

FAREHAM

BOROUGH COUNCIL

AGENDA FOR THE EXECUTIVE

Date: Tuesday, 7 December 2021

Time: 5.00 pm

Venue: Collingwood Room - Civic Offices

Executive Members:

Councillor S D T Woodward, Policy and Resources (Executive Leader)

Councillor T M Cartwright, MBE, Health and Public Protection (Deputy Executive Leader)

Councillor I Bastable, Streetscene

Councillor F Birkett, Housing

Councillor S D Martin, Planning and Development

Councillor Mrs S M Walker, Leisure and Community

1. Apologies for Absence

2. Minutes (Pages 5 - 10)

To confirm as a correct record the minutes of the meeting of the Executive held on 01 November 2021.

3. Executive Leader's Announcements

4. Declarations of Interest

To receive any declarations of interest from members in accordance with Standing Orders and the Council's Code of Conduct.

5. Petitions

6. Deputations

To receive any deputations, of which notice has been lodged.

7. References from Other Committees

To receive any references from the committees or panels held.

Matters for Decision in Public

Note: Where an urgent item of business is raised in accordance with Part 3 of the Constitution, it will be considered with the relevant service decisions as appropriate.

8. Housing

Key Decision

(1) Local Authority Delivery Phase 2 (LAD2) Funding Scheme for energy efficiency measures to Council homes - Update (Pages 11 - 14)

A report by the Deputy Chief Executive Officer.

(2) Fareham Housing Disposals at 12 Hartlands Road and development of land adjacent to 51 Bellfield (Pages 15 - 22)

A report by the Deputy Chief Executive Officer.

9. Leisure and Community

Non-Key Decision

(1) The Falklands 40th Anniversary Proposals (Pages 23 - 28)

A report by the Director of Leisure and Community.

10. Streetscene

Non-Key Decision

(1) Hydrotreated Vegetable Oil (HVO) Fuel Pilot (Pages 29 - 36)

A report by the Head of Streetscene.

11. Planning and Development

Key Decision

(1) Implications of Natural England advice on New Forest Recreational Disturbance (Pages 37 - 46)

A report by the Director of Planning and Regeneration.

(2) Fareham Borough Solent Waders and Brent Geese Mitigation Solution (Pages 47 - 54)

A report by the Director of Planning and Regeneration.

12. Policy and Resources

Non-Key Decision

(1) Finance Monitoring Report 2021/22 (Pages 55 - 64)

A report by the Deputy Chief Executive Officer.

(2) Treasury Management and Capital Monitoring Report 2021/22 (Pages 65 - 80)

A report by the Deputy Chief Executive Officer.

(3) Virtual Briefing Meetings (Pages 81 - 88)

A report by the Head of Democratic Services.

13. Exclusion of Public and Press

To consider whether it is in the public interest to exclude the public and representatives of the Press from the remainder of the meeting on the grounds that the matters to be dealt with involve the likely disclosure of exempt information, as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Exempt Matters for Decision

Note: Where urgent items of business are raised in accordance with Part 3 of the Constitution, they will be considered with the relevant service decisions as appropriate.

14. Policy and Resources

Key Decision

(1) Delivery of Daedalus Vision and Outline Strategy - Environmental Mitigation Proposals (Pages 89 - 108)

A report by the Director of Planning and Regeneration.

(2) Option Agreement - Plot DE05/06, Faraday Business Park (Pages 109 - 180)

A report by the Director of Planning and Regeneration.

(3) Irrecoverable Debts (Pages 181 - 186)

A report by the Deputy Chief Executive Officer.



P GRIMWOOD
Chief Executive Officer

www.fareham.gov.uk
25 November 2021

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FAREHAM

BOROUGH COUNCIL

Minutes of the Executive

(to be confirmed at the next meeting)

Date: Monday, 1 November 2021

Venue: Collingwood Room - Civic Offices

Present:

S D T Woodward, Policy and Resources (Executive Leader)
T M Cartwright, MBE, Health and Public Protection (Deputy
Executive Leader)
I Bastable, Streetscene
F Birkett, Housing
S D Martin, Planning and Development
Mrs S M Walker, Leisure and Community

Also in attendance:



1. APOLOGIES FOR ABSENCE

There were no apologies given for this meeting.

2. MINUTES

RESOLVED that the minutes of the meeting held on Monday 11 October 2021 be confirmed and signed as a correct record.

3. EXECUTIVE LEADER'S ANNOUNCEMENTS

There were no announcements made by the Executive Leader at this meeting.

4. DECLARATIONS OF INTEREST

Councillor S D T Woodward declared a non-pecuniary interest in respect of item 9(1) as he is a Council appointed Trustee of Whiteley Community Association.

5. PETITIONS

There were no petitions submitted at this meeting.

6. DEPUTATIONS

There were no deputations made at this meeting.

7. REFERENCES FROM OTHER COMMITTEES**Policy and Resources Scrutiny Panel – 06 October 2021****Minute 6 – Medium Term Finance Strategy**

The Council considered a report by the Deputy Chief Executive Officer on the medium-term finance strategy.

The Finance Manager addressed the Panel to provide them with a verbal update to the published recommendation from “that any proposals or comments of the Panel be referred to the Executive at its meeting on 11 October 2021” to “that any proposals or comments of the Panel be referred to a future meeting of the Executive”.

Members enquired as to how the Council is approaching the possible loss of income from its property portfolio going forward. The Finance Manager explained that the Council is working closely with its tenants to understand individual pressures and needs and has made changes to payment arrangements to help better suit these businesses whilst they recover from the impact of the Pandemic.

Members also questioned what would happen to current posts that have been created from government funding as a result of the Pandemic when the funding runs out. The Deputy Chief Executive Officer explained that while the

posts are fixed term, Officers do submit funding bids when Government funding is made available, in order to try to secure these posts in the future.

RESOLVED that the Panel recommends that the Executive approves the Medium-Term Finance Strategy when it is considered at a future meeting of the Executive.

This was considered at item 11(2) on the agenda

Minute 7 – Annual Review of Corporate Strategy

The Panel considered a report by the Deputy Chief Executive Officer on the annual review of the Corporate Strategy and Local Service Agreements 2020/21.

Councillor Mrs Hockley commented on how well presented this document and easy to read and understand. She also enquired as to whether the Greening Campaign for Titchfield should be in this document. The Policy, Research and Engagement Manager confirmed that this is scheduled to be in the 2021/22 update.

RESOLVED that the Panel recommends that the Executive endorses the Annual Review of the Corporate Strategy 2017-2023 and Local Service Agreements 2020/21 when it considers this report at its meeting on 1 November 2021.

This was considered at item 11(1) on the agenda

Leisure and Community Scrutiny Panel 18 October 2021

Minute 6 – Review of Community Buildings

The Panel received a report by the Director of Leisure and Community on a Review of Community Buildings. The report was presented by the Leisure and Community Officer, Claire Benfield and provided the Panel with an opportunity to pre-scrutinise the report prior to consideration by the Executive on the 01 November 2021.

The Leisure and Community Officer advised Members that an error had been identified within the confidential appendix A of the Executive report. Two figures had been input incorrectly meaning that the total cost allocation had been changed from £455,000 to £433,000. The Executive report itself would be amended prior to publication.

In order to discuss the content of the confidential appendix A of the Executive report the Chairman suggested that the Panel move into private session.

RESOLVED that the meeting move into private session to exclude members of the public and press as defined in Paragraph 3, Part 1 of schedule A of the Local Government Act 1972 in order to discuss the exempt information contained within Appendix A of the Executive report.

Members discussed the report at length and asked several questions regarding the work that has been prioritised as urgent, raising concerns over

the high costs of this work. Officers reassured Members that many of the Community Associations have good reserves and funding raising capabilities which will contribute to some of the costs.

There were also concerns raised by Members of the Panel on the accuracy of the costs summarised, as the review had been carried out in 2020 prior to the covid-19 pandemic. The building sector has seen price rises over the past 12 months that could have an impact on the costs summarised within the report. Members asked that these concerns be highlighted to the Executive at their meeting on the 01 November 2021.

RESOLVED that the Leisure and Community Scrutiny Panel: -

- a) note the contents of the Executive report at Appendix 1; and
- b) asks that their concerns regarding the accuracy of the costs summarised due to the impact of the covid-19 pandemic on the increased cost of building work, be highlighted to the Executive at their meeting on the 01 November 2021.

This was considered at item 9(1) on the agenda

8. HOUSING

(1) Fareham Borough Council Shared Ownership Policy

A revised page 13 of the agenda pack was tabled at the meeting to clarify that the Fareham Borough Council Shared Ownership Policy, and not the Affordable Housing Policy, was being presented to the Executive for approval.

RESOLVED that the Executive:

- (a) approves the Fareham Borough Council Shared Ownership Policy, as provided in Appendix A to the report, for publication; and
- (b) approves payment in accordance with the Council's Incentive Scheme for any existing tenants agreeing to downsize. This would only apply to Fareham Borough Council tenants who are moving into Fareham Borough Council shared ownership stock.

9. LEISURE AND COMMUNITY

(1) Review of Community Buildings

Councillor S D T Woodward declared a non-pecuniary interest for this item as he is a Council appointed Trustee of Whiteley Community Association.

The comments of the Leisure and Community Scrutiny Panel were taken into account in considering this item.

RESOLVED that the Executive:

- (a) approves the allocation of up to £433,000 from the General Fund Revenue Reserve to establish a capital budget for the urgent significant

repair works to the Council's community buildings, as identified by the Condition Surveys;

(b) notes the potential works required to the X-perience building, which will be subject to a separate report; and

(c) notes the smaller necessary repairs, totalling £117,000, identified that are the Council's responsibility as detailed with the Leases held.

10. STREETSCENE

(1) Project Integra - Joint Municipal Waste Management Strategy

RESOLVED that the Executive agrees to adopt the Project Integra Joint Municipal Waste Strategy, as attached to the report as Appendix A.

11. POLICY AND RESOURCES

(1) Annual Review of the Corporate Strategy 2017-2023 and Local Service Agreements 2020-2021

The comments of the Policy and Resources Scrutiny Panel were taken into account in considering this item.

RESOLVED that the Executive:

(a) agrees the amendments to the strategy document, as set out in paragraph 17 of the report;

(b) recommends the Annual Review of the Corporate Strategy to Council for approval, subject to any further amendments; and

(c) notes the Council's performance for the 2020/21 financial year.

(2) Medium Term Finance Strategy

The comments of the Policy and Resources Scrutiny Panel were taken into account in considering this item.

RESOLVED that the Executive approves the Medium-Term Finance Strategy for the period 2021/22 to 2025/6, as set out at Appendix A to the report.

(The meeting started at 6.00 pm
and ended at 6.43 pm).

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 07 December 2021

Portfolio:	Housing
Subject:	Local Authority Delivery Phase 2 (LAD2) Funding Scheme for energy efficiency measures to Council Homes – Update.
Report of:	Deputy Chief Executive Officer
Corporate Priorities:	Proving housing choices

Purpose:

To update the Executive on additional LAD2 funding now available to improve the energy efficiency of Council homes. This is further to the LAD2 funding approved at the October Executive.

The report seeks approval to expand the energy efficiency works originally planned and for the funding mechanisms to meet the Council's contribution.

Executive summary:

At its meeting of the 11 October 2021, the Executive discussed the LAD2 funding opportunity to improve Council owned homes. The funding and contract approach were also approved at this meeting.

Further discussions have taken place on funding availability and it has emerged that the Council could apply for more works than originally anticipated. At the current time it is not possible to determine the exact number of properties, however, work is already underway to understand this given the short timescales of this funding.

This report seeks approval to extend the contract with City Energy for energy efficiency works to the Council social housing stock. Approval is also sought for the funding arrangements. The Council would be required to fund up to £5,000 or 1/3 of the works, per property; LAD2 funding will typically cover the remaining 2/3 of the costs of the improvement measures.

A budget of £350,000 will be into the HRA capital programme over the next 2-3 financial years. This is in addition to the £150,000 agreed at the October Executive.

Recommendation/Recommended Option:

It is recommended that the Executive agrees:

- (a) that the extension for the contract for the works which facilitate the use of LAD2 be delegated to the Deputy Chief Executive Officer; and
- (b) the funding mechanisms to meet the Council's contribution toward the costs of the works.

Reason:

To meet the commitments in the Housing Greener Policy and the Fareham Borough Council Climate Change Action Plan.

Cost of proposals:

The Council would be required to fund up to £5,000 or 1/3 of the works, per property; LAD2 funding will typically cover the remaining 2/3 of the costs of the improvement measures.

A budget of £350,000 will be into the HRA capital programme over the next 2-3 financial years. This is in addition to the £150,000 agreed at the October Executive.

Appendices: None.

Background papers: 11 October 2021 Executive Report - Local Authority Delivery Phase 2 (LAD2) funding scheme for energy efficiency measures to Council homes.

Reference papers:

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	07 December 2021
Subject:	Local Authority Delivery Phase 2 (LAD2) Funding Scheme for energy efficiency measures in Council homes
Briefing by:	Deputy Chief Executive Officer
Portfolio:	Housing

INTRODUCTION

1. At its meeting of the 11 October 2021, the Executive discussed the LAD2 funding opportunity to improve Council owned homes. The funding and contract mechanisms were also approved at this meeting.
2. Further conversations have been underway on availability of funding and it has emerged that the Council could apply for more works than originally anticipated. By extending the contract with City Energy, the company delivering these works, the Council can improve the energy efficiency in more of its social housing stock.

THE LOCAL AUTHORITY DELIVERY PHASE 2 (LAD2) SCHEME

3. LAD2 is the second phase of the Government Local Authority Delivery scheme. The intention of LAD is to improve the household energy efficiency for those on low income. The scheme is open until the end of the financial year and is aimed at properties with poor energy efficiency. These have been stipulated as homes with an Energy Performance Certificate (EPC) of D or lower. A cap of £30,000 combined income per household has also been set to ensure the works target those who need help the most.
4. As with the initial stage of this project, the thermal insulation of the Council's properties will be targeted first. Further modelling is still to be undertaken by City Energy, the agent appointed by the SW Energy Hub, to understand how many more properties can be improved. Once this is complete site surveys can be undertaken to understand whether any further enhancements, such as solar panels, can be incorporated.

FUNDING ARRANGEMENTS

5. The LAD2 scheme stipulates that the Council will be required to contribute towards improvement costs. This contribution will typically be up to £5,000 or 1/3 of the works, per property. At the meeting of the 11th October, the Executive approved a total budget of £150,000 to contribute towards the costs of the scheme to improve the 47 properties identified as potentially eligible.

6. An additional £350,000 budget will ensure that the maximum number of eligible properties can be reached in the time available. This means a total of £500,000 will be incorporated into the HRA capital programme over the next 2-3 financial years to ensure this funding opportunity can be utilised. This also allows for a small contingency / flexibility to best use the grant opportunity available.
7. This cost to the HRA will utilise existing budgets for improvements to Council stock rather than any new budgetary provision. In many instances it will allow us to access grant funding toward work that would have already fallen within our planned maintenance programme.

CONCLUSION

8. The extension of the LAD2 scheme enables us to improve the energy efficiency of more of our housing stock. It also delivers on the principles of our Fareham Housing Greener Policy and the Fareham Borough Council Climate Change Action Plan. By improving the energy efficiency of our properties, we hope to also drive down energy costs for our Council tenants.

Enquiries:

For further information on this report please contact Fleur Allaway (Ext 4304)

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 07 December 2021

Portfolio:	Housing
Subject:	Fareham Housing Disposal at 12 Hartlands Road and development of land adjacent to 51 Bellfield
Report of:	Deputy Chief Executive Officer
Corporate Priorities:	Providing Housing Choices

Purpose:

To obtain approval from the Executive for the disposal of 12 Hartlands Road.

To seek approval for the funding arrangements to deliver 1No. 3 or 4 bed Affordable Rent home on land adjacent to 51 Bellfield.

To also seek approval of the process toward the appointment of contractors for the scheme.

Executive summary:

This report asks the Executive to approve the disposal of 12 Hartlands Road through the open market and to use the net proceeds of the disposal toward the provision of new, greener, affordable housing in the Borough.

At its meeting of 06 April 2009, the Executive approved the budget to undertake improvement works to 12 Hartlands Road and change its use into temporary accommodation. The intention was to then sell the property once the housing market had recovered. With the current condition of the property and recent improvements to the housing market, the opportunity has arisen to fulfil the 2009 Executive decision.

