale submitted for approval with External Appearance and Landscaping reserved, and outline provision for a retail store (up to 500sq.m). (Appendix 2 Masterplan for Townhill Park Regeneration).
26.	The first phase of the regeneration scheme reached practical completion in 2019. The Acquiring Authority is now working on the delivery of further phases, of which Plot 9 is one. Plot 9 is expected to deliver 202 apartments, Plot 9 is

	expected to deliver 51 homes made up of 17 houses and 34 apartments, and Plot 10 is expected to deliver 20 three bedroomed houses.
27.	Cabinet approved the principles for the Townhill Park Regeneration Framework and Master Plan on 12 March 2012. The project has been the subject of a number of further Cabinet reports since that date. The most recent Council decision was in July 2020 when it approved the 1,000 Homes Programme. This included a number of Townhill Park Plots including 2, 9 and 10, and the commitment to the whole programme and expenditure of £144 million. This report also delegated delivery of the programme to the Council's Executive Director of Growth in association with members of the New Homes Board. This Board administers the delivery of the regeneration of Townhill Park, which is a long-established priority for the Council.
<b>DESCRIPTION OF THE LAND, LOCATION AND PRESENT USE</b>	
28.	The Order would cover 2 individual parcels of land (being the remaining leasehold interests) which are not in the Authority's ownership on Plot 9 of the Townhill Park Regeneration bounded by Ozier Road, Kingsdown Way, Longmead Road and Rowlands Walk footpath running into Rowlands Walk Road, Townhill Park, Southampton shown coloured pink and numbered 1 and 2 on the Order map at Appendix 1 (collectively referred to as "the Order land" in this report and the draft Statement of Reasons.
29.	The freehold of the Order land is owned by the Authority and forms part of the area known as Rowlands Walk, Townhill Park forming a discrete development of 3 large blocks of flats forming Council housing (with a few leasehold properties), now largely vacant pending redevelopment.
30.	The Council has continued to seek a negotiated solution with the two remaining leaseholders within the Order land. At the time of writing this report, one of the leaseholders recently accepted an offer from the Council to acquire their interest. The Council will proceed with this acquisition as negotiated, but an Order would offer a fall-back position for acquisition should the leaseholder fail to proceed with the negotiated arrangement,
31.	Full details of the properties to be acquired will be set out in a Schedule to the Order but in summary comprise: <ul style="list-style-type: none"> <li>- All interests except those already owned by the acquiring authority in approximately 81.2 m<sup>2</sup> (Gross Estimated Area, GEA) of land situated at 57 Rowlands Walk, Townhill Park, Southampton coloured pink and numbered 1 on the Order map. This property is a 3 -bedroom maisonette within a block of flats known as 45-87 Rowlands Walk, Townhill Park, SO18 2GW and is to include a shed, a shared drying area, access rights and land held on a 125-year lease from 1st January 2003.</li> <li>- All interests except those already owned by the acquiring authority in approximately 81.2 m<sup>2</sup> (Gross Estimated Area, GEA) of land situated at 77 Rowlands Walk, Townhill Park, Southampton coloured pink and numbered 2 on the Order map. This property is a 3 -bedroom maisonette within a block of flats known as 45-87 Rowlands Walk, Townhill Park, SO18 2GW and is to include a shed, a shared drying area, access rights and land held on a 125-year lease from 1<sup>st</sup> January 2003.</li> </ul>
<b>THE PURPOSE OF THE AUTHORITY IN SEEKING TO MAKE THE ORDER</b>	

32.	The purpose of the Authority in making the Order is to assist in achieving the key Government housing policy goals of planning for the right homes in the right places, as well as increasing the energy efficiency of our housing stock.
33.	The authority seeks to acquire the Order land to facilitate a redevelopment of the Order land (together with other parts of Townhill Park owned by the acquiring authority) for the purpose of erecting housing and facilities which serve a beneficial purpose for the future occupiers of the housing, and residents of the City of Southampton. The Order land is shown edged red on the plan attached as Appendix 1 to this statement and marked Townhill Park Regeneration Plan Plot 9 Rowlands Walk.
34.	This will regenerate the area and deliver an affordable, energy efficient housing scheme which will improve the visual character of the area relating well to its surroundings. The Council is satisfied that the Scheme will improve the quality of housing within the site.
35.	In March 2022, the Council approved the development of a new framework for delivering affordable housing in the city which focuses on the transfer of Council-owned land to affordable housing providers to deliver much-needed new homes. A further report is planned to go to Cabinet in December 2022 for approval of the first tranche of sites to transfer and their tender under the Framework. In the meantime, the Council is proceeding with direct delivery of Plots 2, 9 and 10 of Townhill Park. Regardless of the route to delivery of homes on plot 9 there is a need for vacant possession of the entirety of the site to facilitate the delivery of new homes.
<b>JUSTIFICATION FOR Compulsory Purchase Order (“Order”)</b>	
36.	<p>The full detail of the justification for the Order is set out in the draft Statement of Reasons in Appendix 2. The first recommendation of this report is that the Council uses its powers under section 226(1)(a) of the Town and Country Planning Act 1990. The Guidance on Compulsory purchase process and the Crichel Down Rules says:</p> <p style="text-align: center;"><i>“Section 226(1)(a) enables acquiring authorities with planning powers to acquire land if they think that it will facilitate the carrying out of development (as defined in section 55 of Town and Country Planning Act 1990), redevelopment or improvement on, or in relation to, the land being acquired and it is not certain that they will be able to acquire it by agreement.”</i></p> <p>The Guidance goes on to set out further detailed guidance in relation to Section 226(1)(a) which the draft Statement of Reasons in Appendix 2 seeks to address, including the factors which the Secretary of State can be expected to consider, including:</p> <ul style="list-style-type: none"> <li>• <i>“whether the purpose for which the land is being acquired first in with the adopted Local Plan for the area or, where no such up to date Local Plan exists, with the draft Local Plan and the National Planning Policy Framework</i></li> <li>• <i>the extent to which the proposed purpose will contribute to the achievement of the promotion or improvement of the economic, social or environmental wellbeing of the area</i></li> </ul>

	<ul style="list-style-type: none"> <li>• <i>whether the purpose for which the acquiring authority is proposing to acquire the land could be achieved by any other means. This may include considering the appropriateness of any alternative proposals put forward by the owners of the land, or any other persons, for its reuse. It may also involve examining the suitability of any alternative locations for the purpose for which the land is being acquired</i></li> <li>• <i>the potential financial viability of the scheme for which the land is being acquired. A general indication of funding intentions, and of any commitment from third parties, will usually suffice to reassure the Secretary of State that there is a reasonable prospect that the scheme will proceed. The greater the uncertainty about the financial viability of the scheme, however, the more compelling the other grounds for undertaking the compulsory purchase will need to be. The timing of any available funding may also be important. For example, a strict time limit on any availability of the necessary funding may be an argument put forward by the acquiring authority to justify proceeding with the order before finalising the details of the replacement scheme and/or the statutory planning position.”</i></li> </ul>
37.	The implementation of the scheme requires the acquisition of outstanding leases as set out in paragraph 31. Since 2021 the Acquiring Authority has entered into discussions and negotiations with the holders of these land interests for their acquisition by agreement and will continue these negotiations.
38.	Single ownership is required to enable redevelopment to proceed at an early date by providing certainty for programming which will enable the Acquiring Authority to achieve its objectives in a timely manner.
39.	The Council is satisfied that the Order is necessary and in the public interest and that the Order land is suitable and required in order to meet the pressing need for the Scheme, as described in paragraph 2.
40.	<p>As at 12/10/22, there were 7,508 households registered and able to bid for accommodation in the City. The household accommodation size needs are broken down as follows:-</p> <p>1 bedroom = 4,220  2 bedroom = 1,440  3 bedroom = 1,523  4 bedroom or larger = 325</p> <p>Approximately 1,500 of these households are waiting for age-designated accommodation (50 or 60+). Approximately 6,000 of these households are waiting for general needs accommodation.</p> <p>The Council operates a choice based lettings scheme, so does not require applicants to specify preferred areas in which they wish to live. This means that it is not possible to set out how many households have expressed a particular interest in living in the Townhill Park area.</p>
<b>HUMAN RIGHTS</b>	
41.	In reaching their decision, members should take account of the provisions of the Human Rights Act 1998. As a public authority, the Council must not act in

