

COUNCIL MEETING

Wednesday, 20th March, 2024
at 2.00 pm

Council Chamber - Civic Centre

This meeting is open to the public

Members of the Council

The Lord Mayor – Chair

The Sheriff – Vice-chair

Leader of the Council

Members of the Council (See overleaf)

Contacts

Director of Governance, Legal and HR
Richard Ivory
Tel 023 8083 2794
Email: richard.ivory@southampton.gov.uk

Senior Democratic Support Officer
Claire Heather
Tel: 023 8083 2412
Email: claire.heather@southampton.gov.uk

WARD	COUNCILLOR	WARD	COUNCILLOR
Banister & Polygon	Every Leggett Windle	Peartree	Houghton Keogh Letts
Bargate	Bogle Noon Dr. Paffey	Portswood	Barbour Finn Savage
Bassett	Blackman Chapman Wood	Redbridge	Goodfellow McEwing Whitbread
Bevois	Denness Kataria Rayment	Shirley	Kaur Quadir Winning
Bitterne Park	Barnes-Andrews T Bunday Webb	Sholing	J Baillie Beaurain Powell-Vaughan
Coxford	Greenhalgh McCreanor Renyard	Swaythling	M Bunday Fielker Mrs Mintoff
Freemantle	Kenny Lambert Shields	Thornhill	Allen A Frampton Y Frampton
Harefield	Laurent P Baillie Fitzhenry	Woolston	Mrs Blatchford Payne Ugwoeme
Millbrook	Cox Galton Moulton		

PUBLIC INFORMATION

Role of the Council

The Council comprises all 51 Councillors. The Council normally meets six times a year including the annual meeting, at which the Lord Mayor and the Council Leader are elected and committees and sub-committees are appointed, and the budget meeting, at which the Council Tax is set for the following year.

The Council approves the policy framework, which is a series of plans and strategies recommended by the Executive, which set out the key policies and programmes for the main services provided by the Council. It receives a summary report of decisions made by the Executive, and reports on specific issues raised by the Overview and Scrutiny Management Committee. The Council also considers questions and motions submitted by Council Members on matters for which the Council has a responsibility or which affect the City.

PUBLIC INVOLVEMENT

Questions:- People who live or work in the City may ask questions of the Lord Mayor, Chairs of Committees and Members of the Executive. (See the Council's Constitution ref Part 4 Council Procedure Rules 10.8)

Petitions:- At a meeting of the Council any Member or member of the public may present a petition which is submitted in accordance with the Council's scheme for handling petitions. Petitions containing more than 1,500 signatures (qualifying) will be debated at a Council meeting. (See the Council's Constitution ref Part 4 Council Procedure Rules 10.1)

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

Deputations:- A deputation of up to three people can apply to address the Council. A deputation may include the presentation of a petition. (See the Council's Constitution ref Part 4 Council Procedure Rules 10.7)

MEETING INFORMATION

Use of Social Media:- The Council supports the video or audio recording of meetings open to the public, for either live or subsequent broadcast. However, if, in the Chair's opinion, a person filming or recording a meeting or taking photographs is interrupting proceedings or causing a disturbance, under the Council's Standing Orders the person can be ordered to stop their activity, or to leave the meeting. By entering the meeting room you are consenting to being recorded and to the use of those images and recordings for broadcasting and or/training purposes. The meeting may be recorded by the press or members of the public.

Any person or organisation filming, recording or broadcasting any meeting of the Council is responsible for any claims or other liability resulting from them doing so.

Details of the Council's Guidance on the recording of meetings is available on the Council's website.

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

Southampton: Corporate Plan 2022-2030 sets out the four key outcomes:

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

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

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

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

Proposed dates of meetings	
2023	2024
17 May (AGM)	21 February (Budget)
19 July	20 March
20 September	
15 November	

CONDUCT OF MEETING

FUNCTIONS OF THE COUNCIL

The functions of the Council are set out in Article 4 of Part 2 of the Constitution

RULES OF PROCEDURE

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

BUSINESS TO BE DISCUSSED

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

QUORUM

The minimum number of appointed Members required to be in attendance to hold the meeting is 17.