This report also seeks approval for the funding arrangements to deliver affordable housing on land adjacent to 51 Bellfield.

Recommendation:

It is recommended that the Executive:

- (a) approves the disposal of 12 Hartlands Road;
- (b) delegates authority to the Deputy Chief Executive Officer for the approach to establish the best route to sale be it via auction or the open market;
- (c) delegates authority to the Deputy Chief Executive Officer, following consultation with the Executive Member for Policy and Resources, to accept the best offer (if open market sale);
- (d) approves the use of the net proceeds to improve existing, or fund further delivery of, greener affordable housing in the borough.
- (e) approves the funding mechanisms, as outlined in the confidential Appendix A attached to this report, for the delivery of the Bellfield scheme.
- (f) agrees that the award of contract and the appointment of building contractor for the Bellfield site be delegated to the Deputy Chief Executive Officer, following consultation with the Executive Member for Housing.

Reason:

To ensure the disposal of 12 Hartlands Road and the funding arrangements to deliver the Bellfield site, are acceptable. This will enable a time efficient process to deliver the scheme when formal planning consent is available.

Cost of proposals:

The sale of 12 Hartlands Road will secure a Capital Receipt for the Council. Initial marketing costs may be required when the properties are placed on the open market.

The total estimated cost to deliver the Bellfield scheme is outlined in the accompanying Confidential Appendix. Sufficient funds are available from the sources outlined to meet the cost.

Appendices: **A:** Funding arrangements (confidential)

Background papers: None.

Reference papers: Affordable Housing Strategy (2019)
 Confidential Executive Report 6 April 2009

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	07 December 2021
Subject:	Fareham Housing Disposal at 12 Hartlands Road and development of land adjacent to 51 Bellfield
Briefing by:	Deputy Chief Executive Officer
Portfolio:	Housing

INTRODUCTION

1. The adopted Affordable Housing Strategy recognises the ongoing affordable housing need in the borough. As part of a rolling programme of new affordable housing, an opportunity has been identified to develop a new property in Bellfield, Titchfield. This area is in high need of larger, family sized accommodation.
2. In order to facilitate new affordable housing, approval for the disposal of 12 Hartlands Road is requested. The condition of the property and the replacement of the heating system are such that the benefits of renovation are outweighed by the costs.

DISPOSAL OF 12 HARTLANDS ROAD, FAREHAM

3. 12 Hartlands Road is a 3-bedroom end of terrace property situated within the town centre. It is of a standard construction and built in the late 1800s. The age of the property has meant that many improvements have been necessary over the years.
4. At its meeting of 06 April 2009, the Executive approved the budget to undertake improvement works to 12 Hartlands Road and change its use into temporary accommodation. The intention was to then sell the property once the housing market had recovered. The capital costs were met from the General Fund Housing Capital Programme and were offset by an increase in rent.
5. The improvement works were to remedy problems that are common with an older property. They consisted of remedying damp issues, replacing joints and sections of flooring, fixing the roof and redecoration throughout. In addition, it was decided to pilot an air source heat pump (ASHP), solar panels and solar water heating.
6. When initially installed, the standards for the ASHP were different to what they are now. The ASHP is now considered undersized for the property and in recent months has been showing extensive wear and tear. Even with the solar panel, water heating and ASHP the property only has an EPC rating of D. For context, recent Government funding for energy improvements expects a rating of at least C after all measures have been implemented.

7. The energy costs for this property are now too high for tenants because of the issues with the heating system. The property is now vacant and will remain so until the heating system is replaced. Should the opportunity arise again, more in-depth surveys, such as those currently being undertaken on some of our housing stock, would be undertaken before fitting a property of this type with alternative heating. Now the housing market has recovered, the opportunity to implement the 2009 Executive decision has presented itself.
8. It is proposed that 12 Hartlands Road is disposed of on the open market or through auction. Rather than incur high costs to repair the property, the Capital Receipt could be used to deliver affordable housing in other areas.
9. When disposing of property, the Council must ensure it follows the procedures set out in its Disposal Strategy and its Financial Regulations. In accordance with these documents, confirmation that this disposal aligns with the overall Property Strategy has been given by the Director of Planning and Regeneration.
10. Being an individual domestic property, the process for the sale of 12 Hartlands Road will be similar to that of a private vendor. The house will be placed either on the open market or through an auction. The best approach will be determined based on agent's advice/fees and by setting a reserve price, if auction was determined as favourable.
11. The property will need to be valued and quotes for managing the sale obtained from estate agents. It has been recognised that there may be economic implications in the wake of the Covid-19 pandemic. A sensible decision around the sale of the property will be made in partnership with the Finance Business Partner and the Asset Management team.

REDEVELOPMENT OF LAND ADJACENT TO 51 BELLFIELD

12. The properties at Bellfield were built under the Addison Act (the Act making building new housing a national responsibility through local authorities) in the 1920s. All of the houses in Bellfield have larger than average sized gardens. Although number 51 does not have the length of some of its neighbours, it is of a size that could accommodate another dwelling to the side of the plot.
13. It is proposed to build one 3 or 4 bedroom (dependant on what is achievable) affordable rent home. This property will be used to house a family on the Council's Housing Register. There is a high need for larger accommodation in Titchfield and the Bellfield area is a very popular location.
14. It is proposed that this site also incorporates eco solutions, such as solar panels. However, a feasibility study will be undertaken to fully explore the greener possibilities at this site during the design stage.
15. Further information relating to the funding of this development is provided in the Confidential Appendix attached to this report. The development at Bellfield is expected to be funded by Section 106 monies and/or the capital receipt for 12 Hartlands, held for the purposes of affordable housing delivery.

FUNDING AND CONTRACTOR APPOINTMENT

16. To ensure that the scheme is delivered efficiently it is important that progress can quickly be made toward construction. Executive approval is sought for the Deputy Chief Executive Officer to have delegated authority to appoint contractors for the site, at a

level not in excess of that outlined in the Confidential Appendix attached to this report, following consultation with the Executive Member for Housing.

17. The tender process to appoint a contractor will be undertaken in accordance with the Council's Procurement and Contract Procedure Rules (October 2018). It is likely that a closed tender approach will be used, by inviting a minimum of three appropriate contractors to tender. Contractors will be subject to pre-qualification questions to ascertain they are eligible to tender, and the list of selected contractors to quote will be informed by the market knowledge, understanding and experience of Officers in the Council's Asset Management team.
18. The main consideration in the appointment will be value for money but it will not be the sole consideration. It will also be important that a good working relationship with the Council is maintained and a quality build is achieved in a timely manner. This will all be managed appropriately through the tender process.

TIMINGS OF DELIVERY

19. The timings of the delivery remain approximate and dependant on several factors. The sites will be progressed in the short term with the planning application for Bellfield expected to be submitted in the early part of 2022. If planning consent is achieved, detailed technical designs will be produced by the Architect, an Employers Agent will be appointed, pre-qualification procurement requirements undertaken, detailed requirements for the build identified and, when appropriate, the full contractor tender process undertaken.

Enquiries:

For further information on this report please contact Fleur Allaway (Ext 4304)

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

Document is Restricted

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 07 December 2021

Portfolio:	Leisure and Community
Subject:	The Falklands 40th Anniversary Proposals
Report of:	Director of Leisure and Community
Corporate Priorities:	Strong and inclusive communities

Purpose:

To set out proposals regarding how the Council and local community could mark and commemorate the 40th Anniversary of the end of the Falklands Conflict on 14 June 2022.

Executive summary:

The 40th Anniversary of the Falklands Conflict will take place in 2022. It is proposed that the Council aims to help Borough residents commemorate the 40th Anniversary of the end of the Falklands Conflict by:

- Staging a public event in Fareham Town Centre, including community activities and a Freedom March by HMS Collingwood; and
- An adaptation to the existing Falklands Arch

Recommendation/Recommended Option:

It is recommended that in order to commemorate the 40th Anniversary of the Falklands Conflict, the Executive approves:

- (a) a public event be organised in Fareham Town Centre, including community activities and a Freedom March by HMS Collingwood;
- (b) an adaption to the Falklands Arch; and
- (c) officers be authorised to make formal approaches to, and hold discussions on behalf of the Council with, HMS Collingwood, other agencies and VIPs to plan the event.

Reason:

It is important to recognise the sacrifice made by those who fought and died in the Falklands Conflict and commemorate the 40th Anniversary of the end of the conflict on 14 June 2022.

Cost of proposals:

The cost of the proposals is £20,120.

Appendices: **None**

Background papers: **None**

Reference papers: **None**

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	07 December 2021
Subject:	The Falklands 40 th Anniversary Proposals
Briefing by:	Director of Leisure and Community
Portfolio:	Leisure and Community

INTRODUCTION

1. The 40th Anniversary of the end of the Falklands Conflict will take place on 14 June 2022.
2. It is proposed that an event is held in West Street. As part of the event, HMS Collingwood will exercise their right to Freedom of the Borough by marching through the town with 'colours flying, drums beating and bayonets fixed'.
3. The last time the Council held an event similar to this was in 2012 when we commemorated the 30th Anniversary of the Falklands Conflict.

BACKGROUND

4. There are many Fareham residents who were either involved in or affected by the Falklands Conflict; the Falklands Arch in West Street was installed and opened on 12 May 2007 by Baroness Margaret Thatcher to commemorate the 25th anniversary of the Falklands conflict.
5. Two new plaques containing the names of the 255 British task force servicemen who lost their lives in the conflict were added to the Falklands Arch to commemorate the 30th anniversary of the Falklands conflict in June 2012.

PROJECT OBJECTIVES

6. It is proposed that the Council aims to help Borough residents commemorate the 40th Anniversary of the Falklands conflict by:
 - Staging a public event in Fareham Town Centre in May 2022, including, a Freedom March by HMS Collingwood and a thanksgiving service; and
 - Adaption of the Falklands Arch
7. It is important to recognise the 40th Anniversary of the end of the Falklands Conflict on 14 June 2022, as part of the public event involving HMS Collingwood and the Falklands Veterans.

PROJECT PROPOSALS

A Major Public Event

8. The Council will organise a public event in Fareham Town Centre in May 2022. This will include:-
- A Freedom March by HMS Collingwood, including a service of thanksgiving; and
 - A Civic Ceremony and unveiling of a new element to the Falklands Arch.

Falklands Arch

9. It is customary in Fareham, to commemorate important landmark dates with a piece of public art, and in 2007 the Falklands Arch was unveiled.
10. To commemorate the 40th anniversary of the end of the Falklands Conflict it is proposed that new features be incorporated into the existing arch and an additional plaque mounted on to it, noting the date it was enhanced and what it represents.

RISK ASSESSMENT

11. The main risks associated with hosting the proposed event are as follows:-
- Crowd control. Risks will be mitigated through liaison with the Council's Safety Advisory Group (SAG) where necessary, the Police and the use of stewards and crowd control barriers.
 - Security of armed forces personnel. Arrangements will be made between HMS Collingwood and the Police.

FINANCIAL IMPLICATIONS

12. The table below outlines the projected cost for all elements detailed within this report.

Description	Cost
A Civic Ceremony	£12,000
Additional features added to the Falklands Arch	£8,120
Total cost	£20,120

13. The cost for the Civic Ceremony is likely to be no more than £12,000 and would include the cost of all support required such as seating, road closures, crowd control barriers, sound system hire, set-up crew and promotional material.
14. No budget has currently been allocated for this purpose, but if the recommendation is agreed, then the Executive are requested to agree the sum of £20,120 to be added to the 2021/22 revenue budget as a one-off item, funded from General Fund reserves.

CONSULTATIONS

15. Preliminary discussions have taken place with HMS Collingwood and the Lord

Lieutenant's office. If approved it would be necessary to contact all other relevant parties to provide adequate notice of the event, to ensure that it is a success.

16. It is also important that adequate publicity is put into place as soon as possible to ensure that the event is well attended.

CONCLUSION

17. It is important to recognise the sacrifice made by those who fought and died in the Falklands Conflict and commemorate the 40th Anniversary of the end of the conflict on 14 June 2022.

Enquiries:

For further information on this report please contact Pauline Lock (Ext 4400) or Emma Watts (Ext. 4440)

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 07 December 2021

Portfolio:	Streetscene
Subject:	Hydrotreated Vegetable Oil (HVO) Fuel Pilot
Report of:	Head of Streetscene
Corporate Priorities:	Protect and Enhance the Environment. Strong, Safe, Inclusive and Healthy Communities. Dynamic, Prudent and Progressive Council.

Purpose:

Outline the results of a feasibility study into potential fuels for the Council's Refuse Collection Vehicles and propose a 12-month trial of hydrotreated vegetable oil HVO.

Executive summary:

The Climate Change Action Plan was approved at the 7 June 2021 Executive meeting. Understanding the Council's vehicle replacement options and trialling vehicles to move towards other fuel sources for the fleet were identified as priorities within the plan.

The feasibility of hydrogen, electricity and hydrotreated vegetable oil (HVO) as alternative fuels for the refuse collection vehicle (RCV) fleet are presented.

The report proposes a 12-month trial of HVO in the three RCVs to be used for garden waste collections, starting in time for the launch of the new wheeled bin collection service in February 2022.

Recommendation/Recommended Option:

It is recommended that the Executive approves:

- (a) a 12-month pilot using Hydrotreated Vegetable Oil to fuel the three Refuse Collection Vehicles collecting garden waste; and
- (b) that the Head of Streetscene, following consultation with the Executive Member for Streetscene, be authorised to broaden the use of Hydrotreated Vegetable Oil to the wider refuse collection vehicle fleet during the trial considering a reasonable balance of emissions savings against potential additional costs.

Reason:

To help significantly reduce the Council's carbon emissions from fuel and contribute to the Council's commitment to becoming carbon neutral in service provision by 2030.

Cost of proposals:

The additional HVO fuel premium would be approximately £1,650 pa based on current prices, with some small additional infrastructure costs e.g., hire of additional tank and electrical connection to it, costing around £500. The additional fuel costs could potentially be offset by potential improvements in mpg that HVO could bring.

Appendices

A: Summary of Alternative Fuel Options

Background papers: None.

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	07 December 2021
Subject:	Hydrotreated Vegetable Oil (HVO) Fuel Pilot
Briefing by:	Head of Streetscene
Portfolio:	Streetscene

INTRODUCTION

1. This paper provides the results of a recent feasibility assessment of low emission fuels for the Refuse Collection Vehicle (RCV) fleet. It then proposes a trial of Hydrotreated Vegetable Oil (HVO) to fuel the Garden Waste RCVs for 12 months.

Background

2. The Climate Change Action Plan was approved at the 7 June 2021 Executive meeting. Understanding the vehicle replacement options and trialling vehicles to move towards other fuel sources for the fleet were identified as priorities within the plan.
3. Streetscene operate a fleet of 24 RCVs which collect domestic, clinical, business waste, recycling, and glass in the Borough. Additionally, they operate a single 7.5t tipper vehicle for bulky waste collections and two large street sweepers. All these vehicles are fuelled by diesel.
4. Diesel is a significant contributor to the Council's carbon emissions. The Council's Carbon Footprint Report for 2019/20, showed that fleet fuel (diesel and petrol) accounts for over 48% of the Council's Scope 1 and 2 emissions, contributing 928 tCO₂e annually.
5. RCVs account for two thirds of the fuel used by the Council's fleet, contributing 610 tCO₂e annually and costing approximately £226k.
6. The Government's recent Transport Decarbonisation Plan outlines a timetable to end the sale of all new vehicles with tailpipe emissions. All the Council's RCVs, tipper vehicle and large streetsweepers are classed as lighter HGVs (up to 26t) with a deadline to end sales by 2035.
7. The timescales are therefore relatively long for transitioning to zero emission RCVs. However, given the Council's commitment to becoming carbon neutral in the provision of its services by 2030 and, the significant contribution that RCVs make to the Council's emissions, a decision was made to conduct a Low Emissions Fuel Feasibility Study. This was conducted between September and October 2021, with the main findings outlined in

the remainder of the report.

Low Emission Fuel Feasibility Study

8. Three zero or low emission fuel options, Hydrogen, Electric and Hydrotreated Vegetable Oil (HVO) were identified as potentially being suitable for the Council's RCV fleet. Each fuel option is explored below with the main findings highlighted for each.