	<p>a way which is incompatible with a Convention right protected by the Human Rights Act 1998. As outlined above, in officers' view there are strong grounds on which to conclude that there is a compelling public interest sufficient to justify interfering with the human rights of those with an interest in the Order Land, in compulsorily acquiring the third party interests.</p>
42.	<p>The key provision of the CPO Guidance is paragraph 2:</p> <p><i>“Acquiring authorities should use compulsory powers where it is expedient to do so. However, a compulsory purchase order should only be made where there is a compelling case in the public interest”</i> and that authorities <i>“should be sure that the purposes for which the compulsory purchase order is made justify interfering with the human rights of those with an interest in the land affected.”</i></p> <p>This not only summarises the national policy and the need for there to be a “compelling case in the public interest” for compulsory acquisition, but also meets the requirements of the Convention. In relation to Article 1 of the First Protocol of the European Convention, a fair balance is required to be struck between the public interest and private rights and in relation to Article 8, any interference with the right to respect for a person’s private and family life and home must be proportionate.</p>
43.	<p>Human rights protected by the 1998 Act of particular importance to the decision on compulsory purchase are those under Articles 6 and 9 and Article 1 of the First Protocol of the Convention.</p> <p>Article 6 provides:</p> <p><i>“In the determination of his civil rights and obligations or of any criminal charge against him, everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law.”</i></p> <p>The statutory procedures require that all those likely to be affected by the Order are notified and given an opportunity to object. If there are objections the Secretary of State will arrange a public local inquiry so that their objections can be heard (unless all parties agree to the written representations procedure). The legislation provides for statutory review in the event of challenge to the decision of the Secretary of State on confirmation of the Order. Disputes over compensation can be referred for hearing by the Lands Chamber of the Upper Tribunal. Taken together, the availability of these procedures satisfies the requirements of Article 6.</p> <p>Article 1 of the First Protocol provides:</p> <p><i>“Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law.”</i></p>

	<p>Article 1 of the First Protocol again indicates that compulsory purchase must strike a fair balance between the public interest and the private rights protected by Article 1, equivalent to proportionality under Article 8. For the reasons set out above, it is considered that there is a compelling case in the public interest for the Order to be made and this satisfies the requirements of proportionality and fair balance.</p>
<p><b>PUBLIC SECTOR EQUALITIES DUTY</b></p>	
<p>44.</p>	<p>The Equality Act 2010 provides protection from discrimination in respect of certain protected characteristic namely: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. Section 149 of the Equality Act 2010 places the Council, as a public authority, under a legal duty (“the public sector equality duty”), in the exercise of all its functions, to have due regard to the need to:</p> <ul style="list-style-type: none"> <li>• Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act;</li> <li>• Advance quality of opportunity between persons who share a “relevant protected characteristic” (i.e. the characteristics referred to above other than marriage and civil partnership) and persons who do not share it; and</li> <li>• Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.</li> </ul>
<p>45.</p>	<p>Section 149 of the Equality Act 2010 and its predecessor provisions have been considered by the courts on a number of occasions. The principles derived from these cases include:</p> <ul style="list-style-type: none"> <li>• “due regard” requires more than simply giving consideration to the above factors, councillors should be aware of the special duties the Council owes to those with protected characteristics;</li> <li>• “due regard” is the regard that is appropriate in all the particular circumstances including, on the one hand, the importance of the areas of life of the members of the protected group that are affected and the extent of effects; and on the other hand, such countervailing factors as are relevant to the function which the decision-maker is performing;</li> <li>• No duty is imposed to take specific steps, it is a duty to have regard to the need to achieve the various goals referred to above;</li> <li>• The duty must be fulfilled before and at the time that a particular policy which might affect protected groups is being considered. It involves a conscious approach and state of mind. It must be exercised in substance, with rigour and with an open mind. It is not a question of ticking boxes;</li> <li>• The duty must be discharged by the public authority, it cannot be delegated;</li> <li>• It is a continuing duty; and</li> <li>• It is good practice for those exercising public functions in public authorities to keep an adequate record showing that they have considered the public sector equality duty.</li> </ul> <p>It is necessary for the Council to have regard to this duty in determining whether to authorize the making of the Order.</p>
<p>46.</p>	<p>A number of Equality Impact Assessments (“ESIAs”) have been carried out in relation to the Townhill Park regeneration scheme over the years, including for</p>



	the regeneration scheme as a whole (in 2014), for the Acquisition and CPO Policy (in 2017) and the Decommissioning Order Revision (in 2021).
47.	In the case of this paper, which concerns making an Order for Plot 9 of the Townhill Park Regeneration scheme, the two remaining leaseholders will be directly affected by the Order.
48.	An ESIA has been undertaken to assess the impact of any protected groups of the making of a compulsory purchase order and implementation of Plot 9. This can be reviewed in Appendix 3.
49.	Overall, it is considered that there is a compelling case in the public interest for the acquisition of the Order Land, as this will bring benefits to residents in the Townhill Park area of Southampton that could not be achieved by agreement, and this outweighs the loss that will be suffered by those with an interest in the Order Land. This compulsory purchase order follows existing legislative provisions in respect of the making and confirming of Orders and the payment of compensation and, as such, officers consider it to be compatible with the Convention.
<b>ACQUISITION AND COMPULSORY PURCHASE ORDERS POLICY</b>	
50.	The Southampton City Council Acquisition and Compulsory Purchase Orders Policy 2017 applies to the acquisition of property from freeholders, leaseholders and private tenants. This sets out the Council's approach to consultation, acquisition, compensation, etc. for anyone affected by decommissioning of Council housing stock either by virtue of ownership or occupation.
51.	The individual leaseholders have been treated according to that Policy and offered compensation. The services of an independent Chartered Surveyor have been provided and paid for by the Council for the leaseholders to ensure the purchase price offered is fair and reasonable. Housing advice has been provided to the resident leaseholder and the non-resident leaseholder's tenant advising them of their various housing options.
<b>DELIVERABILITY OF THE SCHEME</b>	
52.	The financial aspects of the deliverability of the Scheme are set out in the Capital/Revenue Resource Issue paragraphs 65-69 below.
53.	In 2016 a planning consent for 665 homes was approved (15/01856/OUT/7069). This included: enhancement and part-redevelopment of the Townhill Park Estate with 665 new dwellings following demolition, associated parking, and replacement public open space.
54.	Townhill Park Plots 2, 9 & 10 are progressing on the basis of a 2-stage tender procurement to secure planning consent and deliver the schemes. Stage 1: Pre-Construction Services Agreement (PCSA), to achieve a revised and viable planning consent is currently underway. Stage 2 is the award of the building contract for subsequent construction stage activities.
55.	On 07/05/19, a non-material amendment was accepted (19/00784/NMA) which allowed phased Reserved Matters applications to be made as the regeneration scheme progressed. However, in the case of Plots 2, 9 and 10 of the Scheme, it has been decided to make a new full planning application – there are further details including a proposed timetable for this in Appendix 2.
<b>OUTLINE OF THE COMPULSORY PURCHASE PROCESS</b>	

56.	The procedures for compulsory purchase under planning powers are mainly governed by the Acquisition of Land Act 1981, the Compulsory Purchase (Vesting Declarations) Act 1981 and the Compulsory Purchase Act 1965. Compensation for affected parties is governed by a number of statutes including, in particular, the Land Compensation Acts 1961 and 1973, the Compulsory Purchase Act 1965 and a considerable body of case law.
57.	The procedures for compulsory purchase under housing powers are mainly governed by Section 17 of the Housing Act 1985, The Acquisition of Land Act 1981 and the Compulsory Purchase Act 1965.
58.	<p>In outline, if Cabinet resolves to make an Order, the main steps which will be taken include:-</p> <ol style="list-style-type: none"> <li>1. Making the Order (by way of the formal resolution recommended by this paper)</li> <li>2. Notification of persons affected and publicity (a notice must be published for two successive weeks in one or more local newspapers and must also be fixed on or near the land covered by the order) for the making of the Order and the Council's intention to submit it to the Secretary of State for confirmation.</li> <li>3. Submission of the Order to the Secretary of State.</li> <li>4. Minimum of 21 days from notification of the order for the public to make representations / objections.</li> <li>5. Public local inquiry (if objections outstanding).</li> <li>6. Inspector's report to the Secretary of State (in the event that there has been a public local inquiry).</li> <li>7. Secretary of State's decision on confirmation.</li> <li>8. Notification and publicity for the Secretary of State's decision (if confirmed).</li> <li>9. Six week challenge period.</li> <li>10. Acquiring / taking possession of the Order Land.</li> <li>11. Compensation to the affected parties.</li> </ol>
59.	Alongside these steps, reasonable efforts to acquire land and rights by agreement would be expected to continue.
60.	The necessary work in gathering information needed to draw up the Order will need to be completed. The Order will include a schedule listing of all owners, lessees, tenants and occupiers and others who are likely to have a claim for compensation if compulsory purchase takes place. These affected parties are known as "qualifying persons" and they must all receive the statutory notices once the Order is made.
61.	In addition, they will be provided with a (non-statutory) "Statement of Reasons" for making the Order. The statutory notices will invite them to make representations / objections to the Secretary of State within a specified period of at least 21 days (step 4 above).
62.	If valid objections to the Order are made to the Secretary of State (SoS) by qualifying persons and they are not withdrawn, the SoS is likely to arrange for a public local inquiry to be held and the Council and all objectors will be notified (objections which relate exclusively to compensation may be disregarded for this purpose). The date of the Secretary of State's notification confirming his intention to hold a public inquiry is known as the "relevant date". The public

