



CABINET – 8 JULY 2002

PROPOSED PORT DEVELOPMENT AT DIBDEN BAY – PUBLIC INQUIRY

1. BACKGROUND

- 1.1 Associated British Ports (ABP) submitted their package of applications for port development at Dibden Bay in October 2000, following several years of preparatory work. This Council's initial assessment of the implications and impacts of the proposals followed and formal objections to the development were made in November 2000 and March 2001.
- 1.2 Hampshire County Council also objected to the proposals and the two Councils have sought to work closely together in order to minimise costs and duplication of effort in supporting these objections throughout the public inquiry process. The major task of engaging legal representation, consultancy and in-house skills in detailed assessment work and the preparation of evidence began at the end of 2000.
- 1.3 The Council's Statement of Case for the public inquiry was agreed and submitted in May 2001. Following a slight delay because of the change of venue from the Waterside to Southampton docks the public inquiry opened at the end of October 2001, with a programme scheduled to last until November 2002. Currently the revised inquiry timetable is intending the inquiry to close before the end of December 2002.

2. INQUIRY COSTS

- 2.1 Provision was made during 2000/01 for £400,000 to be established in a fund, as a provisional sum for the costs of the public inquiry. The balance of that fund at 1st April 2001 was £388,785.
- 2.2 As stated above, all work has been shared with Hampshire County Council, with joint legal representation being engaged throughout. Technical topics have either been joint funded (e.g. Demand and Need issues), or have been led and paid for by the appropriate Council (e.g. HCC on Transport and Nature Conservation issues and NFDC on Landscape and Environmental impacts on local communities such as noise)
- 2.2 When the full scope of the technical implications of the inquiry objection issues and the likely length of the inquiry were known during 2001, a full estimate of the likely NFDC costs from 2001/02 was made. These totalled £585,000. Detailed work on later inquiry topics during 2002, particularly for specialist Environmental Health work on noise and air quality impacts together with related examination of alternative construction methods to reduce the impact of piling on local communities, has increased the overall cost estimate by £50,000. From 2001/02 the cost of representing the Council's case until the close of the public inquiry is therefore £635,000. The Leader of the Council has been briefed periodically on progress of the inquiry

and likely financial implications during the course of the inquiry, including a dialogue with Hampshire County Council.

2.3 The financial position at 31 March 2002 was as follows:

Balance Brought Forward	£388,785
Expenditure in 2001/02	£371,577
Balance of fund available	<u>£17,208</u>

Forecast 2002/03

Projected expenditure to inquiry close	£252,208
Anticipated Shortfall	(£235,000)

3. FINANCIAL IMPLICATIONS

3.1 As detailed in the table above, the anticipated shortfall in funds during 2002/03, until the close of the inquiry is £235,000. There is currently no budget available to cover these additional one off costs. Elsewhere on this agenda is a report on the Council's financial strategy. The report suggests that these additional costs could be met from General Fund forecast savings in 2001/02.

4. CRIME AND DISORDER IMPLICATIONS

4.1 None arising directly from this report.

5. ENVIRONMENTAL IMPLICATIONS

5.1 Port development at Dibden Bay would have the single largest environmental impact on the District of any previous infrastructure development in the area.

6. RECOMMENDATION

6.1 That the additional costs of £235,000 be approved and be financed by General Fund outturn savings from 2001/02 that are highlighted within the Financial Strategy report elsewhere on this agenda.

Further Information:

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Background Papers:

None

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