Hydrogen RCVs

9. Hydrogen fuel cell vehicles use electric motors for propulsion powered by a fuel cell, which works like a battery.
10. *Only one type of hydrogen is created in a low emission way:* There are several ways to produce hydrogen, all them are energy intensive and most result in carbon emissions. The only zero carbon approach is 'Green Hydrogen' created by extracting hydrogen atoms from water by a chemical reaction called electrolysis, using renewable power sources e.g., solar.
11. *The infrastructure to produce Green Hydrogen locally does not exist:* Green hydrogen can only be transported short distances i.e., under 30 miles. Beyond this distance, emissions related to transportation will adversely impact on the benefit of using Hydrogen. There are currently no known Green Hydrogen production facilities within the local area to allow efficient transportation of the fuel to the depot.
12. The Government's Hydrogen Strategy released in August 2021, suggests that 20-35% of the UK's energy use by 2050 could be Hydrogen based. The feasibility of the Port of Southampton to act as a hub for hydrogen production and distribution is also currently being explored. However, if deemed feasible and funding found, any potential infrastructure would take several years to be established.
13. *The infrastructure, vehicle and fuel costs are not yet clear:* Hydrogen RCVs are being trialled in a small number of sites across Europe and Glasgow City Council is working towards having a limited number of vehicles on the road in late 2022. The lack of financial data available means that it is too early to get an accurate understanding of the costs involved.
14. *Tailpipe emissions from RCVs would be zero:* The only emissions from the RCVs would be water vapour.
15. *Hydrogen RCVs are not a viable option:* Considering the findings outlined above it is not considered worthwhile exploring hydrogen fuel cell RCVs further at this time.

Electric RCVs

16. An electric vehicle (EV) uses electric motors for propulsion powered by a battery. The batteries are plugged in to chargers as they become depleted.
17. *The main benefit of EVs is the eradication of tail pipe emissions:* There are zero carbon emissions from the vehicle itself.
18. *The carbon footprint related to production of electric RCVs is higher than diesel RCVs:* It is estimated that almost 80 tCO_{2e} are emitted in producing an electric RCV, compared to 56 tCO_{2e} for diesel.

19. Most of these additional emissions come from the mining and extraction of the metals needed for the manufacture of the lithium-ion batteries. These processes are water intensive and use toxic chemicals which can lead to water, soil, and air pollution.
20. *The use of more EVs would increase the Council's consumption of electricity:* To achieve the lowest Carbon Footprint, the Council would need to be on a renewable energy tariff. Options for this are currently being explored.
21. *Electric RCVs are cheaper to fuel than diesel:* It costs around £15,700 a year to fuel an RCV with diesel. To power an electric RCV would cost around £5,500 a year which is £10,200 a year cheaper based on current prices.
22. *The electric vehicle market is a rapidly evolving sector:* For smaller vehicles e.g., vans there have been significant developments on the distances they can travel and speed of charging. Electric RCVs have emerged on the market more recently and are only manufactured by a handful of suppliers, meaning the market is much less mature.
23. *Electric vehicles are expensive to purchase:* The cost of a new electric RCV is around £445,000 with a two-year-old version costing around £236,000. It is anticipated that as the electric RCV market matures costs should reduce. The Council currently purchases used diesel RCVs costing around £125,000, however, this may increase between now and 2040 as the vehicles are slowly phased out.
24. *There is a long lead time for new electric RCVs:* As an electric RCV has not been procured by the Council before the process would likely be prolonged. Demand for electric RCVs has increased and supply has been impacted by the semiconductor shortage, with some suppliers not accepting new orders, and others estimating 10-12 months lead time.
25. *Infrastructure requirements are likely to be significant:* Electric RCVs require powerful rapid chargers, which depending on the size of the fleet and number of chargers needed, may potentially require the creation on an additional substation and additional cabling in the depot vicinity.
26. Based on early analysis this would cost from £30,000 for a single rapid charger to £450,000 depending on the number of vehicles to be charged and the network upgrades needed. Further work will shortly take place to understand the infrastructure requirements of transitioning the Council's fleet to electric.

HVO Fuelled RCVs

27. Alternative fuels to diesel are available and the current best alternative is Hydrotreated Vegetable Oil (HVO). HVO takes feedstock such as vegetable oils and waste fats and processes them into a very clean burning fuel.
28. *Diesel vehicles can run on HVO:* HVO can run well on normal diesel engines without the need for modification and it can even be mixed with diesel in the event of significant supply or cost issues.
29. *Emissions are significantly lower than diesel:* HVO would reduce CO₂e emissions by approximately 88% (Eastleigh Borough Council used 90% in their calculations, Hampshire County Council used 88%). The actual figure will be based on the type of engine and operating temperature when compared to diesel. This includes a reduction in Nitrous Oxide emissions which would be up to 27% lower and 84% lower production of particulate matter (data from Wessex Petroleum), helping to improve air quality.

30. *Fuel costs are slightly higher than diesel:* HVO fuel currently costs around £550 a year more than diesel per Garden Waste RCV and the market is more volatile due to supply and demand issues. However, if diesel fuel prices continue to rise, as they have over recent times, HVO could ultimately become a cheaper option.
31. Other Councils have reported improved miles per gallon when using HVO which could help offset some of the cost.
32. The diesel RCVs tend to achieve between 3 to 4 mpg, which is typical. Small changes at very low mpg are significant. A vehicle achieving 4mpg will use 25% less fuel than one only achieving 3mpg.
33. *Infrastructure requirements are much lower than electric vehicle infrastructure:* The only infrastructure required would be a double lined storage tank to ensure no leakages on site, and a power supply to this tank.
34. *Other Councils are switching to HVO:* Following a pilot, Hampshire County Council are planning to replace all diesel with HVO across their fleet for a 12-month trial. Portsmouth City Council have switched all their RCVs over to HVO and Eastleigh Council are currently trialling HVO with the aim of expanding its use to all its diesel-fuelled fleet.

Proposed approach

35. Whilst electricity or hydrogen will be the most likely options for the Council's RCV fleet in the long term, the availability, infrastructure costs, vehicle costs and lead times are currently prohibitive to be a realistic option at this time. As the market develops it is anticipated that the costs and production timescales for the vehicles should reduce.
36. HVO provides a viable transitional alternative until the other RCV markets mature. It significantly reduces emissions, requires limited additional infrastructure, is similar in cost to diesel and is being adopted by other Councils.
37. It is therefore proposed that a 12-month HVO RCV trial take place to further assess its feasibility. The three vehicles used for garden waste collections would be used in the trial and would be HVO fuelled for the start of the new paid collection service in early February. This would reduce the Council's annual carbon footprint by approximately 99 tCO₂e. This saving is calculated based on the actual fuel used historically by the Garden Waste vehicles.
38. If the trial proves to be successful, there is potential to expand the use of HVO in the wider Council RCV fleet and diesel-powered vehicles.
39. The Head of Streetscene, following consultation with the Executive Member for Streetscene, would be able to broaden the use of HVO to the wider RCV fleet during the trial considering a reasonable balance of emissions savings against potential additional costs.
40. If HVO was used in the entire fleet of diesel fuelled vehicles, it would lead to an annual reduction in emissions of over 700 tCO₂e, based on historic diesel fuel usage.

Financial considerations

41. The additional fuel premium for the three-vehicle trial would be approximately £1,650 pa based on current prices, with some small additional infrastructure costs e.g., electrical connection to the tank, costing around £500. The additional fuel costs could potentially

be offset by potential improvements in mpg that HVO could bring.

Next Steps

42. If approved, the trial would be organised in conjunction with the Council's fuel suppliers, with installation of the additional tank to store the HVO to be installed in the new year. The three Garden Waste RCVs would be fuelled by HVO for the start of the chargeable collection service launching in early February.

Conclusion

43. Green Hydrogen, Electricity and Hydrotreated Vegetable Oil (HVO) were assessed as fuel options for the Council's RCV fleet, with HVO seen as the most viable in the short term. Therefore, a 12-month trial of the fuel is proposed which can be expanded to the use of HVO in the wider Council RCV fleet and diesel-powered vehicles if the initial trial proves successful.

Enquiries:

For further information on this report please contact Mark Bowler (Ext 4420).

Appendix A: Summary of Alternative Fuel Options

	Diesel		HVO		Electric	
	New	Used	New	Used	New	Used
Capital costs	£190,000	£125,000	£190,000	£125,000	£445,000	£236,000
Annual fuel/electricity costs	£15,732		£16,284		£5,536	
Costs per annum*	£36,843	£33,589	£37,395	£34,141	£54,980	£39,250
Infrastructure costs	£0		£500		£40,000 - £230,000	
Emissions per annum** (tCO ₂ e)	43.54	37.34	10.68	4.48	16.50	7.62

*Whole of Life modelling was used. New vehicles were modelled over 9 years. Used vehicles data are based on those that are 2-years old and modelled over 7 years.

**The (tCO₂e) emissions for new vehicles include embedded carbon that relates to the raw materials, manufacturing processes, logistics, etc. for production of a new vehicle. This report uses 'cradle to gate' measurements which represents the footprint up to the point when the vehicle is delivered to the first user. This means that the embedded carbon footprint for a new vehicle is allocated to the first user and is not passed on when a used vehicle is sold. This is reflected in the whole of life modelling above. Cradle to gate modelling is used by many organisations, including the Energy Saving Trust, as the decommissioning footprint cannot be known ahead of time for example if batteries are re-purposed for use in buildings or disposed of.

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 07 December 2021

Portfolio:	Planning and Development
Subject:	Implications of Natural England advice on New Forest Recreational Disturbance
Report of:	Director of Planning and Regeneration
Corporate Priorities:	Providing Housing Choices Protect and enhance the environment Leisure opportunities for health and fun Dynamic, prudent and progressive Council

Purpose:

To provide Members with information on a new position from Natural England in relation to recreational disturbance impacts from new occupiers of development in Fareham on protected sites in the New Forest, and the implications thereof, and to agree an interim mitigation solution.

Executive summary:

This report outlines the issue surrounding the impacts of increased recreational pressure on the New Forest designated sites, the advice from Natural England as statutory advisors on protected sites, and the interim mitigation solution. This report seeks Executive approval for the interim mitigation solution set out in the report, which will be a material consideration in the determination of planning applications.

Recommendation:

It is recommended that the Executive:

- (a) approves the approach to interim mitigation solution as set out in paragraphs 18-30 of the report;
- (b) agrees to the carrying out of works identified in the proposed solution on receipt of appropriate funds received through planning obligations; and
- (c) notes that, where appropriate, the Planning Committee will be advised that the Executive has agreed to the carrying out of works identified in the proposed solution upon receipt of financial contributions.

Reason:

To ensure sufficient options for mitigation to address any adverse effect of recreational impacts upon protected sites in the New Forest from new residential and overnight accommodation in the Borough.

Cost of proposals:

The estimated project costs of £378,000 will be funded from legal agreements or section 111 agreements. These projects will be phased in line with the collection of the income due on the building of 1,530 new homes in the next 3 years. The projects will be cost neutral to the General Fund.

Background papers: None

Reference papers: All Footprint Ecology reports can accessed here: [Research into recreational use of the New Forest's protected habitats - New Forest National Park Authority \(newforestnpa.gov.uk\)](https://www.newforestnpa.gov.uk/research-into-recreational-use-of-the-new-forest-s-protected-habitats)

Detailed description of impacts can be found within the Footprint Ecology Report, Recreation use of the New Forest: Impacts of Recreation and Potential Mitigation Approaches. [New-Forest-Recreation-Impact-Mitigation-report.pdf \(newforestnpa.gov.uk\)](https://www.newforestnpa.gov.uk/new-forest-recreation-impact-mitigation-report.pdf)

Zone of influence report [New-Forest-zone-of-influence-report-2021.pdf \(newforestnpa.gov.uk\)](https://www.newforestnpa.gov.uk/new-forest-zone-of-influence-report-2021.pdf)

Telephone survey report [New-Forest-Telephone-Survey-report.pdf \(newforestnpa.gov.uk\)](https://www.newforestnpa.gov.uk/new-forest-telephone-survey-report.pdf)

[Local Plan Viability Assessment Addendum \(May 2021\)](#)

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	07 December 2021
Subject:	Implications of Natural England advice on New Forest Recreational Disturbance
Briefing by:	Director of Planning and Regeneration
Portfolio:	Planning and Development

INTRODUCTION

1. This report outlines the issue surrounding the impacts of increased recreational pressure on the New Forest designated sites, the advice from Natural England as statutory advisors on protected sites, and the interim mitigation solution. This report seeks Executive approval for the interim mitigation solution set out in the report, which will be a material consideration in the determination of planning applications.

BACKGROUND

Legal framework

2. The Conservation of Habitats and Species Regulations (2017 as amended), hereafter referred to as the 'Habitats Regulations', place significant responsibilities on the Council as competent authority for the protection of ecology. Regulation 63 requires competent authorities to undertake an 'Appropriate Assessment' of the implications of the permission, if it is likely to have a significant effect on a site protected under the Habitats Regulations, hereafter termed a 'protected site'.
3. The Appropriate Assessment process considers potential impacts against the conservation objectives of any protected sites designated for their nature conservation importance. If a likely significant effect is predicted, it is only if the competent authority can determine no adverse effect on the integrity of the site having regard to any proposed mitigation measures that permission may be granted. Therefore, if mitigation measures are not available or sufficient to avoid the adverse effect, then the competent authority would not be able to conclude that the plan or project would not have an adverse effect and should not grant planning permission.
4. Such protected sites include Special Protection Areas (SPA) designated to conserve important or threatened bird species and Special Areas of Conservation (SAC) designated to conserve important and rare habitats. Significant effects on these protected sites can be caused through a number of impact pathways such as direct or indirect habitat loss, increase of recreational disturbance, construction activities, air and water pollution.

5. It is also necessary for the competent authority to consider not only the impact of a single plan or project in isolation but the likelihood of a significant effect occurring in combination with other plans and projects.

Relevant case law

6. An established approach is that the Appropriate Assessment must use the 'precautionary principle' when determining likely significant effects. If it is not possible to rule out a likely significant effect, the competent authority must work on the basis that one exists and undertake an Appropriate Assessment. The precautionary principle also dictates that there must be certainty over the effectiveness of the mitigation measures in order to rule out any adverse effect.
7. This precautionary principle has been reinforced by a case determination from the European Court of Justice in 2018 commonly referred to as the 'Dutch Case'. The Dutch Case also clarified the requirement that mitigation is to be secured at the point of carrying out an Appropriate Assessment in order for the competent authority to conclude with certainty that any mitigation proposed would sufficiently mitigate any adverse effects arising from the plan or project in question. This 'high bar' means that, in exercising its planning functions, the Council has to carefully consider the advice of Natural England, as statutory advisor on these matters.
8. Members will be aware of the issue of nitrate neutrality which the Council has been working through in recent years, and indeed Bird Aware, the Solent Recreation Mitigation Strategy before it¹. It is the same legislation and procedural approach, involving consultation with Natural England, that needs to be followed in the case of New Forest Recreational Disturbance. By not adhering to Natural England's advice on this matter, the Council, as Local Planning Authority, runs the risk of legal challenge to its planning decisions.

Recreational Impacts on the New Forest and Natural England's subsequent advice

9. Research commissioned by six local planning authorities (Test Valley Borough Council, Eastleigh Borough Council, New Forest District Council, New Forest National Park Authority, Southampton City Council and Wiltshire Council), together with Natural England, Forestry England and with funding from central government focused on understanding the impacts of recreation arising from new development on the protected sites in the New Forest, given the location's long history as a visitor destination. The work was carried out by the specialist consultants Footprint Ecology, who have undertaken similar research in protected habitats across the UK and involved a comprehensive survey of recreational use of the New Forest using techniques such as onsite interviews, telephone surveys and vehicle counts.
10. The Footprint Ecology work identified a range of potential impacts from the projected increase in visitors to the New Forest arising from the planned new development. These impacts caused by increased recreation are listed below under broad headings. There can also be interactions between the different impacts.

¹ Recreational impacts on the Solent Coastal protected sites are addressed through the Solent Recreational Mitigation Strategy (commonly known as Bird Aware) and the requirements it sets out for new homes built within 5.6 kilometres of those protected sites.

- Disturbance;
- Fire;
- Contamination;
- Trampling/wear;
- Harvesting;
- Grazing issues
- Visitor expectation.