DISCLOSURE OF INTERESTS

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

DISCLOSABLE PECUNIARY INTERESTS

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

- (i) Any employment, office, trade, profession or vocation carried on for profit or gain.
- (ii) Sponsorship: Any payment or provision of any other financial benefit (other than from Southampton City Council) made or provided within the relevant period in respect of any expense incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
- (iii) Any contract which is made between you / your spouse etc (or a body in which the you / your spouse etc has a beneficial interest) and Southampton City Council under which goods or services are to be provided or works are to be executed, and which has not been fully discharged.
- (iv) Any beneficial interest in land which is within the area of Southampton.
- (v) Any license (held alone or jointly with others) to occupy land in the area of Southampton for a month or longer.
- (vi) Any tenancy where (to your knowledge) the landlord is Southampton City Council and the tenant is a body in which you / your spouse etc has a beneficial interests.
- (vii) Any beneficial interest in securities of a body where that body (to your knowledge) has a place of business or land in the area of Southampton, and either:
 - a) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body, or
 - b) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you / your spouse etc has a beneficial interest that exceeds one hundredth of the total issued share capital of that class.

Other Interests

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

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

Any public authority or body exercising functions of a public nature

Any body directed to charitable purposes

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

Principles of Decision Making

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

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

In exercising discretion, the decision maker must:

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

Richard Ivory, Solicitor
Director of Governance, Legal and HR
Civic Centre, Southampton, SO14 7LY

Tuesday, 12 March 2024

TO: ALL MEMBERS OF THE SOUTHAMPTON CITY COUNCIL

You are hereby summoned to attend a meeting of the COUNCIL to be held on WEDNESDAY, 20TH MARCH, 2024 in the COUNCIL CHAMBER CIVIC CENTRE at 2:00pm when the following business is proposed to be transacted:-

1 APOLOGIES

To receive any apologies.

2 MINUTES (Pages 1 - 30)

To authorise the signing of the minutes of the Council Meetings held on 15th November 2023, 3rd January 2024, 21st February 2024 and 6th March 2024 attached.

3 ANNOUNCEMENTS FROM THE LORD MAYOR AND LEADER

Matters especially brought forward by the Lord Mayor and the Leader.

4 DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

To receive any requests for Deputations, Presentation of Petitions or Public Questions.

5 EXECUTIVE BUSINESS

Verbal Report of the Leader of the Council.

6 MOTIONS

(a) Moved by Councillor Fielker

This council notes that in the lead up to a General Election the Household Support Fund has been extended for an additional six months, the lateness of the notification announcement and that guidance was not provided at the same time.

This council also notes that the Household Support Fund provides hardship support for the poorest households in Southampton who are most impacted by the cost-of-living crisis and that a failure to continue the fund after October or replace it with a more permanent crisis support system would lead to a surge in families unable to meet basic living costs in the winter.

This council resolves to write to the Leaders of the three largest political parties to ask that if they are in government following the election they commit to:

- continuing to provide support to those most in need through hardship funds

delivered by local authorities

- that funds are distributed to local authorities based on need
- that local authorities, who understand the needs of their communities best, are able to make local decisions on how those funds are distributed.

that a multi-year commitment is made to enable local authorities to enable them to plan distribution in an efficient manner

(b) Moved by Councillor Barbour, seconded by Councillor Wood

This motion recognises the River Itchen as one of the natural assets of our City and calls on the Council to ensure that commerce can thrive and that the balance between private and public access to the waterfront is maintained and improved.