	local inquiry would normally take place within 22 weeks of the relevant date. The Council will be required to provide the Planning Inspectorate and National Planning Casework Unit and all objectors with a Statement of Case within 6 weeks after the relevant date. The Secretary of State may require other parties to prepare outline and full Statements of Case.
63.	After the inquiry the Inspector will report to the Secretary of State who will decide whether the Order should be confirmed, modified or rejected (step 7 above). If the Order is confirmed the Council must publish notice of confirmation and give individual notices to all qualifying persons with a copy of the Order as confirmed (step 8 above). The date on which notice of confirmation is first published is important as a number of key time limits run from this date, in particular, the 6 week statutory challenge period (step 9 above) and the three year period within which the powers to acquire the land under the Order must be “exercised”, either by serving notice to treat or by executing a general vesting declaration (step 10 above).
64.	So far as possible, all claims for compensation will be settled by agreement. Rights to compensation include the value of the land and rights acquired, as well as for “disturbance” such as removal costs, Stamp Duty Land Tax payable on buying replacement property, etc.
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
65.	The Council is currently holding an overall total budget of £60.5m for the delivery of the development and regeneration proposals for Plots 2, 9 and 10 Townhill Park. There is also a regeneration budget which was set to cover the costs of decanting the properties. This latter budget allows for the potential cost of an Order.
66.	The costs incurred in pursuing an Order to acquire the outstanding external legal interests at Plot 9 Townhill Park, or indeed in reaching a negotiated settlement with remaining leaseholder(s) form part of the regeneration scheme costs. Such costs will be capitalised and will form part of the financial scrutiny of the project before final approval is sought to start on site.
67.	The remainder of the properties in the Plot 9 area are now all empty and incurring a loss of rent to the Council. Until the Council owns all the land interests within Plot 9, the regeneration of the area cannot commence and all delays increase the level of rent loss the Council suffers.
68.	The Council has Right to Buy Receipt monies which it can apply to the capital costs of delivering the Scheme. In addition, discussions with Homes England are ongoing, and they have indicated that they would consider applications for further capital grant funding available to support delivery of the Scheme subject to a successful application.
69.	Once delivered, the intention is that the Scheme should generate long-term net rental income from the new affordable housing provided and capital receipts from shared ownership properties. This ongoing income facilitates the Council in raising borrowing to cover any shortfall in the capital costs of delivering the Scheme, although it is worth noting borrowing costs are subject to significant volatility currently, influenced by national economic conditions and other events, and therefore have a degree of uncertainty.
<b><u>Property/Other</u></b>	

70.	The Council holds the freehold interest in the majority of the Plot 9 area. An outline planning consent is in place and the Council intends to demolish the existing buildings on Plot 9 and redevelop the area with new, more energy-efficient affordable housing that better meets the needs of the city. The new homes will generate rental income as part of the Council's affordable housing stock.
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
71.	The power to make an Order and the necessary tests to consider is set out in the body of the report. An outline of the Compulsory Purchase Order process is set out in the body of the report.
<b><u>Other Legal Implications:</u></b>	
72.	Human rights and public sector equality duties considerations are set out in the body of the report and a more detailed ESIA contained in the background documents to the report.
<b>RISK MANAGEMENT IMPLICATIONS</b>	
73.	The financial risks are considered in the body of the report. The decision could be challenged by way of a claim for judicial review. The Order process is set out in the body of the report and the risks of any such challenge will be reviewed at each relevant stage.
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
74.	The proposals contained in the report are in accordance with the Council's Policy Framework Plans. The planning permission for the proposed regeneration scheme accords with the Council's Development Plan (referred to in Article 4 of the Constitution as the Council's Local Development Framework).

<b>KEY DECISION?</b>	<b>Yes</b>
<b>WARDS/COMMUNITIES AFFECTED:</b>	Bitterne Park, Harefield
<b><u>SUPPORTING DOCUMENTATION</u></b>	
<b>Appendices</b>	
1.	Draft CPO Order Map (plan A – Plot 9 area, plan B – insets showing 57 and 77 Rowlands Walk)
2.	Draft Statement of Reasons
3.	Equality and Safety Impact Assessment
4.	Confidential appendix containing more detailed information about negotiations with individual leaseholders

**Documents In Members' Rooms**

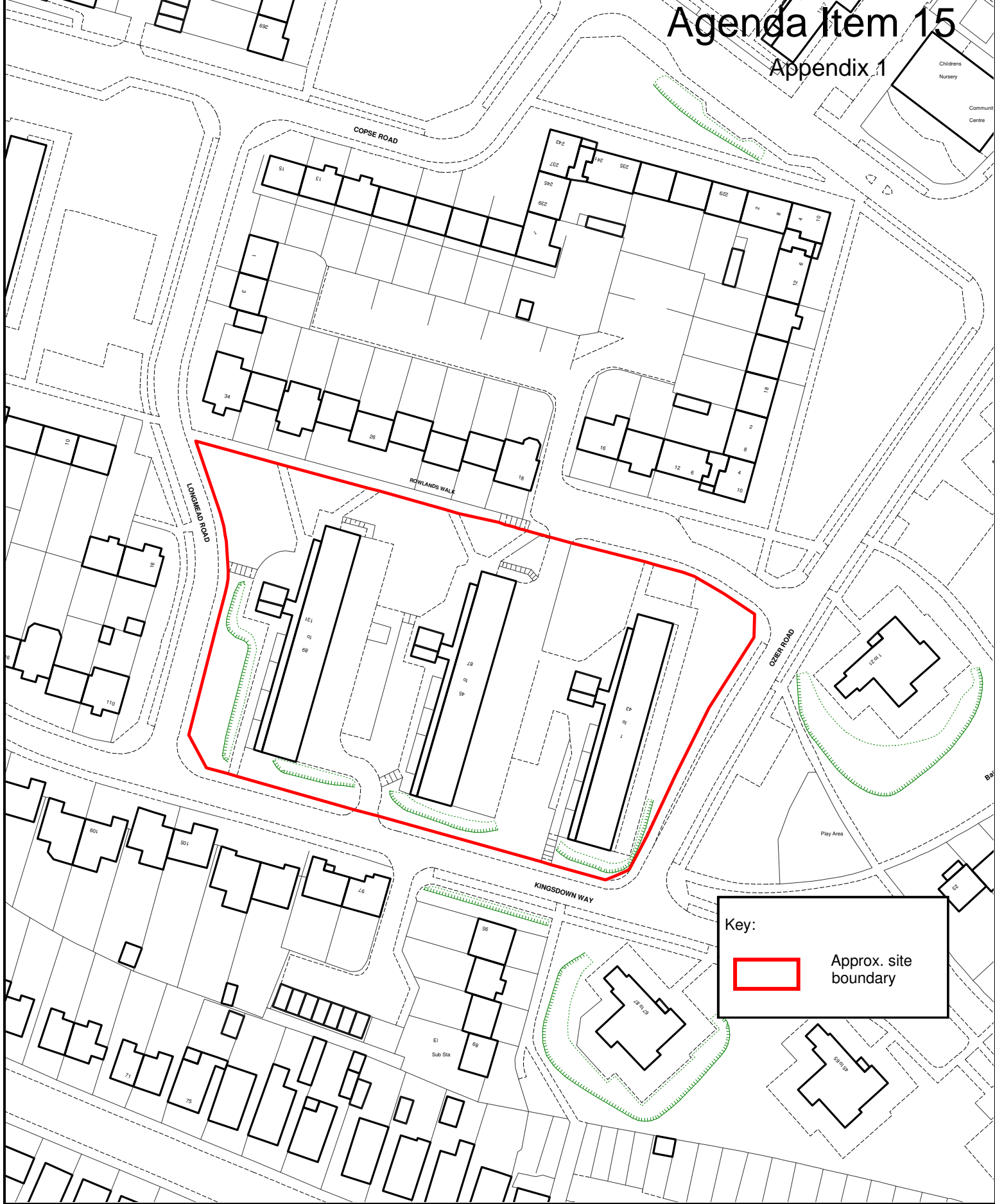
1.	None
<b>Equality Impact Assessment</b>	
<b>Do the implications/subject of the report require an Equality and</b>	<b>Yes</b>