11. The telephone survey is significant in understanding how frequently local residents visit the woodland and heathland protected sites of the New Forest. The survey engaged with 2,000 randomly selected residents from areas surrounding the New Forest. Interviewees lived within 25km of the New Forest designated sites and sampling was undertaken within 5km bands. Sampling was weighted to the nearer 5km bands to ensure more interviews were conducted with those living relatively close to the New Forest. The questionnaire identified households who had visited the New Forest and asked particular questions relating to the reasons for visiting, activities undertaken and their visit patterns. From this, Footprint Ecology calculated the average number of visits to the New Forest protected sites for each neighbouring district or borough, which for Fareham Borough was around 15.3 visits per year per household (By way of comparison the figure for the National Park itself is 211.3 visits per year and Test Valley is 33.07 visits per year).
12. Most of the evidence from the visitor and telephone surveys was published in May 2020 but in May 2021, the steering group published a 'Zone of Influence' (ZOI) report detailing how far from the New Forest the majority of the impacts were felt. This report recommended that a 13.8km straight-line ZOI from the protected sites in the New Forest be created whereby new residential development (including tourist accommodation) within this zone would need to provide mitigation for recreational impacts. The Footprint Ecology report however, also recommended that the zone of influence should be modified to exclude the following local authorities: Fareham, Gosport, Winchester and the Isle of Wight, recognising the geography of the coastline in this area. This recommendation was based on the fact that *"the visit rates are lower in these areas and the administrative boundaries provide the most straightforward boundary to use. The Fareham boundary is around 13.9km from the bridge at Totton on the A33 (sic) (i.e. the main crossing point) so truncating the zone of influence in this way makes sense given the travel constraints posed by Southampton Water"*.
13. Despite the recommendations of the most recent Footprint Ecology report, it is Natural England's view that data resulting from the telephone survey carried out by Footprint Ecology show visit frequencies in the western parts of Fareham are similar to those in the neighbouring borough of Eastleigh (which is included in the 13.8km ZOI). This suggests the visit rate from these areas are higher than the average visit rate applied to the whole borough. It is Natural England's view that visitors originating from these parts of Fareham are likely to contribute to an in-combination effect on the protected sites. Therefore, and following a request for further clarification of their position, it is Natural England's advice that the ZOI of 13.8km be applied across the whole borough of Fareham to ensure all new development provides appropriate mitigation to ensure the necessary certainty required under the Habitats Regulations. In addition, Natural England advise that for sites up to 15km from the edge of the New Forest that require Environmental Impact Assessment (EIA) should consider whether that development will have an impact of the New Forest protected sites. The Council as competent authority

under the Habitats Regulations, must have regard to Natural England's advice as a statutory consultee, and national body responsible for the natural environment. The Council should only depart from the advice of Natural England for justified reasons: such a reason might be further alternative evidence that Fareham developments should be excluded from requiring any mitigation, or mitigation to a lesser degree.

14. Natural England advise that the Council work in close collaboration with other affected local authorities within and surrounding the New Forest designated sites to develop a strategic, cross-boundary approach to habitat mitigation for the New Forest SPA/SAC/Ramsar. Natural England has recommended that a strategic mitigation strategy is developed incorporating a package of measures including provision of suitable alternative green spaces and networks, and direct measures on the sites such as access management, education and communication, wardening, and monitoring. In advance of such a strategy being agreed and adopted, Natural England advise the Council to implement a suitable interim mitigation solution.
15. Until such an interim solution is prepared and implemented, the Council is unlikely to be able to conclude no adverse effects on the New Forest protected sites in any Appropriate Assessment carried out on residential applications that the Council decide to permit. As a result, there is the potential for a backlog to be created of undetermined planning applications for new residential development similar to that caused by the recent nutrient issue. It is therefore considered expedient to develop an interim mitigation solution in the short-term in order to avoid a growing backlog of planning permissions which will have consequences for the Council's ability to demonstrate a five-year housing land supply, which is used in planning decisions to give confidence that there is sufficient land to build the number of homes as per the housing requirement in the forthcoming five years. If this backlog were to grow, in time, there may also be an impact on the number of homes that are built in the borough and the results of the Housing Delivery Test which judges the Council on the past three years' housing delivery against the housing requirement, and applies penalties if the result is 95% or less.
16. From a Local Plan perspective, Natural England raised the issue of recreational impacts on the New Forest protected sites as part of their consultation response to the Revised Publication Plan. The Council has since submitted the Local Plan for examination with a Statement of Common Ground with Natural England agreeing that further work is required to agree the scope and nature of an interim mitigation solution which may be appropriate in advance of a more definitive solution. Whilst the Local Plan 2037 policy NE1 guards against the granting of any permission that would have an adverse impact on protected sites, whether inside or outside of the borough, the ability of developments coming forward within the plan period to mitigate recreational impacts on the New Forest protected sites will need to be considered through the Local Plan examination process. Without certainty on the ability of sites allocated in the plan to come forward with appropriate mitigation in order to meet the Borough's housing requirement, the Plan could be found unsound by an examining inspector. It is therefore imperative to progress an interim solution to sure up the Local Plan as it moves through the examination process.
17. The Council have written to Government, both the Department for Levelling Up, Housing and Communities (DLUHC), and the Department for the Environment, Food and Rural Affairs (DEFRA) raising the advice from Natural England and the implications on our ability to grant planning permissions and deliver homes as a key part of the

Government's agenda and seeking a supportive collaborative approach from themselves and Natural England. At the time of writing, responses are awaited but officers will continue to raise this issue with Government both individually and as a member of the Partnership for South Hampshire, as several of the PfSH members are affected by this same issue. Natural England accept that their advice is based on a precautionary approach and would welcome further work to understand the level of impact on the New Forest protected sites. This point is picked up in relation to monitoring in later paragraphs.

The Interim Mitigation Solution

18. This solution sets out:
 - The area in which the solution applies
 - The scope of the interim solution
 - The lifetime of the interim solution
 - The suite of measures to be provided by or funded by residential development to provide the required mitigation of recreational impacts
 - The rationale behind the interim approach and the steps required to develop a definitive solution.
19. This interim mitigation solution covers the borough of Fareham as per Natural England's advice. It deals specifically with recreational impact on the New Forest protected sites (SAC/SPA and Ramsar).
20. Mitigation measures set out in this interim solution are directed towards:
 - providing alternative recreational opportunities (to deflect potential visits away from the New Forest protected sites),
 - access management and wardening in the New Forest protected sites themselves,
 - accompanied by monitoring of the impacts and effectiveness of mitigation measures (to provide a better understanding of the impacts of recreation on the New Forest protected sites and enabling future refinements of mitigation policies and measures).
21. Whether new green spaces are created, or existing open spaces are improved in terms of accessibility and recreational function, open spaces that provide mitigation will be designed to maximise their chances of diverting Fareham Borough residents who might otherwise visit the New Forest protected sites for outdoor recreation. Evidence suggests that such alternative natural recreational greenspace should target the needs of residents who wish to go for recreational walks, with or without a dog.
22. The mitigation requirements for recreational disturbance impacts apply to all forms of new residential development resulting in a net gain of a self-contained dwellings. This includes new builds, redevelopment, changes of use, those permitted via prior approval and permitted development, affordable housing, visitor accommodation and gypsy pitches, for example.
23. A time period of up to March 2025, in line with growth assumptions in the Fareham Local Plan 2037, is proposed for this interim solution recognising the ongoing work required to understand the nature of the potential impact of the New Forest sites and the ongoing work of the steering group, of which this Council is now part. It is possible that the steering group will develop a strategic solution for mitigation of which

developers in Fareham may be able to take part. It is also possible that the monitoring work undertaken during the lifespan of the interim solution will help determine the scale of the definitive strategy, for example, refine the geographic scope within the borough and/or a refinement of the average visit rate from ongoing survey work. It will be for the definitive strategy that will follow to take advantage of further refinements in the evidence of the visitor impact on the New Forest protected sites.

24. Additional pressures will be put on the New Forest protected sites from the growth planned in neighbouring planning authority areas. Addressing and mitigating these additional impacts arising from outside the Borough of Fareham is a matter for the relevant planning authorities. Similar mitigation schemes are in place for new development in New Forest District Council and National Park Authority areas, and are in development in Test Valley, Eastleigh and Southampton along similar lines. The wider management of all visitors (including car parking arrangements, cycling, horse riding and issues with littering) in the New Forest protected sites is an issue address through the work of the New Forest National Park Authority.

Calculating the recreational mitigation required

25. In order to calculate the number of visits that are required to be mitigated, the Council used the latest report from Footprint Ecology which demonstrated that the estimated average visits per household per year to the New Forest protected sites is 15.3.
26. The Local Plan 2037 estimates that, by the end of March 2025, 1,530 net new homes will be built in the 13.8km zone of influence, creating a total additional 23,454.9 visits to the New Forest protected sites. This is the level of additional recreational pressure that needs to be mitigated.
27. Where on-site recreation mitigation is not provided, a financial contribution will be sought towards the provision of new green spaces or the enhancement of existing green spaces including provision for their long-term maintenance and management costs. These enhancements are designed to deter people from visiting the New Forest and any adverse effect on integrity of the protected sites in that location. To ensure that the programme of projects is responsive to changing circumstances and opportunities, the programme of specific projects will be maintained separately and reviewed on a regular basis to ensure that they are deliverable in the agreed timeframe.
28. It is important to monitor both the implementation of the proposed mitigation measures of the interim mitigation solution and the effectiveness of those measures in mitigating the recreational impacts of new residential development within the Borough on the condition of the protected sites in the New Forest. Information from the monitoring process will inform future reviews of the interim mitigation solution and could be used to test the appropriateness of Natural England's interpretation of the available evidence. Monitoring costs are included in the programme costs set out below and monitoring efforts are likely to include supporting monitoring in New Forest itself.
29. Natural England have advised that alongside improvements to country parks within the Borough which will reduce the impact on the New Forest protected sites, as there will still be visits that take place from residents of Fareham, a proportionate contribution is required to fund access management or wardening on those sites. Therefore, it is proposed that £6,000 per year be provided to such projects within the New Forest itself. Discussions are ongoing with the New Forest National Park Authority as to how this is

best achieved, and the intention is to review this contribution annually on the back of monitoring information.

30. The Council's Streetscene team have provided a costed list of projects totalling £300,000 over three years and including new features at flagship country parks, such as Holly Hill Woodland Park, Abbey Meadows, implementing a masterplanned set of improvements at Park Lane recreation ground, tree planting, wildflower meadow creation and interpretation panels at sites throughout the Borough. With the addition of £20,000 a year for monitoring, and £6,000 for access management/wardening in the New Forest, the total annual cost of the mitigation scheme is £126,000. Expressed as a cost per household that equates to £247.05 per net new house (£126,000 each year for three years, divided by 1,530 dwellings). This money would be collected on developments that were unable to provide on-site mitigation, via legal agreements or section 111 agreements. This figure is subject to indexation and will be revised on the 6 April each year in line with the Retail Price Index (RPI), with April 2021 being the base year.

In relation to the Council's viability assessment, this level of additional cost is considered appropriate and within the assumptions of £10,000 environmental mitigation payments per dwelling allowance included in the viability testing for the Local Plan 2037 (see reference paper Local Plan Viability Addendum May 2021). By way of comparison, the Bird Aware contributions are £595 per house.

Implementation and monitoring

31. Through an annual review of projects and implementation priorities a programme of mitigation projects will be agreed. Ensuring the delivery of mitigation projects is sufficient to meet the additional visits identified to meet the predicted housing delivery and remains in line with the implementation of new residential development will be a high priority in the overall programme for infrastructure delivery.
32. An initial tranche of projects for implementation will be programmed to cover up to March 2025 and will be delivered by the Council's Streetscene team. The projects will be prioritised based on their ability to be delivered, the likely level of visits mitigated against and the location in relation to residential development that has come forward.
33. Monitoring will involve both on-site monitoring of the use of the new or improved greenspaces as well as further work to understand the impact, and any residual impact, of Fareham residents on the New Forest protected sites, with the latter used to inform any revisions to the interim solution or the definitive strategy.

Wider benefits of the interim mitigation solution

34. Whilst this solution is fundamentally about delivering mitigation for the likely significant effect of new development in this borough on the New Forest, the provision of improvements to the network of natural greenspaces located close to people's doorsteps will bring about 'quality of life' opportunities, such as healthier lifestyles, becoming more in touch with nature, space for wildlife and natural habitat, and improved attractiveness. This in turn also enables the Council to deliver on its Corporate Strategy

priorities of protecting and enhancing the environment, and leisure opportunities for health and fun.

Conclusion

35. Without an interim solution to address the potential for adverse effects on the New Forest protected sites, it is likely that the Council's ability to grant planning permission and defend its Local Plan at examination will be drawn into question. A pragmatic interim solution is proposed for the near term to provide mitigation solutions in the form of improved open spaces within the Borough of Fareham to deflect residents from visiting the New Forest protected sites. The need for monitoring of the effectiveness of the solutions is built into a costed programme of improvements that will be funded via developer contributions on all new residential development in the Borough, where on-site mitigation is not possible. Work will continue with government departments and Natural England to further understand the impacts demonstrated in the Footprint Ecology reports and with the New Forest Steering Group to consider the potential to develop a definitive mitigation strategy.
36. The proposed solution identifies works not previously budgeted for nor proposed within the council's corporate objectives. However, the carrying out of those works and the decision to carry them out are matters outside of planning and of an executive nature and as such, the Executive are invited to approve the carrying out of such works in order for the proposed solution to be implemented.

Enquiries:

For further information on this report please contact Gayle Wootton (Ext 4328)

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 07 December 2021

Portfolio:	Planning and Development
Subject:	Fareham Borough Solent Waders and Brent Geese Mitigation Solution
Report of:	Director of Planning and Regeneration
Corporate Priorities:	Providing Housing Choices Protect and Enhance the Environment Dynamic, Prudent and Progressive Council

Purpose:

The Fareham Local Plan 2037, which is now at examination, allocates sites for housing and employment on land which is designated as important for Solent Wader and Brent Geese (SWBG) populations. Mitigation measures are therefore required to avoid adverse effects on those populations and this report seeks to brief the Executive on the mitigation solutions for those Local Plan allocations.

Executive summary:

The Solent supports a significant overwintering population of Solent Waders and Brent Geese (SWBG) and there are several Special Protection Areas (SPAs) designated throughout the region due to their legal protection. The populations of SWBG rely on the availability of a network of terrestrial feeding and roosting sites which are designated as part of the Solent Wader and Brent Goose Network. Development can result in negative impacts to the SWBG Network and as such this is a matter for consideration when preparing a Local Plan. The emerging Local Plan 2037 has been subject to the Habitat Regulations Assessment (HRA) process which identified 5 particular site allocations that would require mitigation in relation to potential adverse impacts on such designated sites. As Local Planning Authority, the Council is required to demonstrate the deliverability of the Local Plan including the site allocations. Not doing so presents a risk to the soundness of the Local Plan through the Examination process. The Local Mitigation Solutions (LMS) have been produced to demonstrate the deliverability of the Local Plan allocations through identification of the individual mitigation for those sites.

Recommendation

It is recommended that the Executive notes the availability of mitigation schemes in support of allocations in the submitted Fareham Local Plan 2037, which is now at examination.

Reason:

To provide further evidence to demonstrate the deliverability of those Local Plan allocations which result in negative impacts to the Solent Wader and Brent Goose Network.

Cost of proposals:

No financial implications.