The banks of the River Itchen have been used for centuries for commerce. In recent years sites have been built on for residential flats. With the decarbonisation of electric production transportation now produces a greater percentage of CO2 than any other sector. Transportation by sea only produces 1% of the CO2 compared to by lorry for a given distance per tonne. There are businesses in Northam that currently use bulk transportation by water of scrap for recycling importing aggregate and cement for concrete production. This is carbon efficient transport and should be supported. There are limited locations around the UK where shipping and use of wharfs is possible. Southampton is one of these few precious locations. Shipping of materials also requires multiple locations around Britain to thrive. If we want this to remain a possibility for future generations we need to prevent the building of flats on these sites as once built the land and wharves effectively becomes unavailable for commerce. To reduce climate change we will need to make difficult choices. But we should not be jeopardising long term strategy, not only for Southampton, but the country as a whole.

For the wellbeing of the citizens access to the waterfront needs to be maintained and improved as its benefits for mental and physical health are well described. The Council needs to aspire to 40% of the waterfront being accessible by the public as an initial goal in the next 10 years with 50% as the goal by 2050.

Council therefore resolves to urgently explore revising the adopted Local Plan to add appropriate planning restraints

- to residential development on locations suitable for sea transportation commerce. This will prevent splitting up the sites and putting out of reach for future waterfront use these limited locations
- to maintain waterfront access, and where sites are being redeveloped, make it a planning restraint that public access to waterfront is included.

(c) Moved by Councillor P Baillie

Southampton Council has just passed a budget for 24/25 balanced only by a loan of £40M from the government.

This financial disaster was one of this Labour Council's own making and was entirely preventable.

The recovery plan assumes the underlying £40M structural deficit for 25/26 is solved within the next seven months.

This council has no confidence whatsoever in the current administration's ability to procure the required savings and transformation in that timescale – the failure of which

will cause even more financial misery on the people of Southampton.

This council calls upon the Labour administration to apologise now to the people of Southampton for their past, current and future financial failures.

7 QUESTIONS FROM MEMBERS TO THE CHAIRS OF COMMITTEES OR THE MAYOR

To consider any question of which notice has been given under Council Procedure Rule 11.2.

8 APPOINTMENTS TO COMMITTEES, SUB-COMMITTEES AND OTHER BODIES

To deal with any appointments to Committees, Sub-Committees or other bodies as required.

9 SOLENT LOCAL ENTERPRISE PARTNERSHIP INTEGRATION INTO THE SOLENT UNITARY AUTHORITIES □ (Pages 31 - 48)

Report of the Cabinet Member for Economic Development detailing the transfer of Local Enterprise Partnership (LEP) core function to Local Authorities.

10 CORPORATE PLAN 2024 □ (Pages 49 - 66)

Report of the Leader of the Council seeking approval of the new Corporate Plan.

11 PAY POLICY 2024-2025 (Pages 67 - 84)

Report of the Interim Chief Executive seeking approval of the Pay Policy for 2024-2025.

12 EXCLUSION OF THE PRESS AND PUBLIC - EXEMPT PAPERS INCLUDED IN THE FOLLOWING ITEM (IF NEEDED)

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

Appendix 1, 2, 3 and 4 of this report contains information deemed to be exempt from general publication based on Category 3 (information relating to the financial or business affairs of any particular person (including the Authority holding the information)) of paragraph 10.4 of the Council's Access to Information Procedure Rules. In applying the public interest test this information has been deemed exempt from the publication due to commercial sensitivity. It is not considered to be in the public interest to disclose this information as it would reveal information which would put the Council at a commercial disadvantage.

13 ASSET DEVELOPMENT AND DISPOSAL PROGRAMME (ADDP) □
(Pages 85 - 116)

Report of the Cabinet Member for Economic Development for the disposal and development of assets.

NOTE: There will be prayers by Fr. Anthony Chiatu Njingo in the Mayor's Reception Room at 1.45 pm for Members of the Council and Officers who wish to attend.