<b>Safety Impact Assessment (ESIA) to be carried out.</b>		
<b>Data Protection Impact Assessment</b>		
<b>Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.</b>		<b>No</b>
<b>Other Background Documents</b>		
<b>Other Background documents available for inspection at:</b>		
<b>Title of Background Paper(s)</b>		
1.	None	

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# Agenda Item 15

Appendix 1



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<b>PROPERTY DIVISION</b> 1st Floor, One Guildhall Square, Above Bar Street, Southampton. SO14 7FP		<b>SCALE</b> 1:1000	<b>DATE</b> 07/12/2021
Plan No V3958	Page 201 Rowlands Walk site plan		

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# Agenda Item 15

Appendix 2



Key:

Land to be acquired

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<b>PROPERTY DIVISION</b> 1st Floor, One Guildhall Square, Above Bar Street, Southampton. SO14 7FP		SCALE 1:1000	DATE 07/12/2021
Plan No V3957	Page 203 57 Rowlands Walk and 77 Rowlands Walk Map Referred to in Southampton City Council (Rowlands Walk) Compulsory Purchase Order 2022		

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### SOUTHAMPTON CITY COUNCIL (TOWNHILL PARK PLOT 9) COMPULSORY PURCHASE ORDER 2022

#### DRAFT STATEMENT OF REASONS

##### 1. INTRODUCTION

- 1.1 Southampton City Council (the “**Council**”) has made the Southampton City Council (Townhill Park Plot 9) Compulsory Purchase Order 2022 (the “**Order**”) under Section 226(1)(a) of the Town and Country Planning Act 1990 and Section 13(1) of the Local Government (Miscellaneous Provisions) Act 1976. This document is the non-statutory Statement of Reasons (the “**Statement**”) prepared in accordance with the “Guidance on Compulsory Purchase process and the Crichel Down Rules” (the “**CPO Guidance**”).
- 1.2 The Council has made the Order in relation to Plot 9 of the Townhill Park Regeneration area (the “**Order Land**”) as shown on the plan accompanying the Order (the “**Order Map**”) to secure the right to acquire compulsorily the outstanding interests within the Order Land which are needed to facilitate the regeneration of the Order Land as detailed in Section 4 below.
- 1.3 The Order has been submitted to the Secretary of State for Levelling Up, Housing, and Communities for confirmation.
- 1.4 A copy of this Statement, the Order and Order Map together with background documents, are available for inspection at Southampton City Council, One Guildhall Square, Southampton, SO14 7FP between the hours of 0930 and 1630.
- 1.5 The Statement of Reasons, Order and Order Map are also available to view on the following website [Landmark estate regeneration of Townhill Park \(southampton.gov.uk\)](https://www.southampton.gov.uk/landmark-estate-regeneration-of-townhill-park)

##### 2. ENABLING POWERS

- 2.1 By virtue of section 226(1)(a) of the Town and Country Planning Act 1990 the Council has the power to acquire land compulsorily if it “thinks that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to that land”. The Council must not exercise this power unless it thinks that the development, re-development or improvements are likely to contribute to the promotion of the economic, social or environmental well-being of its area.
- 2.2 The Council consider that the use of section 226(1)(a) is appropriate having regard to the aims sought to be achieved by the redevelopment of Plot 9 Townhill Park Regeneration (the “**Site**”) which forms the Order Land. The Council is satisfied that the use of the powers

contained in section 226(1)(a) will contribute to the development, redevelopment or improvement of the Order Land. The Council is further satisfied that the redevelopment of the Site that includes the Order Land will contribute to the achievement of the improvement of the economic and social wellbeing of the Townhill Park area of Southampton through the enhanced residential offering.

2.3 The redevelopment of the Site that includes the Order Land will also contribute to the environmental and social wellbeing of the area as a consequence of the higher energy performance and modern standards of the new homes intended to be constructed. Full details of the benefits of the redevelopment of the Order Land are at Section 3 below.

2.4 Under section 13(1) of the Local Government (Miscellaneous Provisions) Act 1976 the Council has the power to compulsorily acquire new rights over land. The rights which are sought are specified in the Schedule to the Order and summarised in Section 4 below.

2.5 The Scheme for which the CPO is being utilised consists of:

*“enhancement and part-redevelopment of the Townhill Park Estate with 665 new dwellings following demolition, associated parking and replacement public open space”* of which Plot 9 forms part.

The justification for which is established in local policy as is further described in section 6 of this statement.

### **3. THE DEVELOPMENT PROPOSALS**

3.1 On 11<sup>th</sup> September 2015 Southampton City Council (**SCC**), the freehold owner of all of the land to deliver that part of the Scheme comprised in Plot 9 envisaged by the Order, submitted a planning application (ref 15/01856/OUT) for:

*“Enhancement and part-redevelopment of the Townhill Park Estate with 665 new dwellings following demolition, associated parking and replacement public open space. Hybrid planning application with a fully detailed phase 1 comprising the erection of 276 dwellings in buildings of up to 7 storeys, and subsequent phases in outline comprising the erection of 389 dwellings with Access, Layout and Scale submitted for approval with External Appearance and Landscaping reserved, and the erection of a retail store (up to 500 sq.m) with all matters reserved. Application seeks to extinguish/stop up existing Rights of Way and enhance the existing highway network – Description amended following a reduction in height (and the loss of 2 flats) to Plot 5 and the removal of Plot 14 (8 houses) from the scheme.”*

Plot 9 forms part of the overall regeneration area for which the planning application (ref 15/01856/OUT) was made.

- 3.2 The Council's Planning and Rights of Way Panel (West) considered the application and, in accordance with the officer recommendation, delegated to the Planning & Development Manager to conditional approve the outline planning application. Planning permission was then granted on 5<sup>th</sup> May 2016. It was considered that the regeneration scheme was acceptable taking into account the policies and proposals of the Development Plan (as is further explored in this Section 3 and in Section 7).
- 3.3 The Scheme relates to the redevelopment of the Council owned blocks of Townhill Park Estate, which is primarily accessed from Meggeson Avenue. The regeneration scheme area has a gross area of 10.7 hectares and is formed by a number of separate plots/phases that are pepper-potted throughout the Estate. The wider estate has an area of some 30 hectares. In total 14 separate plots were identified for redevelopment. This Order relates to Plot 9 of the regeneration scheme.
- 3.4 Following the grant of the planning permission for the redevelopment proposals SCC applied to the Secretary of State and had confirmed a number of stopping up orders relation to Phase 1 of the Scheme. Phase 1 of the regeneration scheme reached practical completion on 5<sup>th</sup> April 2019.
- 3.5 The overall regeneration scheme with outline consent for 665 new dwellings, associated parking and replacement open space means that a total of 426 existing flats will be demolished to make way for a net increase of 239 dwellings (a 56% increase). The Scheme includes the introduction of a new local park green and other infrastructure improvements that have already been delivered, partly funded by Housing Infrastructure Funding.
- 3.6 The Plot 9 site currently comprises 3 flatted blocks running north to south, each with 5 stores of residential accommodation. Two of the blocks provide an additional ground floor level of garaged parking making use of the change in levels across the site. A total of 66 flats currently exist within Plot 9.
- 3.7 The new Rowlands Walk design is for a total of 51 dwellings arranged in two terraced rows of houses running parallel to Kingsdown Way and Rowlands Walk with a 4 storey apartment block facing on to Ozier Road and the new park, Townhill Green. The size of the homes are all to Nationally Described Space Standards. The apartments have a central parking courtyard to their rear, with access from Rowlands Walk. The two terraces (of 2 and 3 storeys) running east-west have parking and landscaping provided to the front of each house, with private gardens to the rear. The materials will be a variety of contrasting brick

colours selected to add visual interest to the street elevations. The properties will be built to current energy efficiency standards as a minimum.

- 3.8 The existing blocks that form part of Plot 9 have poor energy efficiency, defective balconies, and have a poor relationship to their surrounding environment. The replacement homes on Plot 9 form part of a wider and comprehensive regeneration of the area and the new homes will be built to meet a minimum of current Building Regulation standards, offering far superior energy efficiency to that of the current homes.