Background papers: Review of the Fareham Local Solent Waders & Brent Goose Mitigation Solutions, HCCET 2021

Reference papers: Solent Wader and Brent Goose Strategy (Solent Waders and Brent Goose Steering Group, 2020)
[solent-waders-brent-goose-strategy-2020.pdf \(wordpress.com\)](#)

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	07 December 2021
Subject:	Fareham Borough Solent Waders and Brent Geese Mitigation Solutions
Briefing by:	Director of Planning and Regeneration
Portfolio:	Planning and Development

INTRODUCTION

1. The diversity of habitats and species in and around the Solent makes it one of the most important coastal zones in the UK and an internationally important wildlife resource. Brent geese and wading birds are protected under UK legislation and specially protected within designated sites, called Special Protection Areas (SPAs). The Solent supports a significant Solent Wader and Brent Goose (SWBG) population and has several SPAs designated throughout the region. However, as birds are mobile species, they are also dependent on sites outside of formal designations and rely on the availability of a network of feeding and roosting resources over the winter period. This network of feeding and roosting sites is known as the SWBG Network.
2. These sites are often located near to or adjacent to existing settlements and as a result can come under pressure. Development in such locations can result in negative impacts to the SWBG Network. As a result, at a plan and project level, the Habitats Regulations require an assessment of the impacts of development and a proposed solution to mitigating those impacts.
3. From a Fareham perspective, there are 80 designated SWBG Network sites in the Borough. These sites have varying level of importance (focused on their level of use by the bird species); Core being the most important, then Primary, then Secondary Support Areas and finally Low Use and Candidate Sites. Together they all form part of the wider network across the Solent.
4. The classifications for these sites are designated through 'The Solent Wader and Brent Goose Strategy'. This document was produced by the Solent Wader and Brent Goose Steering Group (comprised of Hampshire & Isle of Wight Wildlife Trust, Natural England, RSPB, Hampshire County Council and Coastal Partners) to provide a basis and rationale for the identification, protection and mitigation of the SWBG Network. The Local Mitigation Solutions (LMS) have been produced to provide further evidence to the Local Plan approach taken

towards protecting and enhancing the SWBG Network within the Borough, ensuring the approach taken towards Local Plan sites is consistent with the wider SWBGS.

5. As Local Planning Authority, the Council must be able to demonstrate the deliverability of the Local Plan including all site allocations. This includes how any mitigation required will be delivered. The availability of mitigation is likely to be considered as part of the examination process for the Fareham Local Plan 2037, which has now technically begun, and any inability to show deliverability could risk the Plan being found unsound.
6. For clarity, members will be aware of the Bird Aware scheme which collects financial contributions from developments in the Borough as mitigation for recreational disturbance on sites protected for Solent Waders and Brent Geese along the coastline, i.e. from people and dogs walking and disturbing over-wintering birds. The money pays for wardening, awareness raising and specific projects to ensure that the bird populations are not adversely affected. While the SWBG Network is a linked issue, as the network of sites protects additional areas of land that the same species of birds use, the potential impact is not recreational disturbance it is permanent loss of the land.

EMERGING LOCAL PLAN

7. The Local Plan proposes a significant level of development in the Borough, some of which is likely to result in impacts to the SWBG Network and as a consequence, may result in likely significant impacts on the Solent SPAs. The Local Plan Habitat Regulations Assessment (HRA) process identified 5 site allocations that would require mitigation to ensure that there would be no adverse effect on the integrity of the SWBG network. Those sites are:
 - HA44 Assheton Court.
 - HA54 Land East of Crofton Cemetery and West of Peak Lane.
 - HA55 Land South of Longfield Avenue.
 - E2 Faraday Business Park.
 - E3 Swordfish Business Park.
8. As a result of the HRA process carried out on the Plan, the Council has incorporated an overarching policy for the protection of the SWBG network (Policy NE5: Solent Wader and Brent Goose Sites). Policy NE5 sets out a hierarchical approach to protecting the SWBG network. As a matter of course, applicants for sites with the potential to affect the integrity of the SWBG network sites must consider avoidance as the first approach, with on-site mitigation to be provided if that is not possible. An off-site solution should be considered if there is clear justification that onsite mitigation cannot be achieved. The mitigation hierarchy in NE5 broadly is as follows:

Avoidance	Any identified impacts to sites within the SWBGS network shall be avoided in the first instance where possible. Clear justification is needed if impacts cannot be avoided and onsite and/or offsite mitigation is required.
On-site	On-site mitigation should be explored if avoidance measures cannot be achieved. On-site mitigation shall be proportionate to the level of impact and be entirely consistent with the approach described within the Solent Wader and Brent Goose Guidance on Mitigation.
Off-site	<p>If there is clear justification that on-site mitigation cannot be achieved, off-site enhancement measures to an existing site or group of sites within the SWBG network shall be provided. Existing network sites should be selected first before consideration is given to the creation of brand-new sites because existing sites are already proven to be used in some capacity by the relevant species giving greater certainty that mitigation and enhancement measures will be successful. Despite this, it is accepted that with sufficient evidence gathering, planning and implementation, new network sites can be created and act as successful off-site mitigation.</p> <p>Any offsite enhancements shall also be consistent with the approach set out in the 'Guidance on Mitigation and Off-setting Requirements' (SWBG Steering Group, October 2018) and Policy NE5 of the Fareham Local Plan.</p>

LOCAL PLAN DELIVERY

9. In applying Policy NE5 to the allocated sites with a likely significant effect, the Local Plan allocations for the following sites require the following:

- HA44 Assheton Court – **AVOIDANCE.**

The allocation policy in the Local Plan requires the provision of a Construction Environmental Management Plan which will avoid and mitigate onsite any indirect impacts.

- HA54 Land East of Crofton Cemetery and West of Peak Lane - **ON-SITE.**

The allocation policy in the Plan requires the land north of Oakcroft Lane (F17C within the allocation boundary) to be retained free from development and enhanced to provide suitable onsite Solent Wader & Brent Goose habitat.

- HA55 Land South of Longfield Avenue – **ON-SITE.**

The allocation policy in the Plan requires the land to the west of Peak Lane (as highlighted on the Land Use Framework Plan within the Local

Plan) to be retained free from development and enhanced to provide suitable onsite Solent Wader & Brent Goose habitat.

- E2 Faraday Business Park – **OFF-SITE** (Secondary Support Area).

Officers commissioned an independent review of the suitability of Faraday Business Park being included within the SWBG Network, given the level of hardstanding and development on the site. This review was undertaken by Hampshire County Council Ecology Team and concluded that no onsite mitigation solutions are suitable given the existing use and the risk to airplanes posed by any ecological enhancements. A recommendation of an offsite solution '*broadly close*' was concluded in line with policy NE5 of the Local Plan. A separate report is going to Executive to consider land acquisition as a bird mitigation solution to enable further development across the Daedalus employment sites and Solent Airport (elsewhere on the agenda).

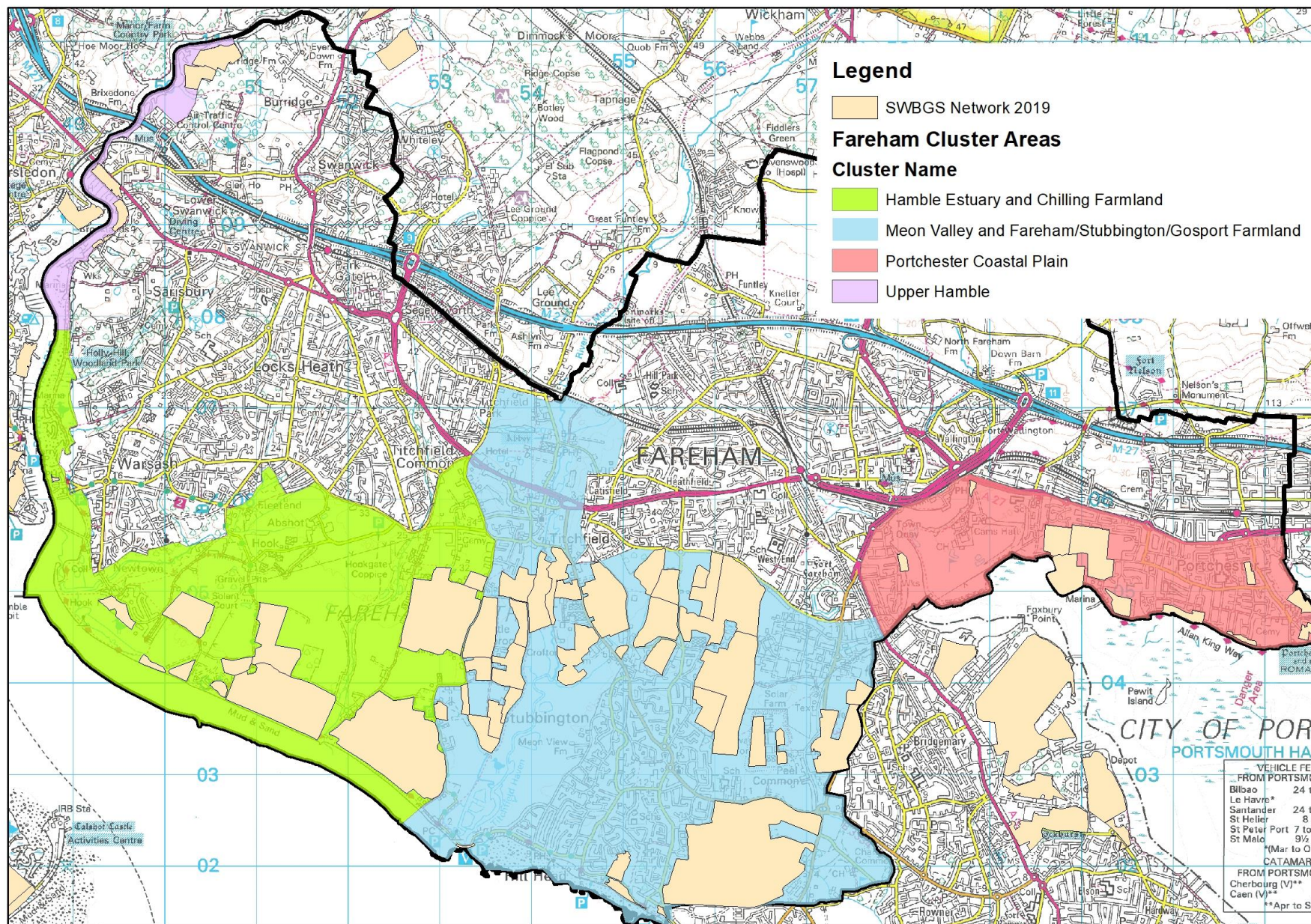
- E3 Swordfish Business Park – **OFF-SITE** (Secondary Support Area).

As with Faraday, the review of Swordfish Business Park also concluded that that no onsite mitigation solutions are suitable given the existing use and the risk to airplanes posed by any ecological enhancements. A recommendation of an offsite solution '*broadly close*' was also concluded in line with policy NE5 of the Local Plan. A paper is going to Executive to consider land acquisition as a bird mitigation solution to enable further development across the Daedalus employment sites and Solent Airport (elsewhere on the agenda).

Off-site Mitigation – the Network Cluster Approach

10. For sites where it can be shown that onsite avoidance or mitigation measures are not appropriate or adequate, there is a need to provide offsite mitigation for any identified impacts to the SWBG network. Policy NE5 of the Local Plan requires that to ensure that the integrity and functionality of the whole network is maintained across the Borough, offsite mitigation should be provided '*broadly close*' to the occurring impact where possible.
11. To provide further clarity to the meaning '*broadly close*' in relation to Secondary Support Areas, the SWBG network within the Borough has been divided into four 'cluster' areas as shown in figure 1. The 'cluster' approach helps to define '*broadly close*' by recognising the local context of SWBG Network sites and will serve to maintain the geographic spread of distinct habitat types across the Borough. Therefore, impacts on SWBG sites within a specific cluster area are expected to be mitigated within that particular cluster area. A pragmatic and flexible approach will be taken to those impacted sites that are on the edge of, or close to, an adjacent cluster area where off-site enhancement could be provided in either of the neighbouring cluster areas.

Figure 1: Fareham Local Mitigation Solution Cluster Areas



12. In relation to Local Plan sites E2 Faraday Business Park and E3 Swordfish Business Park the requirement of Local Plan Policy NE5 will require an offsite solution to be provided somewhere within the Meon Valley and Fareham/Stubbington/Gosport Farmland Cluster Area.

Suitability of the Cluster Approach

13. The principle of a cluster area approach was proposed to Natural England (NE) and gained their support. The Council committed in the Statement of Common Ground signed with NE earlier this year that it will continue to work with, and update NE on the development of the cluster approach. In all cases, the Council will consult NE, when determining any applications for development that could result in adverse impacts to the Solent Wader and Brent Goose network.
14. Officers also commissioned an independent review of LMS and in particular the cluster approach to test its suitability and likely effectiveness. This review was undertaken by Hampshire County Council Ecology Team. The review concluded that the cluster methodology and the general approach to mitigation specified through Policy NE5 is both a logical and commendable approach to the strategic protection of SWBG sites. The implementation of the cluster approach will allow resources to be directed at the areas most suitable to provide effective mitigation for certain assemblages of bird species.

CONCLUSION

15. The Local Mitigation Solutions provide a logical approach to the strategic protection of SWBG sites through the Local Plan. By focussing mitigation measures towards specific areas, known as 'clusters', the approach provides for the retention of key habitat types across Fareham Borough. The solutions, taken as a whole with Local Plan policies, identifies and demonstrates deliverable solutions for the five site allocations contained within the Local Plan, where impacts on the SWBGS network have been identified.

Enquiries:

For further information on this report please contact Gayle Wootton. (Ext 4328)

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 07 December 2021

Portfolio:	Policy and Resources
Subject:	Finance Monitoring Report 2021/22
Report of:	Deputy Chief Executive Officer
Corporate Priorities:	Dynamic, prudent and progressive Council

Purpose:

This report provides comparative information on the Council's revenue expenditure for the period for the first half of the financial year. Members are invited to consider the financial performance and any corrective action that may be deemed appropriate.

Executive summary:

This report provides summary information on the overall spending position against the emergency revenue budgets in the current year, as set out in the following tables: -

General Fund	Budget 2021/22	Budget to 30 Sep 21	Actual to 30 Sep 21	Variation
	£000s	£000s	£000s	£000s
Service Budgets	14,693	1,261	1,002	-259
Non-Service Budgets	-1,854	-287	-293	-6
COVID Funding	-2,567	-451	-451	0
Net Budgets	10,272	523	258	-265

Housing Revenue Account	Budget 2021/22	Budget to 30 Sep 21	Actual to 30 Sep 21	Variation
	£000s	£000s	£000s	£000s
Income Budgets	-12,353	-6,176	-6,397	-221
Management Costs	3,515	1,067	973	-94
Finance Costs	2,837	700	700	0
Property Costs	6,001	1,100	1,155	55
Net Budgets	0	-3,309	-3,569	-260

Revenue spending plans are currently showing a net underspend for the first half of the financial year. Any underspending achieved by the end of the year will reduce the need to call on the Council's reserves for 2021/22.

However, there are a number of areas where spend is in excess of the budget and some areas are likely to continue to be overspent through to the end of the financial year. It therefore remains appropriate to continue to monitor financial performance closely over the remainder of the financial year to ensure that any slippage does not adversely affect the services provided to residents and customers. Commentary on the most significant variations is set out in the briefing paper accompanying the report.

Recommendation/Recommended Option:

It is recommended that the Executive notes the Finance Monitoring Report.

Reason:

To provide members of the Executive with a summary of the Council's budgetary performance. for the first half of the financial year

Cost of proposals:

Not applicable

Background papers: NONE

Reference papers: NONE

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	07 December 2021
Subject:	Finance Monitoring Report 2021/22
Briefing by:	Deputy Chief Executive Officer
Portfolio:	Policy and Resources

INTRODUCTION

1. This report sets out, in detail, the variations between the budgeted and actual income/expenditure for the first half of the financial year for the revenue budgets.
2. To follow in line with the outturn reports that are reported to the Executive in July each year, this report contains an updated position for the Housing Revenue Account as well as the General Fund.

REVENUE EXPENDITURE SUMMARY

3. The details of the emergency budget and spend for each of the Council's committees and portfolios for the first half of the 2021/22 financial year are shown below:-

ACTUAL REVENUE EXPENDITURE TO 30 SEPTEMBER 2021

	Budget 2021/22 £	Budget to 30 Sep 21 £	Actual to 30 Sep 21 £	Variation £
Committees				
Licensing & Regulatory Affairs	552,700	114,900	95,384	-19,516
Planning	527,000	107,700	405,702	298,002
Executive - Portfolio Budgets				
- Leisure & Community	3,060,500	781,500	495,920	-285,580
- Housing	1,885,600	-288,800	-366,297	-77,497
- Planning & Development	1,702,800	833,200	640,507	-192,693
- Policy & Resources	-19,700	-1,183,110	-1,260,912	-77,802
- Health & Public Protection	575,000	-36,950	215,436	252,386
- Streetscene	6,408,800	932,700	775,999	-156,701
TOTAL SERVICE BUDGETS	14,692,700	1,261,140	1,001,739	-259,401

NON-SERVICE BUDGETS	-1,854,300	-287,400	-293,106	-5,706
COVID Funding	-2,566,500	-451,000	-451,093	-93
NET BUDGET	10,271,900	554,740	257,540	-265,200

4. The emergency budget set for the year recognised that the Council would need to draw from its reserves to fund the net position for the year, as shown by the COVID Funding line. This equated to approximately £1.8million of reserves after Government Grants of £767,000 were used. Any underspending achieved in the year will result in a reduced need to draw from the reserves.