Richard Ivory
Director – Governance, Legal and HR

This page is intentionally left blank

SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON 15 NOVEMBER 2023

Present:

The Lord Mayor, Councillor Laurent
The Sheriff, Councillor Shields
Councillors Allen, J Baillie (except items 46 (part), 47-51), P Baillie,
Blackman (except item 51), Mrs Blatchford, Barbour, Barnes-Andrews,
Beaurain, M Bunday (except item 51), T Bunday, Chapman, Cox (except
item 51), Denness (except item 51), Evemy, Fielker (except item 51), Finn,
Fitzhenry, A Frampton, Y Frampton, Galton, Goodfellow, Houghton (except
item 51), Kataria (except item 51), Kaur, Kenny, Keogh, Lambert, Leggett
(except item 51), Letts (except item 51), McCreanor (except item 51),
Mrs Mintoff, Moulton (except items 45 (part) 46-51), Noon, Dr Paffey (except
item 51), W Payne, Quadir, Renyard, Savage, Webb, Whitbread, Windle,
Winning and Wood

41. APOLOGIES

It was noted that apologies had been received from Councillors Bogle, Greenhalgh, McEwing, Powell-Vaughan, Rayment and Ugwoeme.

42. MINUTES

RESOLVED that the minutes of the Council Meeting held on 20th September 2023 be approved and signed as a correct record.

43. ANNOUNCEMENTS FROM THE LORD MAYOR AND LEADER

Announcements from the Lord Mayor:

- (i) The Lord Mayor announced that the meeting was open to being filmed and reminded those filming that the right to film was limited to the duration of the meeting and recording must cease when the meeting closed. Filming or recording was not permitted if the effect would be to interrupt or disturb the proceedings or if it was intrusive of a specific individual or individuals. If in her opinion this was occurring, it would not be permitted, and she would ask you to stop. Similarly, some members of the public attending the meeting may object to being filmed, photographed or recorded. The Lord Mayor would be making those attending the meeting today aware and would ask those filming, to respect their wishes, and would expect that these were complied with.
- (ii) The Lord Mayor also reminded Members that during the meeting they should treat each other with due respect during debates, remembering the courtesies they would like from members when speaking and extending those to others. This specifically included respect for the role of Lord Mayor and for them not to talk over the Lord Mayor as unfortunately happened on occasions at the last meeting during business, as an example, a question where it should be a question as opposed to statements that then lead to

- inappropriate debate across the Chamber. I expect time limits as indicated by the traffic light system to be respected. At the last two meetings of Council, we have been getting used to the revised format for Executive Business and I have given members some latitude because of that. We are now used to the system and therefore questions to the Cabinet Members must only relate to matters that have been referred to by the Cabinet, nothing else. I would repeat timings must be adhered to by all members and will be strictly applied. Also, Members I would like to remind you that as in previous years, there is a £25 fine for mobile phones ringing and this will go to the Lord Mayor's charity.
- (iii) The Lord Mayor announced it is with great pride I am able to share with you that the Southampton Sunday Lunch Project is one of only four winners in Hampshire of this year's prestigious King's Award for Voluntary Service. This prestigious National Honour recognises outstanding contributions made to local communities by groups voluntarily devoting their time for the benefit of others. It sets the national benchmark for excellence in volunteering, with the work of those awarded being judged of the highest standard.

The Southampton Sunday Lunch Project was created to help people when they are having a tough time in their life. Our customers are people who cannot or do not have the facilities to cook a hot meal for themselves or their families or are in other ways in need of lunch. Thanks to our volunteers and our generous supporters, we are able to carry on supporting our community to maintain our good work.

Winning the King's Award for Voluntary Service is a fantastic honour for our volunteers and supporters, a great accolade for our city, and recognises their selfless service to help those less fortunate have a hot Sunday lunch.