#### **4. PLANNING JUSTIFICATION**

- 4.1 The CPO Guidance identifies at paragraph 106 the factors which the Secretary of State can be expected to consider when determining whether to confirm a compulsory purchase order and refers to Section 226(1)(a) of the Town and Country Planning Act 1990 (as amended). These factors are:

- (a) whether the purpose for which the land is being acquired fits with the adopted Local Plan for the area, or, where no such up to date Local Plan exists, with the draft Local Plan and the National Planning Policy Framework (see Section 7 below);
- (b) the extent to which the proposed purpose will contribute to the achievement of the promotion or improvement of the economic, social or environmental wellbeing of the area (see this Section 3);
- (c) whether the purpose for which the acquiring authority is proposing to acquire the land could be achieved by any other means (see Section 5 below); and
- (d) the potential financial viability of the scheme. A generation indication of funding intentions and any commitment from third parties will usually suffice (see Section 6 below).

- 4.2 Paragraph 8 of the National Planning Policy Framework document sets out the following:-

Achieving sustainable development means that the planning system has three overarching objectives, which are interdependent and need to be pursued in mutually supportive ways (so that opportunities can be taken to secure net gains across each of the different objectives):

- a) an economic objective – to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure;

b) a social objective – 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; and by fostering well-designed, beautiful and safe places, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being; and

c) an environmental objective – to protect and enhance our natural, built and historic environment; including making effective use of land, improving biodiversity, using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy.

4.3 Paragraph 94 of the National Planning Policy Framework says:-

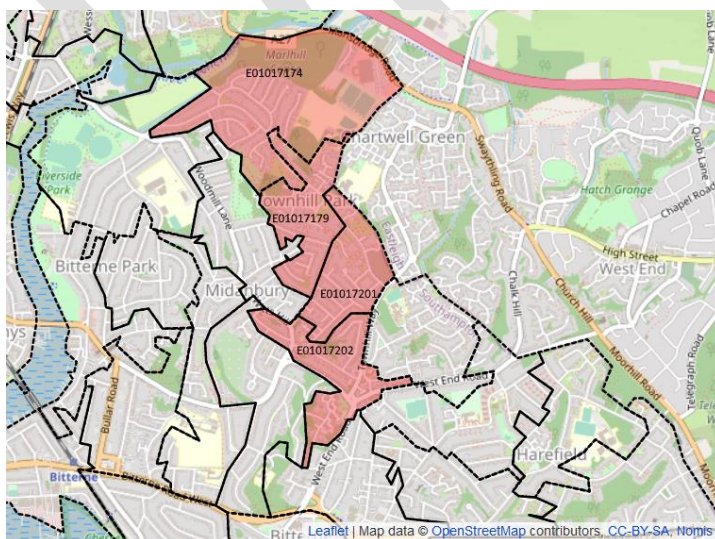
Planning policies and decisions should consider the social, economic and environmental benefits of estate regeneration. Local planning authorities should use their planning powers to help deliver estate regeneration to a high standard.

4.4 Development will significantly contribute to achieving and promoting the social, economic and environmental well-being of the area, for the reasons set out in this Section 3.

### **Social Benefits**

4.5 Townhill Park is in the North east of Bitterne Park and Harefield wards on the boundary edge in the east side of the city. It is represented by the Lower Level Super Output Areas (LSOA) E01017174, E01017179, E01017201 AND E01017202 as seen below.

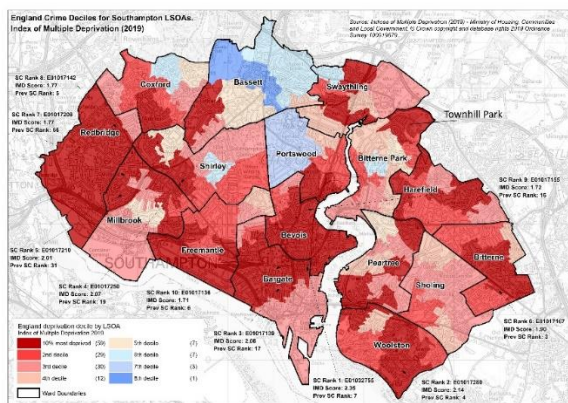
LSOA in Townhill Park



Townhill Park has high levels of deprivation in the Crime domain. In other domains and overall, Townhill Park is in the mid-range for deprivation by England deciles. LSOA E01017202 is higher deprivation in many domains when compared with the other LSOA's in Townhill Park, in particular Income deprivation affecting children index (IDACI), employment domain, health deprivation and disability domain and the education, skills and training domain.

Further information on LSOA E01017202 is available in the Neighbourhood Analysis of Need [https://data.southampton.gov.uk/images/neighbourhood-need-analysis-may%202021\\_tcm71-454135.pdf](https://data.southampton.gov.uk/images/neighbourhood-need-analysis-may%202021_tcm71-454135.pdf)

### Crime domain IMD 2019



More information on other domains is available on the Southampton Data Observatory <https://data.southampton.gov.uk/place/mapping/>

The regeneration scheme seeks to make improvements to the area with a view to improving the future IMD score.

- 4.6 The majority of current homes within the regeneration area are of Social Rented tenure. It is proposed that the new housing on Plot 9 offers all affordable accommodation of mixed tenure types. The proposal for new homes will include Affordable Rent, Social Rent and Shared Ownership tenures. These offer local people a more diverse mix of opportunities to occupy the new homes, including subsidised rents and part-rent/part-buy with the ability to 'staircase out' to full ownership. Affordable tenures provide housing units that are affordable by that section of society whose income is below the median household income. They offer security of tenure and therefore stability to local families.
- 4.7 The new homes on Plot 9 will be much more energy-efficient than the existing buildings. This will help to alleviate fuel poverty for the occupants.



- 4.8 The regeneration scheme delivers public realm improvements which offer community benefit, including a new open space 'Townhill Green' and other infrastructure improvements which have already been delivered. These improvements make a significant contribution to social benefits for Townhill Park but are set out in more detail in the Environmental Benefits section from paragraphs 3.21 to 3.25 below.

#### **Economic benefits**

- 4.9 The construction period of the scheme brings economic activity to the area and employment opportunities for local people and suppliers.
- 4.10 According to CBI research, every £1 spent on construction creates £2.92 of value to the UK ([Fine Margins Report, CBI, February 2020](#)).
- 4.11 Overall, the Townhill Park Regeneration scheme will generate a net increase in homes. This, in turn, generates additional rental and sales income.
- 4.12 The regeneration scheme at Townhill Park is an investment in the City's housing stock. Ageing property which has become increasingly expensive to maintain and doesn't meet modern standards will be replaced with brand new property. This increases the lifespan of the housing stock and reduces asset management costs going forwards.
- 4.13 There is a high need for housing in the City of Southampton based on the Government's standard method (26,496 dwellings over the local plan period from 2022 – 2040). The Townhill Park Regeneration scheme contributes towards addressing some of the current shortfall in addressing this level of need).

#### **Environmental benefits**

- 4.14 The homes proposed to be built on Plot 9 will be constructed to meet or exceed the current Building Regulation standards. They will provide superior accommodation and will be for affordable housing tenures. They will also be built to meet National Design Space Standards.
- 4.15 The current Energy Performance Certificate (EPC) ratings for the Rowlands Walk properties range from C to E. 95% of the new homes delivered as part of the Townhill Park Regeneration scheme already (on Plot 1) have EPC ratings of B, with the remaining 5% having a C rating. The new properties proposed to be delivered on Plot 9 are expected to deliver EPC ratings similar or better to those on Plot 1.
- 4.16 Better EPC ratings mean that the homes need less energy to run, thereby delivering greater energy efficiency and reduced carbon emissions.

- 4.17 Infrastructure improvements have already been carried out as part of the Townhill Park Regeneration scheme. These received grant from the Homes England (HE) Housing Infrastructure Fund (HIF). The improvements to Meggeson Avenue included, sub-base and drainage improvements to the carriageway including insertion of future service ducting, resurfacing of the carriageway and footpaths, traffic calming and junction improvements which included increasing pedestrian priority and slowing vehicular speeds. The aim of these was to create a safer, more pleasant environment with improvements for pedestrians, cyclists while still maintaining a busy bus route.
- 4.18 HE HIF also funded the delivery of a new community green space 'Townhill Green' in the heart of the Townhill Park neighbourhood. This project included:
- an inclusive children's play area for imaginative and socialising play
  - outdoor gym suitable for all levels of fitness from gentle exercise through to a high intensity work out
  - two community shelters for socialising and relaxation
  - a mosaic feature seating area
  - a large open space for recreational use and community events
  - a planted eco-wall to add colour and support wildlife
  - accessible parking along Ozier Road
  - provision for a concession stand along Ozier Road
  - sustainable drainage measures will be installed as part of the scheme to manage surface water run-off, and the soft landscaping includes new tree planting.
- 4.19 The local community and stakeholder group SO18 Big Local contributed to the development of the design and the naming of the new space. 'Townhill Green' was officially opened in a community open day at the end of May 2022 and has been a great success and well used by local residents.
- 4.20 By delivering extra homes in an urban area the Council is re-using previously developed land, protecting the countryside, and putting people in closer to proximity to public transport, jobs and services.