THE KEY COUNCIL SERVICES

5. The Council has a number of services that would be considered as major or demand led services as they have a large impact on the council tax and any major variation in these budgets could lead to unacceptable rises in council tax. The details are shown in the following table:-

Service	Budget 2021/22 £	Budget to 30 Sep 21 £	Actual to 30 Sep 21 £	Variation £	Forecast
Income Budgets					
Industrial and Commercial Estates	-547,300	-679,700	-710,864	-31,164	☺
Investment Properties	-3,438,700	-1,697,100	-1,775,212	-78,112	☺
Trade Waste	-71,100	-703,900	-734,180	-30,280	☺
Parking Services	-571,100	-201,400	65,646	267,046	☹
Expenditure Budgets					
Daedalus	194,900	-278,100	-179,870	98,230	☹
Community Parks and Open Spaces	2,533,000	809,300	745,553	-63,747	☺
Homelessness	591,300	160,600	228,989	68,389	☹
Waste & Recycling Total	2,475,500	266,000	308,015	42,015	☹
Housing Benefit Payments	496,400	120,200	109,218	-10,982	☹
Planning Applications	100,400	-48,800	-451	48,349	☹
Tree Management	319,400	183,700	190,010	6,310	☹
Local Land Charges	21,000	-14,300	-49,209	-34,909	☺
Planning Appeals	97,300	43,600	280,539	236,939	☹
Street Cleansing	1,013,500	404,600	382,421	-22,179	☺

Local Plan	1,114,700	449,000	265,548	-183,452	😊
Local Tax Collection	1,000,400	337,500	330,897	-6,603	😊
Cost of Employment	17,712,700	8,903,604	8,782,415	-121,189	😊

6. The main variations in the key services are detailed as follows:-

- (a) **Industrial and Commercial estates** – the current position shows that the income for this service is in line with the base budget. However, the situation continues to be closely monitored as many businesses are still recovering from the pandemic and their future may remain uncertain.
- (b) **Investment properties** are showing as slightly above the net income budget and is likely to stay on track through to the end of the year. However, as with other property-based services, the situation is continuing to be closely monitored.
- (c) **Trade Waste** is currently showing an overall increase in income of over £30,000. This increase has been partially offset by increasing fuel prices.
- (d) **Parking Services** is showing a variation of £267,000 reduced net income compared to the base budget. Income from users of the Council's car parks is £334,000 less than the budget due to parking levels not returning to expected levels once lockdown was lifted. There have been some savings on expenditure including reduced business rates that has partially offset the loss of income.
- (e) **Daedalus** is currently showing as below budget as income from some areas has remained below the budget. The income from fuel sales, landing fees and other income from the hangers is below budget due to reduced usage. There has been increased expenditure in some areas such as business rates, use of consultants, cost of fuel and insurance premiums. Although the budgets will be revisited it is unlikely that the position will improve before year end.
- (f) **Community Park and Open Spaces** is showing an underspend for the first six months of the year mainly due to vacancies in the grounds team and reduced use of agency staff. There has been an increase in fuel costs but this has been offset by reduced costs of repairs to vehicles. Other areas of underspend and overspends are offsetting each other with income currently in line with the budget.
- (g) The **Homelessness** budget is showing an increase in spend against budget for the year of over £68,000. The main reason is due to continuing costs for bed and breakfast and other homelessness costs as a result of the pandemic. These additional costs will be offset by grant or use of the homeless reserve at year end.
- (h) **Waste Collection and Recycling** services are showing an overspend of just over £42,000 after 6 months of the year mainly as a result of increased

repairs to vehicles and also additional agency spend to cover vacancies and sickness. There has also been an increase in the cost of fuel as prices have risen during the year.

- (i) **Housing benefits** service overall is currently showing £11,000 under budget. Payments to claimants are currently under the budget for the year and the benefits that are paid out during the year are supported by grant incomes. The full year position shows a different position due to year-end transactions that will go through including bad debts, write offs and debtors raised for overpayments.
- (j) **Planning Applications** is showing as being over budget by over £48,000. The income for the year is currently lower than the budget by £38,000 as application numbers have reduced. This has been partly offset by costs recovered due to legal work on planning agreements. There has also been an additional cost as a result of an award made against the council in a planning dispute.
- (k) **Tree Management** is showing as being over budget by almost £6,500. This continues to be an improved position on previous financial years and has been achieved by reducing reactive works for good neighbour costs to only those needed on an emergency basis; and also there has been limited new tree planting this year. There is likely to be in a small overspend by the year end due to extraordinary spend to come during the rest of the financial year needed for ash die back work which needs to be done to prevent more serious issues with the trees. Other work is expected to be within budget.
- (l) **Local Land charges** is showing as more income than budget by almost £35,000. Applications have increased mainly due to the suspension of stamp duty due to the pandemic but as this returned to normal levels in September it is anticipated that activity will return to normal levels for the rest of the year.
- (m) **Planning Appeals** is showing an overspend after 6 months of almost £237,000. The budget was increased to reflect appeals that were due to be heard in this financial year but the costs have far exceeded the budget for the year and costs are likely to continue to increase during the rest of the year. The main appeals have been at Newgate Lane, Posbrook Lane, South of Romsey Avenue, Down End Road and Land West of Peak Lane.
- (n) **Street Cleansing** is showing spend slightly under the budget mainly as a result of reduced employee costs, due to vacancies. This has been slightly offset by increased vehicle costs including higher repairs.
- (o) The **Local Plan** is showing an underspend of over £183,000. The plan has now moved into the examination phase and it is likely that the spend will be in line with the budget by the year end.
- (p) **Local Tax Collection** is showing a small underspend of £6,000 as a result of vacancies savings but these have been offset by increased costs for external printing.

- (q) Expenditure on **employees** represents approximately 60% of the Council's gross expenditure (excluding benefit payments) and therefore it is important that the total establishment cost is monitored collectively, as well as monitoring at service level. During the first 6 months of the year, savings on salaries and wages have arisen, mainly as a result of employee vacancies. This has been partly offset by the additional expenditure on agency employees used to cover some of those vacancies and also to cover sickness. On top of this there has been additional expenditure due to contract terminations but these will be funded from reserves where salary savings do not meet the full costs.

THE COUNCIL'S FUNDAMENTAL PARTNERSHIPS

7. The Council has six fundamental partnerships and it is appropriate that the expenditure in relation to each partnership is specifically monitored. The table below shows the financial performance relating to this Council's element of each partnership:-

Service	Budget 2021/22 £	Budget to 30 Sep 21 £	Actual to 30 Sep 21 £	Variation £	
Project Integra	5,000	0	0	0	😊
Community Safety Partnership	194,900	79,300	66,052	-13,248	😊
Fareham & Gosport CCTV Partnership	114,900	52,100	45,769	-6,331	😊
Portchester Crematorium JC	-165,000	0	0	0	😊
Environmental Health Partnership	1,559,900	671,400	613,944	-57,456	😊
Building Control Partnership	199,400	-2,600	-3,116	-516	😊

8. There are no particular causes for concern within the Council's fundamental partnerships.

HOUSING REVENUE ACCOUNT

9. The Housing Revenue Account shows an underspend after the first 6 months of 2021/22, as set out in the following table. At this point in the year this is shown as a surplus, but this does not take account of year-end transactions relating to corporate recharges and other adjustments between the revenue account and earmarked reserves. An explanation of the variances is given below.

	Base Budget 2021/22 £'000	Budget to 30 Sep 2021 £'000	Actual to 30 Sep 2021 £'000	Variation £'000
HOUSING REVENUE ACCOUNT				
Income	-12,353	-6,176	-6,397	-221
Tenancy Management & Running Costs	3,515	1,067	973	-94
Net Interest	1,697	700	700	0
Transfer to Debt Repayment Fund	1,140	0	0	0
	-6,001			
Revenue Repairs Expenditure	2,600	1,100	1,155	-55
Depreciation set aside into the Major Repairs Reserve	2,706	0	0	0
Revenue Contribution to Capital Programme	695	0	0	0
Transfer to(-)/from HRA Reserve	0	-3,309	-3,569	-260

10. Income is slightly ahead of budget for income from dwelling rents and service charge actuals completed for 2020/21. This additional income will be part of the revised HRA revenue budget to be reported to the Executive.
11. The property repairs and maintenance expenditure is in line with budget for the period of expenditure to date.
12. Taking the above into account it is realistic that the HRA Revenue Account forecast outturn will be very close to breakeven in this financial year. If further positive opportunities come forward to replenish our housing stock in line with our housing need and priorities over and above the capital programme budget, then these will be subject to careful consideration of the impact on the revenue budget.

RISK ASSESSMENT

13. Whilst it would be too early to draw very firm conclusions regarding the final revenue budget position for 2021/20 after six months, it is equally important that the Executive is made aware of the trends in both expenditure and income where they differ from those anticipated when the budgets were approved in January.
14. There remains some areas where the impact of the global pandemic is still being felt and this trend could continue for the remainder of the financial year and possibly through to the 2022/23 financial year.
15. It is also worth noting that expenditure tends to increase during the latter months of the year as work programmes proceed so any underspends in the first half of the financial year are unlikely to continue throughout the whole of the financial year.
16. Any underspend from services will reduce the amount that is required to be used from reserves to fund services and this value stood at £1.8m when the base budget was set.

17. The Council's expenditure and income are monitored by officers throughout the year and there is even more monitoring going on under the current pressures. Known spending pressures will be reflected in the Finance Strategy for 2021/22. The budget that will reflect the revised position will be reported to the Executive in January 2022.

CONCLUSION

18. It is important that there is a timely reporting system in place to focus the Executive on key variances. To reflect this the revenue monitoring reports include detailed information about the more significant areas of the Council's expenditure and income.
19. There are a number of areas where spend is higher than the budget and doesn't show signs of being in line with the base budget by the end of the financial year. Officers will, however, continue to monitor the actual revenue expenditure very closely and will review the budgets before they are brought to the Executive in January 2022.

Enquiries:

For further information on this report please contact Neil Wood (Ext 4506)

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 07 December 2021

Portfolio:	Policy and Resources
Subject:	Treasury Management and Capital Monitoring Report 2021/22
Report of:	Deputy Chief Executive Officer
Corporate Priorities:	A dynamic, prudent and progressive Council

Purpose:

This report summarises the Council's investment activity and capital expenditure up to 30 September 2021 and provides details of the Council's money market transactions. It also provides information on the performance against the Treasury and Prudential Indicators.

Executive summary:

During the first half of the year the Council operated within the Treasury and Prudential Indicators.

The overall investment position is set out in the following table:-

	31 March 2021 Actual £'000	30 Sept 2021 Actual £'000
Total borrowing	55,967	55,967
Total investments	(18,625)	(21,773)
Net borrowing	37,342	34,194

The Council's net interest budget for 2021/22 is £695,700 (£661,300 actual in 2020/21) and is currently on target to achieve this by the year end.

A summary of the capital programme expenditure against budgets in the current year, is set out in the following table:-

Capital Programme	Revised Budget 2021/22 £	Budget to 30 Sep 21 £	Actual to 30 Sep 21 £	Variation £
General Fund	24,203,300	7,200,000	6,232,320	-967,680
HRA	11,900,800	3,695,000	2,745,636	-949,364
Total	36,104,100	10,895,000	8,977,956	-1,917,044

Recommendation:

It is recommended that the Executive notes the Treasury Management and Capital Monitoring Report for 2021/22.

Reason:

To inform the Executive of the Council's investment, borrowing and capital programme activity up to 30 September 2021.

Cost of proposals:

Not applicable.

Appendices:

A: Economic Commentary and Outlook by Arlingclose

B: Treasury and Prudential Indicators 2021/22 half yearly performance

Background papers: None

Reference papers: Treasury Management Strategy and Prudential Indicators 2021-22, Council, 25 February 2021

Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2021/22, Executive, 1 February 2021

Housing Revenue Account 2021/22, Executive, 1 February 2021

Capital and Treasury Management Outturn 2020/21, Executive, 5 July 2021

Prudential Code for Capital Finance in Local Authorities (2017)

Treasury Management in the Public Services Code of Practice (2017)

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	07 December 2021
Subject:	Treasury Management and Capital Monitoring Report 2021/22
Briefing by:	Deputy Chief Executive Officer
Portfolio:	Policy and Resources

INTRODUCTION

1. The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that members be updated on treasury management at least twice yearly (mid-year and at year end). This report therefore ensures the Council is implementing best practice in accordance with the Code.
2. The Council's Treasury Management Strategy for 2021/22 was approved by Full Council on 25 February 2021.
3. The Council has borrowed and invested large sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of risk.
4. The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by Full Council, covering capital expenditure and financing, treasury management and non-treasury investments. The Council's Capital Strategy for 2021/22 was approved by Full Council on 25 February 2021.
5. An economic commentary by the Council's Treasury Advisors, Arlingclose, can be found in Appendix A.
6. The report also includes progress to 30 September 2021 on the Capital Programme.

BORROWING ACTIVITY

7. At 30 September 2021, the Council held £56 million of loans, (no change since 31 March 2021). The Council expects to borrow externally up to an additional £5 million in 2021/22 to part fund the capital programme.
8. The Council's main objective when borrowing continues to be striking an appropriately

low risk balance between securing low interest rates and achieving cost certainty over the period for which the funds are required.

9. With short-term interest rates remaining much lower than long-term rates and temporary investments earning Bank Rate or lower, it is more cost effective in the near term to use internal resources and short-term loans. This strategy enabled the Council to reduce net borrowing costs and reduce overall treasury risk.
10. Borrowing activity to 30 September 2021 was:

	Balance on 31 March 2021 £'000	Balance on 30 Sept 2021 £'000	Average Rate
Long-term borrowing	40,000	40,000	3.50%
Short-term borrowing	13,000	13,000	0.40%
Portchester Crematorium	2,967	2,967	0.00%
Total Borrowing	55,967	55,967	

The Council holds investments from Portchester Crematorium Joint Committee which is treated as a temporary loan.

INVESTMENT ACTIVITY

11. The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the six-month period, the Council's investment balance ranged between £16 and £25 million due to timing differences between income and expenditure.
12. Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
13. Security of capital has remained the Council's main investment objective. This has been maintained by following the Council's counterparty policy as set out in its Treasury Management Strategy Statement for 2021/22. The policy details the high quality and secure counterparty types the Council can invest with.
14. Given the continuing risk and low returns from short-term unsecured bank investments, the Council has diversified into more secure and higher yielding asset classes. £12 million that is available for longer-term investment was moved from bank and building society deposits into externally managed strategic pooled diversified income funds.
15. These funds have no defined maturity date but are available for withdrawal after a notice period. Their performance and continued suitability in meeting the Council's investment objectives are regularly reviewed. 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.
16. Details on investment activity to 30 September 2021 are summarised in the table below:

	Balance on 31 March 2021 £'000	Balance on 30 Sept 2021 £'000	Average Rate
Long-term Pooled Funds	11,475	11,773	3.23%
Banks and Building Societies	1,750	4,000	0.16%
Money Market Funds	5,400	6,000	0.01%
Total Investments	18,625	21,773	

COMMERCIAL PROPERTIES

17. The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return.
18. Since the Executive approval of a Commercial Property Investment Acquisition Strategy in January 2013, the Council has purchased 10 commercial investment properties as summarised below and is expected to generate rental income of £2.5 million during 2021/22.

Property Type	Purchase Cost £'000	Value at 31 March 2021 £'000
Retail	27,783	19,545
Commercial (Industrial)	10,100	10,665
Other (Healthcare)	1,890	2,130
Total	39,773	32,340

19. The reduction in value is principally due to exposure in the retail sector. This sector has had well publicised difficulties due to structural change and the COVID-19 Pandemic. The Council's exposure to High Street retail is limited and the focus is out of town, which is performing slightly better. The most recent evidence since the valuation date suggests that this sector is now trending more strongly. Key lease events on these properties have also had an effect, reflecting the cyclical nature of property. Value has also been affected by the reduction in the Average Weighted Unexpired Lease Term of this portfolio.
20. Throughout the past 18 months debts have been managed carefully. Agreements have been reached with all COVID-19 debtors and it is not foreseen that any rent will need to be written off.
21. The Council's total investment property portfolio is shown below. This is more balanced, albeit retail holdings do increase with more exposure to the High Street. This is due to longstanding strategic ownerships, rather than pure investments.