### **Conclusion**

- 4.21 The regeneration of Plot 9 is integral to the overall regeneration of Townhill Park. The scheme delivers significant improvements to this neighbourhood of Southampton. The new homes will be of higher quality and longevity than the existing housing stock, and set within

a more attractive environment. Townhill Park Regeneration will deliver a net gain of new homes compared to existing numbers.

## 5 HOUSING JUSTIFICATION

5.1 As at 12/10/22, there were 7,508 households registered and able to bid for accommodation in the City. The household accommodation size needs and waiting times are broken down as follows:-

Property Size	Numbers Waiting	Wait Times (with priority)	Wait Times (urgent priority)	Wait Times (no priority)
1 bed	4,220 (approx. 1,500 of which are waiting for age-designated accommodation)	1 year 4 months		3 years 10 months
2 bed	1,440	2 years 6 months		5 years
3 bed	1,523	9 years	7 months	11 years 5 months
4 bed +	325	8 years 9 months	5 months	11 years 2 months

The Council operates a choice-based lettings scheme, so does not record areas have indicated a preference for living in. This means that it is not possible to set out how many households have expressed a particular interest in living in the Townhill Park area. However, with the level of housing need in Southampton, there continues to be a need for additional affordable housing accommodation to be added to the stock across the city.

5.2 The Council is a stock holding authority with an existing portfolio of 17,446 units of accommodation (15,415 rented and 2,031 leasehold). Between 2012 – 2022 there was a loss of 1,148 affordable homes as of a result of right-to-buy sales outpacing delivery of new Affordable Housing.

- 5.3 The housing need determined by the Council indicated a requirement for 19,549 units of additional accommodation throughout the city of all tenure types (including private sale) between 2021 - 2040.
- 5.4 Existing land availability currently evidences capacity for the supply of 15,479 homes (based on current land identified). However, Southampton is one of the 20 most populated cities in England. In consequence of which the Government has implemented a 35% uplift in the housing need figure against the one determined by the Council, in a need of 26,391, leaving a shortfall of 10,912 properties between 2021 – 2040.
- 5.5 As a consequence, the Council has set an ambitious target to deliver 8,000 new affordable homes by 2040 using a mixture of direct delivery and an Affordable Housing Framework playing in key part in enabling this target to be achieved.
- 5.6 The Rowlands Walk blocks were built in the 1960s and have poor energy efficiency. It was also established that the balconies are defective and uneconomical to repair.
- 5.7 On its own, Plot 9 produces a net loss of units. However, Plot 9 is just a small part of the overall Scheme and must be seen in context. Together, Plots 2, 9 and 10 generate a net gain of Council homes. The overall Townhill Park regeneration scheme with outline consent for 665 new dwellings, associated parking and replacement open space means that a total of 426 existing flats will be demolished to make way for a net increase of 239 dwellings (a 56% increase).
- 5.8 The Scheme also drives a range of social, economic and environmental benefits which will delivery wider community benefit. More detail of these is set out in paragraphs 4.5 to 4.20 above.

## **6. LAND AND RIGHTS TO BE ACQUIRED**

- 6.1 In order to deliver the Development, both control over and the vacant possession of the entire Order Land as shown on the Order Map is required.
- 6.2 The Order Map identifies the extent of the interests to be acquired comprising:-
- (a) 57 Rowlands Walk – maisonette and associated rights over communal areas
  - (b) 77 Rowlands Walk – maisonette and associated rights over communal area

6.3 Acquisition of 57 and 77 Rowlands Walk is necessary to facilitate demolition of 1-131 (odds) Rowlands Walk to make way for the delivery of new homes on Plot 9 of the Townhill Park regeneration scheme.

## **7. EFFORTS TO ACQUIRE BY AGREEMENT**

7.1 Compulsory purchase is the last resort. However, the CPO Guidance (section 2) recognises that if an acquiring authority waits for negotiations to break down before starting the compulsory purchase process, valuable time will be lost and it is often sensible, given the amount of time required to complete the compulsory purchase process, to initiate compulsory purchase procedures concurrent with the negotiation process. The CPO Guidance recognises that this will help make the seriousness of the authority's intentions clear from the outset, which in turn might encourage those whose land is affected to enter more readily into meaningful negotiations.

7.2 It is considered that the Schedule to the Order is accurate.

### **57 Rowlands Walk**

7.3 57 Rowlands Walk is occupied by the leaseholder. The property was first inspected by the Council's valuer on 09/10/19. An offer at market value plus a Home Loss Payment at 10% was subsequently made to the leaseholder's Agent on 30/10/19. The offer was confirmed to the leaseholder by letter on 28/07/20 as their Agent was unable to get instructions. The offer was rejected in January 2021.

7.4 A subsequent offer plus a Home Loss Payment was made on 19/07/21, but this too was rejected. The leaseholder advised that they were only prepared to consider an offer at a specified higher sum.

7.5 The leaseholder had previously made a request to be allowed on to the Council's Housing Register. The leaseholder was ineligible to go on the Housing Register in accordance with the Council's Allocations Policy. They were then provided with an application form in August 2020, which was completed and submitted the completed in October 2020. The Allocations Manager considered the leaseholder's circumstances and decided to allow them on to the Housing Register for older persons accommodation as an exception to the Policy. In April 2021 the Allocations Team made a direct offer of a property at 69 Leaside Way to the leaseholder, who then viewed and signed up for the tenancy of that property on 24/05/21.

- 7.6 However, the leaseholder's Agent emailed the Council's Valuer to say that their client had rejected the property at 69 Leaside Way. The leaseholder did not move into the property and terminated the Council tenancy. The Council's view is that the property was not in a poor condition when let to the leaseholder.
- 7.7 The Council's Allocations Team has spoken to the leaseholder in order to explore how the Council could continue to provide support. The suggestion was that if they were willing to undertake a care assessment, they might be eligible for a care package. If so, it would increase the scope of properties for which they would be eligible. At that time, the leaseholder rejected this suggestion.
- 7.8 Since being accepted onto the Council waiting list in October 2021, the leaseholder has received both formal and informal offers of alternative accommodation:-
- (a) Formal
- 14/12/20 – 14 Churchill Close, Exford Avenue, Southampton, SO18 5RZ. A 1 bedroomed age-restricted 1<sup>st</sup> floor flat owned by Saxon Weald Housing Association with lift access and pets permitted.
  - 11/02/21 – 34 Jessamine Road, Southampton, SO16 6AL. A Council-owned 1 bedroom ground floor age-restricted flat, dog suitable.
  - 06/04/21 – 69 Leaside Way, Southampton (see paragraphs 5.5 and 5.6 above)
- (b) Informal
- 19/03/21 – 7 Odiham Close, Southampton. Offer made and declined verbally. A Council-owned 1 bedroom age-restricted ground floor flat, dog suitable.
  - December 2021 – 15 North East Close, Southampton. A Council-owned age-restricted 1 bedroom ground floor flat, dog suitable.
  - 17/03/22 – 66 Fritham Close, Southampton. A Council-owned 1 bedroom general needs ground floor flat, dog suitable.
  - May 2022 – a bungalow in April Close owned by Saxon Weald Housing Association. The leaseholder was contacted by 'phone to ask whether they would be interested in this property. They stated that it would not be suitable as it did not have a garage or a car port.

- 7.9 More recently, the leaseholder requested a medical assessment stating that they now required 2 bedroomed accommodation as they needed overnight care. They have subsequently been accepted as requiring 2 bedroomed accommodation.
- 7.10 It was agreed with the leaseholder that an independent valuation of 57 Rowlands Walk would be commissioned, and this was carried out by Primmer Olds on 28/04/22. This valuation resulted in a revised offer being sent to the leaseholder's representative at a higher market value than previously, plus a 10% additional home loss payment. The leaseholder rejected this offer in a letter forwarded by their representative on 5<sup>th</sup> August 2022, now stating that they required an offer at a specified higher level in order to agree to sell their maisonette.
- 7.11 Given the extensive history of negotiations and offers of alternative accommodation, the Council considers that seeking a CPO to acquire 57 Rowlands Walk is necessary to ensure the acquisition can be achieved.

#### **77 Rowlands Walk**

- 7.12 This maisonette is owned by a leaseholder, and was occupied by that leaseholder's tenant. The tenant moved out of the property in September 2022 and it is now vacant.
- 7.13 The leaseholder has accepted an offer to acquire the property at a specified sum, based on and independent valuation carried out by Primmer Olds, plus an agreed home loss payment.
- 7.14 Legals have been instructed and hopefully will be successfully concluded. Completion is currently anticipated during week commencing 17th October 2022.
- 7.15 However, 77 Rowlands Walk has been included within the Order Map as the acquisition has not yet reached completion. A CPO allows an acquisition to proceed in the event of a negotiated conclusion falling through.

#### **8. DELIVERABILITY AND FUNDING**

- 8.1 Southampton City Council has a budget of £60.5m set aside for the delivery of Townhill Park Plots 2, 9 and 10 in its Business Plan. There is also a regeneration budget which was set to cover the costs of decanting the properties. This latter budget allows for the potential cost of a CPO.
- 8.2 The Council has already invested in building 56 units on Plot 1 completed for general needs housing in 2019. The Scheme has already attracted Housing Infrastructure Fund (HIF) grant

funding to deliver infrastructure improvements to Meggeson Avenue in the Townhill Park regeneration area, and the new local park (known as Townhill Green).

- 8.3 It is anticipated that Plots 2, 9 and 10 will also attract Homes England (HE) grant funding. Conversations with Homes England are underway regarding this.
- 8.4 The Council holds Right to Buy receipts which are eligible to be allocated to the Townhill Park Regeneration scheme for the delivery of new affordable homes in the City.
- 8.5 Together, Plots 2, 9 and 10 generate a net gain of Council homes which will in turn generate a net gain in rental income stream for the Council once completed.
- 8.6 The new homes will have a higher capital value than the existing stock, and therefore boost the Council's asset holdings.
- 8.7 The Townhill Park Regeneration scheme already has outline planning consent (May 2016). A new full planning application for Plots 2, 9 and 10 is currently being developed in order that the proposals can reflect the most up-to-date housing requirements. The Council is now designing to National Design Space Standards and improved energy performance levels, both of which are improvements upon the 2016 outline consent indicative layouts.
- 8.8 The current planning application programme for plots 2, 9 and 10 is as follows:-
- |             |                              |
|-------------|------------------------------|
| Early 2023  | submission of application    |
| Spring 2023 | determination of application |
| Autumn 2023 | start on site                |
- However, the above dates are dependent upon the achievement of vacant possession.
- 8.8 1 – 131 (odds) Rowlands Walk cannot be demolished until the Council has vacant possession of all three blocks, and the demolition is clearly essential to deliverability of the new homes on Plot 9 of Townhill Park. This CPO is an essential element in ensuring the Council can achieve vacant possession. The Council already has planning consent to demolish these blocks (application number 22/00646/DPA).

## **9. COMPLIANCE WITH PLANNING POLICY**

- 9.1 Outline planning consent for the Development was issued on 5<sup>th</sup> May 2016 (application number 15/01856/OUT). This consent was subject of a non-material amendment on 7<sup>th</sup> May 2019 (19/00784/NMA) to provide clarification in respect of the submission of applications for Reserved Matters.



## **National Planning Policy Framework (NPPF) (2021)**

- 9.2 The NPPF explains that planning applications should deliver sustainable development which meets economic, social and environmental objectives. This includes support for strong, vibrant and healthy communities, by ensuring a sufficient number and range of homes can be provided, and by fostering well designed, beautiful and safe places with accessible services and open space; and making effective use of land (paras.8 and 9).
- 9.3 The Government's objective is to significantly boost the supply of homes and it is important that sufficient land [for housing] comes forward (para 60).  
Planning policies should assess and reflect the size, type and tenure of housing needed for different groups in the community (para 62)
- 9.4 Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required and [generally] expect it to be met on site (para 63).
- 9.5 Provision of affordable housing should only be sought on major developments. To support the re-use of brownfield land, where vacant buildings are being redeveloped, any affordable housing contribution should be reduced by a proportionate amount (para 64). [Generally] at least 10% of homes on major sites should be for affordable home ownership.
- 9.6 Through the preparation of a strategic housing land availability assessment, planning policies should identify a sufficient supply and mix of sites for 5, 10 and where possible 15 years (para 68).
- 9.7 Planning policies and decisions should aim to achieve healthy, inclusive and safe places (para 92).
- 9.8 "Planning policies and decisions should consider the social, economic and environmental benefits of estates regeneration. Local planning authorities should use their planning powers to help deliver estate regeneration to a high standard". (para 94)
- 9.9 Access to a network of high quality open spaces is important to the health and well being of communities. Existing open spaces should be protected unless they are surplus to requirements, or would be replaced by equivalent or better provision. (paras 98 / 99).
- 9.10 Planning policies and decisions should promote an effective use of land in meeting the need for homes and other uses, while safeguarding and improving the environment and ensuring safe and healthy living conditions, making as much use as possible of brownfield land (para

119). Substantial weight should be given to the use of suitable brownfield land to meet the need for homes (para 120).

- 9.11 Local planning authorities should take a proactive role in identifying and helping to bring forward land that may be suitable to meeting development needs, using the full range of powers available to them, supported where necessary by CPO powers, where this can bring more land forward or secure better outcomes (para 121)
- 9.12 Planning policies and decisions should support development that makes efficient use of land, taking account of various factors (para 124).
- 9.13 The creation of high quality, beautiful and sustainable buildings and places is fundamental (para 126).

### **Southampton Development Plan**

- 9.14 The relevant parts of the adopted development plan for this part of the city are the Core Strategy (adopted in 2010 and as amended in 2015) and the saved policies of the Local Plan (2006).

9.15 The Core Strategy

Strategic Objectives aim to create excellent sustainable neighbourhoods, deliver a mix of housing and affordable housing and create accessible high quality open spaces (S9, S10, S12).

- 9.16 The Spatial Strategy sets out the vision for suburban neighbourhoods, with reference to “The Council’s Estates Regeneration Programme will also provide additional homes in safe, attractive neighbourhoods, by redesigning parts of some Council owned housing estates” (page 20)

- 9.17 The key relevant policies are

**Policy CS4** (housing delivery) – requires an additional 16,300 homes to be provided within the city between 2006 and 2026.

**Policy CS5** (density) – supports appropriate densities

**Policy CS13** (fundamentals of design) – requires redevelopment proposals to meet the robust design process which should be analysis based, context driven and innovative.

**Policy CS15** (affordable housing) – seeks the provision of 35% of affordable housing.

**Policy CS16** (housing mix and type) – requires redevelopment proposals for the site to include at least 30% of new dwellings as family homes with a threshold of 15 dwellings (larger units with appropriate sized gardens or private amenity space).

**Policy CS21** (protecting and enhancing open space) – the Council will retain the quantity and improve the quality of open spaces by protecting key open spaces, and replacing or reconfiguring open spaces to achieve wider community benefits such as improving the quality of the space.

9.18 Saved Local Plan (2006)

The saved local plan includes a range of policies, for example on the quality of development, urban design principles, and the protection of open space.

9.19 The emerging Southampton City Vision Local Plan

Cabinet approval will be sought in November 2022 to consult on a draft new Local Plan. At this stage only limited weight can be attached to this draft plan.

9.20 However, this will address the housing need for the city, as set out in established Government policy, to which significant weight can be attached. Based on the Government's standard method, there is a need to plan for 1,472 dwellings per annum, which equates to 26,496 dwellings over the local plan period from 2022 – 2040.

9.21 The draft Plan indicates that supply has been identified for 17,050 homes over this period. The shortfall against the needs target indicates the importance of planning to deliver more homes within the city. The supply figure in the draft local plan is informed by a draft Strategic Land Availability Assessment (to be published when public consultation commences in November). This supply figure includes the outstanding dwellings to be provided at Townhill Park.

**10. SPECIAL CONSIDERATIONS**

10.1 Townhill Park was built on land which once belonged to the house known as Townhill Park. Before the original housing scheme was built, the land was mainly used for farming. The outline planning consent contains conditions in relation to Archaeological Investigation and possible further archaeological work (see conditions 21 – 24 of outline consent number 15/01856/OUT).

10.2 The Itchen Valley Conservation Area lies adjacent to the Townhill Park Regeneration area.

10.3 There are no listed buildings or scheduled monuments within the Townhill Park Regeneration area.

## **11. HUMAN RIGHTS**

11.1 The Human Rights Act 1998 prohibits public authorities from acting in a way which is incompatible with the European Convention on Human Rights. The Council has considered the impact on the human rights of those affected by the Order. In particular, the Council had regard to the right to the peaceful enjoyment of possessions (Article 1). It is considered that any interference with Article 1, or any other Convention rights, is justified and proportionate in the wider public interest in order to secure the economic, social, physical and environmental regeneration of Townhill Park.