Property Type	Value at 31 March 2021 £'000
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Retail	30,672
Commercial	19,675
Other	4,645
Office	4,000
Leisure	2,533
Total	61,525

BUDGETED INCOME AND OUTTURN

22. Our treasury advisor, Arlingclose, expects Bank Rate to rise in quarter 2 of 2022. They believe this is driven as much by the Bank of England's desire to move from emergency levels as by fears of inflationary pressure.
23. Investors have priced in multiple rises in Bank Rate to 1% by 2024. While Arlingclose believes Bank Rate will rise, it is by a lesser extent than expected by markets.
24. The Council's net interest budget for 2021/22 is £695,700 (£661,300 actual in 2020/21) and is currently on target to achieve this by year end.

COMPLIANCE WITH TREASURY AND PRUDENTIAL INDICATORS

25. The Council confirms compliance with its Treasury and Prudential Indicators for 2021/22, which was set on 25 February 2021 as part of the Council's Treasury Management Strategy.
26. Performance for the first half of the year is shown in Appendix B. During the financial year to date the Council has operated within the treasury limits and prudential indicators.

CAPITAL PROGRAMME

27. On 1 February 2021, the Executive approved the 2021/22 capital programme of £32.2 million for the General Fund and Housing Revenue Account (HRA).
28. Details of actual capital expenditure in 2020/21 were reported to the July Executive and a total carry forward of £1.6 million was added to the capital programme bringing the total to £33.8 million for 2021/22.
29. Since the capital programme was approved earlier in the year, a number of new schemes or amendments to scheme budgets have been added, giving a revised total of £36.1 million: -
 - Town Centre Housing Acquisitions - £1,575,000
 - Faraday Business Park - £600,000 additional budget
 - Local Authority Delivery Phase 2 Energy Efficiency - £150,000
30. The following table sets out the updated capital programme for 2021/22 and has been used as the basis for monitoring progress to 30 September 2021:-

	Approved	2020/21	New/ Amended	
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	Programme £	Slippage £	Schemes £	Total £
Health and Public Protection	40,000	0	0	40,000
Streetscene	0	0	0	0
Leisure and Community	6,218,600	437,800	0	6,656,400
Housing	610,000	27,300	0	637,300
Planning and Development	2,835,000	313,900	0	3,148,900
Policy and Resources	12,768,500	352,200	600,000	13,720,700
Total General Fund	22,472,100	1,131,200	600,000	24,203,300
Housing Revenue Account	9,734,900	440,900	1,725,000	11,900,800
Updated 2021/22 Capital Programme	32,207,000	1,572,100	2,325,000	36,104,100

MAJOR CAPITAL SCHEMES

31. The Council has a number of major capital schemes where budgeted expenditure for 2021/22 is in excess of £500,000. These schemes, with forecast budget to 30 September 2021, are detailed in the following table:-

Capital Scheme	Budget 2021/22 £	Budget to 30 Sep 21 £	Actual to 30 Sep 21 £	Variation £
Solent Airport at Daedalus Schemes	8,882,600	3,500,000	3,298,831	-201,169
Leisure Centres Capital Investment	4,291,900	2,300,000	2,257,122	-42,878
Civic Offices Improvements	3,698,800	100,000	18,319	-81,681
HRA Improvements to Existing Stock	2,817,000	900,000	810,713	-89,287
Osborn Road Multi-Storey Car Park	2,750,000	0	0	0
HRA Station Road New Build	2,289,700	100,000	8,890	-91,110
HRA Sea Lane and Stubbington Lane New Build	2,199,300	100,000	15,372	-84,628
Fareham Live	1,970,600	100,000	10,856	-89,144
Town Centre Housing Acquisitions	1,575,000	1,575,000	1,491,964	-83,036
HRA Highlands Road New Build	1,077,100	360,000	376,914	16,914
HRA Stock Repurchases	991,800	0	0	0
Disabled Facilities Grants	549,100	225,000	68,307	-156,693
Vehicles and Plant	505,800	200,000	19,667	-180,333

32. Progress updates on the major schemes are detailed below:-

- The major scheme at **Daedalus** is the new industrial/business units at Faraday Business Park. The scheme has achieved practical completion on two of the units with additional works in progress on the other two units to install the infrastructure for a mezzanine floor.
- The majority of the **Leisure Centre Capital Investment** programme was completed mid-October and is now in the defects period. Outstanding works relate to lighting in the extended car park and an area of paving.
- Following the conclusions from the 'new ways of working project', a prioritisation of work for the **Civic Offices Improvement Programme** is being undertaken by the Property Team. It is likely there will be smaller

works next year with the majority of spend coming in 2023/24.

- (d) Expenditure for **HRA Improvements to Existing Stock** is on track. The Forward Plan for the year has been reviewed to take account of priorities and anticipated cost increases in areas such as fire doors and green initiatives and extensions, and the capital improvements budget will be revised to reflect this. A five-year contract has now been awarded for External Redecoration work which is included in the Plan.
- (e) Revised costings for the refurbishment of **Osborn Road Multi-Storey Car Park** are due mid-December and is likely to be higher than the current budget. The nature of the works is being reviewed and will be presented to members at a future Executive meeting.
- (f) **Station Road New Build.** There have been delays to the scheme due to the Highways S.278 agreement. Start on site is now scheduled for the middle of December.
- (g) **Sea Lane and Stubbington Lane New Build.** For Stubbington Lane, the Highways S.278 agreement has now been agreed and in the final stages of the legal process. Start on site may be before or after Christmas depending on when Hampshire County Council allow the road to be opened. Sea Lane has planning consent and now looking at drawing up plans and structural calculations for the entrance, parking and services to the plots.
- (h) **Fareham Live** is currently out to tender with returns due back in January. Subject to satisfactory prices, programme etc. construction is anticipated to start in April 2022 with completion in autumn 2023.
- (i) **Town Centre Housing Acquisitions.** Three properties were purchased in the town centre at the end of September. These properties will assist the Council in meeting its statutory duties to relieve and prevent homelessness through the provision of temporary and emergency self-contained accommodation.
- (j) **Highlands Road New Build.** Blocks C and D were completed in February with blocks A and B completed in July. The scheme is now in the 12 months defects period.
- (k) There have been no **HRA Stock Repurchases** in the first half of the year. The focus for spending the 1-4-1 capital receipts will be towards new builds as there is now less time pressure to spend the receipts which has increased from 3 years to 5 years.
- (l) The processing of **Disabled Facilities Grants** (DFGs) has been passed to Portsmouth City Council who facilitate the applications on our behalf. Since the last financial year, an Occupational Therapist has been seconded from Hampshire County Council and will be concentrating on DFGs in the Fareham area going forward which should see numbers increase after a slowdown in visits due to the COVID-19 pandemic. In the second half of the financial year grants of over £300,000 have been awarded to date.
- (m) Expenditure on **Vehicles and Plant** has been for an electric van for the

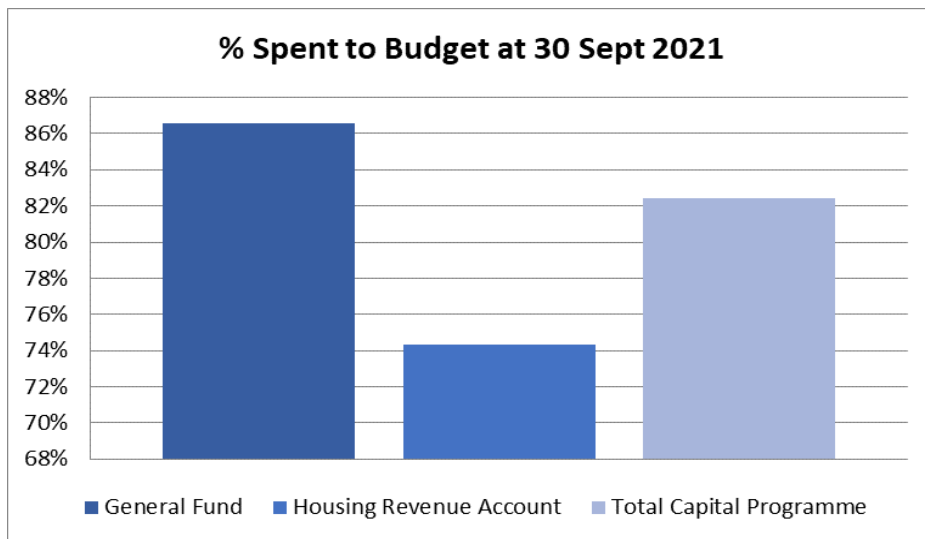
Environmental Health service. Other vehicle purchases including two secondhand refuse vehicles, a sweeper and a tractor will take place in the second half of the year and there is likely to be a small carry forward to next year.

CAPITAL MONITORING

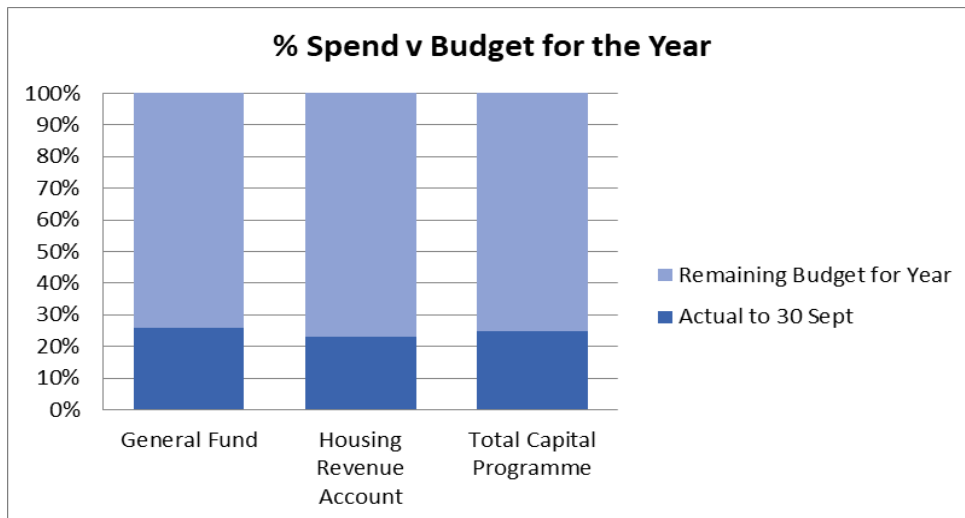
33. The following table provides summary information for the period to 30 September 2021, for all the schemes within each portfolio.

	Budget 2021/22	Budget to 30 Sep 21	Actual to 30 Sep 21	Variation
	£	£	£	£
Health and Public Protection	40,000	0	0	0
Streetscene	0	0	28,655	28,655
Leisure and Community	6,656,400	2,700,000	2,447,392	-252,608
- Buildings	6,302,500	2,500,000	2,267,978	-232,022
- Play and Parks	337,600	200,000	179,414	-20,586
- Other Community Schemes	16,300	0	0	0
Housing	637,300	250,000	73,421	-176,579
Planning and Development	3,148,900	250,000	205,166	-44,834
- Osborn Road Multi-Storey Car Park	2,750,000	0	0	0
- Other Car Park Schemes	378,900	250,000	205,166	-44,834
- Other	20,000	0	0	0
Policy and Resources	13,720,700	4,000,000	3,477,686	-522,314
- Daedalus	8,882,600	3,500,000	3,298,831	-201,169
- Civic Offices	3,698,800	100,000	18,319	-81,681
- Vehicles and Plant	505,800	200,000	19,667	-180,333
- ICT	633,500	200,000	140,869	-59,131
Total General Fund	24,203,300	7,200,000	6,232,320	-967,680
Housing Revenue Account				
- New Build	6,327,000	600,000	442,959	-157,041
- Improvements to Existing Stock	2,967,000	900,000	810,713	-89,287
- Stock Repurchases	991,800	600,000	0	-600,000
- Other HRA Schemes	1,615,000	1,595,000	1,491,964	-103,036
Total Housing Revenue Account	11,900,800	3,695,000	2,745,636	-949,364
Total Capital Programme	36,104,100	10,895,000	8,977,956	-1,917,044

34. The charts below show the actual expenditure to 30 September 2021 as a percentage of the programme for the equivalent period and for the whole year.
35. 82% of the capital programme has been spent compared to the profiled budget for the first half of the year.



36. 25% has been spent compared to the total budget for the year. The budgets will be reviewed again and re-phased where applicable as part of the forthcoming budget setting process.



RISK ASSESSMENT

37. In the current economic climate, there are continued risks that financial institutions holding Council investments could default and be unable to fulfil their commitments to repay the sums invested with them.
38. To help mitigate this risk, the Council maintains a list of approved institutions based on a grading system operated by the Council's treasury management advisors. Maximum limits are also set for investments with individual institutions.

Enquiries:

For further information on this report please contact Caroline Hancock (Ext 4589).

ECONOMIC COMMENTARY BY TREASURY ADVISORS ARLINGCLOSE – OCTOBER 2021

Economic background: The economic recovery from coronavirus pandemic continued to dominate the first half of the financial year. By the end of the period over 48 million people in the UK had received their first dose of a COVID-19 vaccine and almost 45 million their second dose.

The Bank of England (BoE) held Bank Rate at 0.1% throughout the period and maintained its Quantitative Easing programme at £895 billion, unchanged since the November 2020 meeting. In its September 2021 policy announcement, the BoE noted it now expected the UK economy to grow at a slower pace than was predicted in August, as the pace of the global recovery had shown signs of slowing and there were concerns inflationary pressures may be more persistent. Within the announcement, Bank expectations for GDP growth for the third (calendar) quarter were revised down to 2.1% (from 2.9%), in part reflecting tighter supply conditions. The path of CPI inflation is now expected to rise slightly above 4% in the last three months of 2021, due to higher energy prices and core goods inflation. While the Monetary Policy Committee meeting ended with policy rates unchanged, the tone was more hawkish.

Government initiatives continued to support the economy over the quarter but came to an end on 30th September 2021, with businesses required to either take back the 1.6 million workers on the furlough scheme or make them redundant.

The latest labour market data showed that in the three months to July 2021 the unemployment rate fell to 4.6%. The employment rate increased, and economic activity rates decreased, suggesting an improving labour market picture. Latest data showed growth in average total pay (including bonuses) and regular pay (excluding bonuses) among employees was 8.3% and 6.3% respectively over the period. However, part of the robust growth figures is due to a base effect from a decline in average pay in the spring of last year associated with the furlough scheme.

Annual CPI inflation rose to 3.2% in August, exceeding expectations for 2.9%, with the largest upward contribution coming from restaurants and hotels. The Bank of England now expects inflation to exceed 4% by the end of the calendar year owing largely to developments in energy and goods prices. The Office of National Statistics' (ONS') preferred measure of CPIH which includes owner-occupied housing was 3.0% year/year, marginally higher than expectations for 2.7%.

The easing of restrictions boosted activity in the second quarter of calendar year, helping push GDP up by 5.5% q/q (final estimate vs 4.8% q/q initial estimate). Household consumption was the largest contributor. Within the sector breakdown production contributed 1.0% q/q, construction 3.8% q/q and services 6.5% q/q, taking all of these close to their pre-pandemic levels.

The US economy grew by 6.3% in Q1 2021 (Jan-Mar) and then by an even stronger 6.6% in Q2 as the recovery continued. The Federal Reserve maintained its main interest rate at between 0% and 0.25% over the period but in its most recent meeting made suggestion that monetary policy may start to be tightened soon.

The European Central Bank maintained its base rate at 0%, deposit rate at -0.5%, and asset purchase scheme at €1.85 trillion.

Financial markets: Monetary and fiscal stimulus together with rising economic growth and the ongoing vaccine rollout programmes continued to support equity markets over most of the period, albeit with a bumpy ride towards the end. The Dow Jones hit another record high while the UK-focused FTSE 250 index continued making gains over pre-pandemic levels. The more internationally focused FTSE 100 saw more modest gains over the period and remains below its pre-crisis peak.