11.2 In relation to Article 1 of the First Protocol of the European Convention which provides a right for the peaceful enjoyment of possessions, a fair balance is required to be struck between the public interest and private rights in relation to possessions/property. Article 8 is not an absolute but a qualified right, such that any interference with the right to respect for a person's private and family life and home must be proportionate to any legitimate aims, such as promoting regeneration for the wellbeing of the area. Article 6(1) is engaged because the compulsory purchase process involves determinations as to third party rights of individuals, as to which they have the right to a fair hearing. Similarly to Article 9, the Article 6(1) rights are also qualified and some restrictions may be justified to pursue legitimate aims and provided that they are proportionate.

11.3 Potentially affected individuals have had the opportunity to date to object to the Development through the planning process. Individuals whose human rights could potentially be interfered with as a result of the Order, can object to the validity of the Order and such objections would be considered at an independent public inquiry, which would afford the objectors a fair hearing of their concerns. Failing agreement on the compensation arising from the Order, any affected individuals have the right to pursue a claim for compensation in the Lands Tribunal. It is deemed that the process affords affected individuals' sufficient opportunity to a right to a fair hearing.

## **12. PUBLIC SECTOR EQUALITY DUTY**

12.1 The Equality Act 2010 provides protection from discrimination in respect of certain protected characteristics, namely: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

Section 149 of the Equality Act 2010 places the Council, as a public authority, under a legal duty (“the Public Sector Equality Duty”), in the exercise of all its functions, to have due regard to the need to:

12.1.1 eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act;

12.1.2 advance equality of opportunity between persons who share a “relevant protected characteristic” (i.e. the characteristics referred to above other than marriage and civil partnership) and persons who do not share it; and

12.1.3 foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

**13.** The Council do not have any concerns about the Development or the Order having any negative impact on its ability to perform the Public Sector Equality Duty. The Council prepared an Equality and Safety Impact Assessment of the CPO and the Development dated xx.xx.xx which found that there were no negative equality and safety impacts.

**14. COMPELLING CASE IN THE PUBLIC INTEREST**

14.1 The Council is satisfied that there is a compelling case in the public interest to make the Order and for it to be confirmed by the Secretary of State, in particular having regard to paragraph 106 of the Guidance:

14.2 As is detailed above, the purpose for which the land the subject of the Order is being acquired, fits with the adopted Local Plan. The Development has been granted outline planning permission further confirming its compliance with the Council’s local policy.

14.3 As detailed above, the Development will contribute to the achievement of the economic, social and environmental wellbeing of the area. The housing development provided as part of the Scheme, including Plot 9, will provide qualitative housing net gain for the City of Southampton (please see paragraphs 5.1 – 5.8 above for further details).

14.4 The land being acquired by the Order comprises up to two maisonettes within 1 – 131 (odds) Rowlands Walk. The Council otherwise controls all of the land required to deliver the Development of Plot 9 of the Townhill Park Regeneration scheme, accordingly there are no alternative proposals to be considered in order to secure the redevelopment of this regeneration area.

**15. CONCLUSION**

- 15.1 The Development will meet important local policy objectives for the Council, facilitating the regeneration of the Townhill Park area of the city. To facilitate this, the assembly of the Order Land is required. It is considered that compulsory acquisition is appropriate and the Order, if confirmed, will be implemented within a reasonably timeframe.
- 15.2 The Council is satisfied that overall economic, social and environmental benefits which will directly flow from the Development will be significant and accordingly that there is a compelling need in the public interest for compulsory powers to be utilised. The Council has made the Order and respectfully requests the Secretary of State confirm the Order.

**INSERT DATE**

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### Equality and Safety Impact Assessment

The **Public Sector Equality Duty** (Section 149 of the Equality Act) requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people carrying out their activities.

The Equality Duty supports good decision making – it encourages public bodies to be more efficient and effective by understanding how different people will be affected by their activities, so that their policies and services are appropriate and accessible to all and meet different people’s needs. The Council’s Equality and Safety Impact Assessment (ESIA) includes an assessment of the community safety impact assessment to comply with Section 17 of the Crime and Disorder Act and will enable the Council to better understand the potential impact of proposals and consider mitigating action.

<b>Name or Brief Description of Proposal</b>	Townhill Park Regeneration: Rowlands Walk Compulsory Purchase Order Cabinet Key Decision
<b>Brief Service Profile (including number of customers)</b>	
<p>The Council is the freeholder of three blocks at Townhill Park which form Plot 9 of a regeneration area with outline planning consent. The blocks are made of up 1 – 131 (odds) Rowlands Walk. At the time of writing, all but 2 of the maisonettes within these blocks are empty, having been decommissioned pending demolition and regeneration. There are currently leasehold interests in the two remaining maisonettes. The Council has unsuccessfully been trying to reach a negotiated settlement to acquire these two leaseholds but is now seeking a Compulsory Purchase Order to acquire them so that the demolition and regeneration of Plot 9 can proceed.</p>	
<b>Summary of Impact and Issues</b>	
<p>The Council wishes to acquire outstanding leasehold interests in Plot 9 of the Townhill Park Regeneration area by use of Compulsory Purchase powers. This directly affects up to 2 leaseholders of maisonettes at Rowlands Walk, and up to 1 tenant of a leasehold property.</p> <p>At the time of writing one of the leaseholders has accepted an offer from the Council and has told us they have found alternative accommodation for their tenant, who will be moving out of Rowlands Court in September 2022.</p> <p>The remaining leaseholder has been accepted onto the Housing Waiting List and has received a number of offers of alternative accommodation, but to date has not accepted any. The leaseholder has also received offers from the Council to purchase her maisonette and not accepted them.</p> <p>The Council cannot proceed with the demolition and regeneration of Plot 9 of Townhill Park</p>	

until it has secured vacant possession of all three blocks at Rowlands Walk.

There is now only one occupied flat amongst these three blocks, making that remaining resident potentially vulnerable and living in a deteriorating environment.

**Potential Positive Impacts**

The Rowlands Walk blocks are in quite poor condition and do not meet modern energy efficiency standards. The blocks also have defective balconies.

The new homes proposed to be built on Plot 9 will be constructed to meet or exceed the current Building Regulation standards. They will provide superior standard accommodation and will be for affordable housing tenures.

They will benefit the Council by replacing out-dated and poor-performing stock with modern housing stock with longevity. They will benefit the people of Southampton by offering brand new energy-efficient homes for affordable tenures, meeting the housing needs of people on lower incomes into the future.

<b>Responsible Service Manager</b>	Sue Jones
<b>Date</b>	19.10.22
<b>Approved by Senior Manager</b>	Tina Dyer-Slade
<b>Date</b>	22/10/22

**Potential Impact**

<b>Impact Assessment</b>	<b>Details of Impact</b>	<b>Possible Solutions &amp; Mitigating Actions</b>
<b>Age</b>	N/A	
<b>Disability</b>	Accessibility of buildings	Any future development will be built to comply with current building regulation standards for accessibility.
<b>Gender Reassignment</b>	N/A	
<b>Marriage and Civil Partnership</b>	N/A	
<b>Pregnancy and Maternity</b>	N/A	
<b>Race</b>	N/A	
<b>Religion or Belief</b>	N/A	
<b>Sex</b>	N/A	
<b>Sexual Orientation</b>	N/A	



Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
<b>Community Safety</b>	Providing a safe environment for residents and visitors.	<p>Being the last occupant amongst three blocks of flats, the sooner this person can be moved out to a more suitable and pleasant environment, the better.</p> <p>Safety will be addressed as part of the design of any new development.</p>
<b>Poverty</b>	Improving the prosperity of the area	<p>The Council will continue to work with the affected leaseholders to meet their individual needs. The Compulsory Purchase legislation sets out what payments and compensation the affected leaseholders are entitled to.</p> <p>New development will not only provide new homes for those on the housing register but will also create employment opportunities during construction phase.</p>
<b>Health &amp; Wellbeing</b>	N/A	<p>The Council will continue to work with the affected leaseholders to meet their individual needs.</p> <p>Being the last occupant amongst three blocks of flats, the sooner this person can be moved out to a more suitable and pleasant environment, the better.</p> <p>New good quality energy efficient housing has the opportunity to improve residents' health and wellbeing.</p>
<b>Other Significant</b>	Potential negative impacts from	Use of planning controls to

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
Impacts	<p>construction works as such noise and inconvenience.</p> <p>Inconvenience and upset to leaseholders losing their homes and having to move to alternative accommodation.</p>	<p>impose conditions on construction work to help mitigate negative impacts.</p> <p>The Council will continue to work with the affected leaseholders to meet their individual needs. The Compulsory Purchase legislation sets out what payments and compensation the affected leaseholders are entitled to.</p>

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Document is Confidential

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