Inflation worries continued during the period. Declines in bond yields in the first quarter of the financial year suggested bond markets were expecting any general price increases to be less severe, or more transitory, than was previously thought. However, an increase in gas prices in the UK and EU, supply shortages and a dearth of HGV and lorry drivers with companies willing to pay more to secure their services, has caused problems for a range of industries and, in some instances, led to higher prices.

The 5-year UK benchmark gilt yield began the financial year at 0.36% before declining to 0.33% by the end of June 2021 and then climbing to 0.64% on 30th September. Over the same period the 10-year gilt yield fell from 0.80% to 0.71% before rising to 1.03% and the 20-year yield declined from 1.31% to 1.21% and then increased to 1.37%. The Sterling Overnight Rate (SONIA) averaged 0.05% over the quarter.

Credit review: Credit default swap spreads were flat over most of the period and are broadly in line with their pre-pandemic levels. In late September spreads rose by a few basis points due to concerns around Chinese property developer Evergrande defaulting but are now falling back. The gap in spreads between UK ringfenced and non-ringfenced entities continued to narrow, but Santander UK remained an outlier compared to the other ringfenced/retail banks. At the end of the period Santander UK was trading the highest at 53bps and Lloyds Bank Plc the lowest at 32bps. The other ringfenced banks were trading between 37-39bps and Nationwide Building Society was 39bps.

Over the period Fitch and Moody's upwardly revised to stable the outlook on a number of UK banks and building societies on our counterparty list, recognising their improved capital positions compared to last year and better economic growth prospects in the UK.

Fitch also revised the outlooks for Nordea, Svenska Handelsbanken and Handelsbanken plc to stable from negative. The rating agency considered the improved economic prospects in the Nordic region to have reduced the baseline downside risks it previously assigned to the lenders.

The successful vaccine rollout programme is credit positive for the financial services sector in general and the improved economic outlook has meant some institutions have been able to reduce provisions for bad loans. While there is still uncertainty around the full extent of the losses banks and building societies will suffer due to the pandemic-related economic slowdown, the sector is in a generally better position now compared to earlier this year and 2020.

2021/22 INDICATORS – HALF YEARLY PERFORMANCE

PRUDENTIAL INDICATORS

1) Level of Planned Capital Expenditure

ON TRACK

This prudential indicator is a summary of the Council's capital expenditure plans and shows how these plans are being financed by capital or revenue resources. The revised budget includes £1.6 million carried forward from 2020/21.

Capital Expenditure and Financing	Revised Estimate £'000	Actual to 30 Sept £'000
Health and Public Protection	40	0
Streetscene	0	29
Leisure and Community	6,656	2,381
Housing	637	73
Planning and Development	3,149	205
Policy and Resources	13,121	3,478
Total General Fund	23,603	6,166
HRA	10,176	1,223
Total Expenditure	33,779	7,389
Capital Receipts	2,588	18
Capital Grants/Contributions	4,656	358
Capital Reserves	7,973	1,405
Revenue	2,047	161
Internal Borrowing	16,515	5,447
Total Financing	33,779	7,389

Expenditure to 30 September is within the overall revised budget for the year. The budgets will be reviewed and re-phased where applicable as part of the forthcoming budget setting process.

2) The Council's Borrowing Need (Capital Financing Requirement)

ON TRACK

The Capital Financing Requirement (CFR) is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure financed by borrowing will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing in line with the asset's life.

	Estimate £'000	Actual to 30 Sept £'000
General Fund	67,898	52,303
HRA	53,036	51,823
Total CFR	120,934	104,126

The CFR is lower than projected due to lower internal borrowing for the first 6 months of the year.

3) Financing Costs as % of Net Revenue Stream

ON TRACK

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

	Estimate	Actual to 30 Sept
General Fund	7%	1%
HRA	13%	13%

4) Housing Revenue Account (HRA) Ratios

ON TRACK

Due to the HRA Reforms in 2012, the Council moved from a subsidy system to self-financing and was required to take on £49.3 million of debt. The table below shows additional local indicators relating to the HRA in respect of this debt.

	Estimate	End of Year Forecast
HRA debt £'000	49,268	49,268
HRA revenues £'000	12,353	12,479
Number of HRA dwellings	2,422	2,403
Ratio of debt to revenues	3.99:1	3.95:1
Debt per dwelling £	£20,340	£20,501
Debt repayment fund £'000	£5,700	£5,700

TREASURY INDICATORS

5) Investments - Principal Sums Invested for Periods Longer than a year

ON TRACK

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments.

£M	Estimate	Actual
Limit on principal invested beyond year end	15	12

£12 million is placed with externally managed strategic pooled diversified income funds which are long-term investments. The remaining investments are currently placed for less than a year to allow cash to be available for schemes in the capital programme that require internal borrowing.

6) Borrowing - Gross Debt and the Capital Financing Requirement

ON TRACK

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. The indicator shows that total debt is expected to remain below the CFR.

£'000	Estimate £'000	Actual to 30 Sept £'000
Debt at 1 April	72,700	55,967
Capital Financing Requirement (CFR)	120,934	104,126

7) Borrowing - Limits to Borrowing Activity

ON TRACK

The actual debt levels are monitored against the Operational Boundary and Authorised Limit for External Debt, below.

£'000	Limit	Actual to 30 Sept
Operational Boundary	144,000	55,967
Authorised Limit	152,000	55,967

Total debt at 30 September was £56 million. During the first half of 2021/22 the Authorised Limit of £152 million was not breached at any time.

8) Maturity Structure of Borrowing

ON TRACK

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing are:

Maturity structure of borrowing	Upper Limit %	Actual %
Loans maturing within 1 year	50	29
Loans maturing within 1 - 2 years	50	0
Loans maturing within 2 - 5 years	50	0

Loans maturing within 5 - 10 years	50	0
Loans maturing in over 10 years	100	71

The £40m HRA loans represent 71% of loans maturing in over 10 years. The Council holds investments from Portchester Crematorium which is treated as a temporary loan and £13 million short-term loans. These represent 21% of loans maturing within 1 year.

9) Commercial Investments - Proportionality

ON TRACK

The Council is dependent on profit generating investment activity to achieve a balanced revenue budget. The table below shows the extent to which the expenditure planned to meet the service delivery objectives is dependent on achieving the expected net profit from investments over the lifecycle of the Medium-Term Financial Strategy.

£'000	2021/22 Budget	Actual to 30 Sept
Gross service expenditure	45,281	16,591
Investment income	4,308	2,718
Proportion	9.5%	16.4%

10) Total Risk Exposure

ON TRACK

This indicator shows the Council's total exposure to potential investment losses.

Total Investment Exposure	2020/21 Forecast £'000	Actual to 30 Sept £'000
Treasury Management Investments	12,000	21,733
Commercial Investments	64,068	61,525
Total	76,068	83,258

11) How Investments are Funded

ON TRACK

Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Council's investments are funded by usable reserves and income received in advance of expenditure.

Investments funded by borrowing	2020/21 Forecast £'000	Actual to 30 Sept £'000
Treasury Management Investments	0	0
Commercial Investments	30,272	30,272
Total	30,272	30,272

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 07 December 2021

Portfolio:	Policy and Resources
Subject:	Virtual Briefing Meetings
Report of:	Head of Democratic Services
Corporate Priorities:	A dynamic, prudent and progressive Council

Purpose:

To seek approval for a new approach and protocol for the way in which briefings and non-formal meetings are held between Council Officers and Elected Members.

Executive summary:

Prior to the COVID-19 pandemic, the majority of Fareham Borough Council staff worked in the Council's offices, at other Council facilities (such as sheltered housing schemes) or worked across the borough maintaining our parks, collecting household waste, visiting people and homes, all with one thing in common; to provide high quality customer services across Fareham borough.

Whilst this remains the primary objective, the ways in which Council Officers and Elected Members communicate and work together has had to change during the pandemic in order to remain compliant with Government guidelines and restrictions on movement. This significantly reduced the number and frequency of face-to-face meetings.

Although we had already started the move to mobile and cloud-based ICT solutions, the pandemic led us to a rapid step-change in our use of mobile technology and working remotely. What we learnt from this experience, is that many of our services can be provided very effectively through remote working, and this led to a review being undertaken to consider how we might build on this approach in the future.

Recommendation/Recommended Option:

It is recommended that the Executive agrees that:

- (a) all future Officer/Member briefings and non-formal meetings should be delivered via Microsoft Teams where possible and practical to do so; and
- (b) the Virtual Meetings Protocol, as appended to this report be adopted.

Reason:

To act on the lessons learnt from responding to the pandemic and to maximise the use of technology to support communication with remote working.

Cost of proposals:

There are no direct costs associated with the delivery of this proposal as the technology to enable virtual meetings is provided as part of the Microsoft Office package.

Appendices: A: Protocol for Virtual Meetings

Background papers: None

Reference papers:

- Covid-19 Emergency Decisions and Democratic Services Recovery Plan – Council 22 October 2020
- The Council's Approach to the Pandemic - Review - Executive 11 October 2021
- Proposal for a new way of working – Executive 11 October 2021

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	07 December 2021
Subject:	Virtual Briefing Meetings
Briefing by:	Head of Democratic Services
Portfolio:	Policy and Resources

INTRODUCTION

1. The coronavirus pandemic has brought about unprecedented changes and long-term affects to several Council Services as well as to the way work is carried out. Between March 2020 and July 2021 our day-to-day operations had to adapt to manage the new ways of working in order to comply with the Government's lockdown guidelines.
2. The purpose of this report is to consider how the speedy introduction of technology to enable virtual meetings could be used to maximise flexibility and efficiency as our organisation implements its vision on a new way of working in the future.

BACKGROUND

3. The Coronavirus Act 2020 was passed by the House of Lords on the 25 March 2020. As well as providing details on local elections and other electoral processes, it also provided clarity to Local Authorities on how to manage many of the Council's statutory functions.
4. Section 78 of the Coronavirus Act 2020 outlined details of how Local Authorities could make provision to hold meetings without the need for Members to physically attend. This permitted the Chief Executive Officer to move forward in developing both a temporary decision-making process and to convene virtual meetings.
5. The Executive Leader took the initiative to set up virtual online briefings for all councillors. This provided an opportunity for Elected Members to be briefed by the Executive Leader and Chief Executive Officer and to ask questions and raise issues. Following the first national lockdown, these changed to briefings on a political group basis.
6. In addition, managers were encouraged to hold virtual team meetings with groups of employees, and individuals, on a regular basis to ensure that staff did not feel isolated and were well informed of developments taking place across the Council.

7. It is clear that the availability of Microsoft Teams technology made a major contribution to the way that the Council could continue to operate during the pandemic. The technology enabled councillors to participate in public meetings from the safety of their home. Live streaming of meetings to the public also avoided the need for the public to physically attend meetings.
8. The decision to allow deputations to be made in writing, or by video or audio clip proved to be popular and it has been agreed that this facility be retained in the future, subject to the separate deputation scheme for the Planning Committee being kept under review.

FUTURE PROPOSALS

9. At its meeting on 11 October 2021 the Executive considered a report by the Chief Executive Officer to review of the Council's approach to Pandemic. As part of this review, the Executive were presented with actions which would see Covid response activities developed as future initiatives to retain good examples of new ways of working across various Council services. Within this report was a recommendation to establish clear protocols on virtual briefing meetings.
10. It is suggested that the following types of meetings are held using virtual technology:
 - Director / Portfolio Holder Meetings
 - Chairman Briefings
 - Executive Briefings
 - CX / Mayor Council Briefings
 - Welborne Briefings
 - Daedalus Briefings
 - Member Working Groups

This list of meetings is not exhaustive, and this approach of virtual meetings applies to any and all similar informal Officer/Member meetings. It does not include formal meetings under the committee system (i.e. Executive, Scrutiny Panels, Council and Committee meetings)

11. It is possible to hold Individual Executive Member decisions via a virtual Teams Meeting but this should only be set up in agreement with the decision maker and if there are no deputations and no requests from the public to observe the decision being taken.
12. In certain circumstances it may be necessary or preferable to hold a physical meeting in which case this can be arranged in advance if all participants are in agreement, but the default arrangement should be to hold a virtual meeting.
13. If it is convenient to do so, physical meetings may be arranged if the date and time coincides with a scheduled committee meeting at which the Elected Member will be physically present.
14. It is important to note that there will still be plenty of opportunities for people to mix at physical meetings due to the range of committee, panel, executive, full council and group meetings which will remain as in person meetings.

Factors against continuing with virtual meetings

15. Participants of a physical meeting can often rely on body language and non-verbal communication to pick up unspoken reactions in others to assess if the message being communicated is being understood.
16. Rapport and team bonding can be important factors in establishing and building upon trust, which is easier to achieve when all participants are physically in the room.
17. It may be possible for other people in the household or office to overhear briefings and discussions when virtual meetings are held using a speaker. This could lead to information being leaked outside of the organisation before it is intended to be released into the public domain.

Factors in favour of continuing with virtual meetings

18. There are environmental benefits to keeping Officer/Member briefings as virtual meetings in the future as they reduce the need for car travel. Less commuting means fewer single passenger journeys on the local roads, which will contribute to reduced congestion and improved air quality.
19. To help mitigate the worst effects of Climate Change, the Council has made a commitment to becoming carbon neutral and has adopted a Climate Change Action Plan. Within this action plan, one of the short-term commitments is to reduce the Council's Carbon Footprint by "pursuing meetings and seminars online to reduce unnecessary travel".
20. The vision for a new way of working includes an expectation to see fewer people in the Civic Offices or Broadcut Offices on a daily basis as the flexibility to request a different work pattern will replace the traditional 9 to 5 in the office working pattern.
21. Virtual meetings are clearly more efficient in terms of time management as there is no requirement for Members to spend time travelling to the Civic Offices.
22. Some Elected Members also have full time jobs and virtual meetings are easier for them to diarise and will take less time away from their employer by virtue of not needing to factor in travelling time.
23. It is planned to provide Members with better ICT equipment in the near future which will allow easy access and good functionality for virtual meetings.

Virtual Meeting Protocols

24. During the period of the pandemic when virtual committee meetings were held, protocol emails were sent to all Members and Officers before each meeting. Guidance documents were also developed to assist Members, Officers and the public in accessing meetings.
25. A new draft protocol has been drawn up to provide guidance for the implementation of virtual briefing meetings and this is included at Appendix A.

FINANCIAL IMPLICATIONS

26. There are no direct costs associated with the delivery of this proposal as the technology to enable virtual meetings is provided as part of the Microsoft Office package.
27. It is possible that a small reduction in costs may be realised as holding more virtual meetings is likely to result in a reduction in travel costs for mileage claims under the Members' Allowances Scheme.

CONCLUSION

28. In embracing lessons learnt during the COVID pandemic, it is recommended that where possible, all future Officer/Member briefings, meetings and training sessions should be delivered via Microsoft Teams.

Enquiries:

For further information on this report please contact Leigh Usher, Head of Democratic Services. (Ext 4553)

Protocol for Virtual Meetings

1. The following meetings are to be held using MS Teams:

- Director / Portfolio Holder Meetings
- Chairman Briefings
- Executive Briefings
- CX / Mayor Council Briefings
- Welborne Briefings
- Daedalus Briefings
- Member Working Groups

This list of meetings is not exhaustive, and this approach of virtual meetings applies to any and all similar informal Officer/Member meetings. It does not include formal meetings under the committee system (i.e. Executive, Scrutiny Panels, Council and Committee meetings)

2. It is possible to hold Individual Executive Member decisions via a virtual Teams Meeting but this should only be set up in agreement with the decision maker and if there are no deputations and no requests from the public to observe the decision being taken.
3. In certain circumstances it may be necessary or preferable to hold a physical meeting in which case this can be arranged in advance if all participants are in agreement but the default arrangement should be to hold a virtual meeting.
4. If it is convenient to do so, physical meetings may be arranged if the date and time coincides with a scheduled committee meeting at which the Elected Member will be physically present.

During the meeting

5. All attendees should use the FBC branded background (or if not available a blurred background).
6. Attendees should use headphones if there are other people within earshot of the computer or laptop in use whether at home or in the office.
7. The “hands up” function should be used to indicate that you wish to speak.
8. Please be aware that the chat function can be used but that all information contained within the chat is subject to FOI requests.
9. Attendees should keep their microphones off until you are called to speak.

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

Agenda Item 14(1)

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