- (iv) In particular the Lord Mayor expressed her thanks to all those involved in Sunday's Remembrance Day which went so well and particularly to the security, police, Council officers and town sergeants.
- (v) The Lord Mayor also announced that there were some senior officers who will be leaving the Authority over the next few months and as this is their last Council meeting wish to thank them for the work, dedication to the organisation and wish them well, they include:-

Steve Harrison – Head of Finance

Gaetana Wiseman – Head of Support Services

Rosie Zambra – Head of Consumer Protection and Environmental Services

44. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

- (i) The Council received the following Public Questions from Ms Clearkin which were responded to by Councillor Keogh, Cabinet Member for Environment and Transport:

Question 1 - Does the Council have a cost benefit analysis for its net zero plans?

Answer - As part of the delivery process, actions to achieve net zero will be subject to a project management and decision-making process and include

an assessment of costs, benefits and funding to ensure they are affordable, deliverable and achievable.

Question 2 - Will the funding for their implementation come from a local or national source, or a combination of both, in which case how much money will Southampton have to find or borrow?

Answer - This assessment will occur on a case-by-case basis because funding comes from a variety of sources, both national, regional and local as well as business-as-usual across some SCC service areas. In addition to delivering net zero, the Council will need to explore and develop funding mechanisms to invest and retain benefits locally, especially where a proposal's business case is less strong.

Question 3 - How will the implementation of net zero policies in Southampton enable the city to recover its finances, converting them from the red into the black?

Answer - Many of the actions to achieve net zero present opportunities to introduce efficiencies, reduce future risks and costs. The measures being pursued often lead to potential financial benefits for both the Council and the city. For example, phase 1 of the Council's corporate property decarbonisation scheme reduced annual energy costs by £0.33M whilst reducing carbon emissions by 255 tonnes per year.

Carbon dioxide is essential for human life; plants breathe it in, as it were, then produce oxygen, without which humans can't live. An objective of the Council seems to be to reduce the amount of carbon dioxide in the atmosphere.

- (ii) The Council received the following Public Questions from Ms Childs-Clarke which were responded to by Councillor Keogh, Cabinet Member for Environment and Transport:

Question 1 - Can you give us the scientific data that show how much of this gas is currently in the atmosphere and the data that show by how much it should be reduced, and why?

Answer - Scientific evidence (summarised here in the Intergovernmental Panel on Climate Change Working Group Report) shows that the planet is warming, and that human activity is likely the main contributor to this warming. Carbon dioxide levels have increased by about 45% since before the industrial revolution. At the UN Climate Change conference (COP21) in December 2015, 195 countries adopted the first-ever universal global climate deal. The agreement sets out a global action plan to put the world on track to avoid dangerous climate change by limiting global warming to well below 2°C above pre-industrial levels and pursue efforts towards limiting to 1.5°C. To do this we need to reach net zero carbon emissions by 2050 globally to have chance at limiting temperature increase and avoiding the worst effects of climate change. The UK government was the first nation to set a legally binding target to be net zero by 2050. The UK Climate Change Committee has a useful summary with information on the evidence.

Question 2 - Can you define the terms 'net' and 'zero', as quoted by the Council? Please also give us the scientific data supporting the statement made in the May meeting that 'Southampton will be under water' at some point?

Answer - Net zero means reducing emissions as close to zero as possible and to balance any remaining emissions by removing them from the atmosphere, and 'offsetting' emissions with carbon sequestration nature-based actions such as planting trees, or technology-based actions such as carbon capture. The UK Government has adopted a carbon budget approach which sets out the level of emission reduction we need to avoid the worst effects of climate change and reach the legally binding target in the Climate Change Act to be net zero by 2050. Modelling suggests that without mitigation and adaptation to climate change, some areas of Southampton may be subject to flooding due to sea level rise. Modelling work completed by Climate Central illustrates this scenario.

I would refer all Councillors to the lecture entitled 'Carbon and Climate Catastrophe' given by Patrick Moore, a co-founder of Greenpeace, at the Steamboat Institute's Conference and Festival in August 2021. Link available on request.

- (iii) The Council received the following Public Questions from Ms Sandhu which were responded to by Councillor Fielker, Deputy Leader and Cabinet Member for Adults, Housing and Health:

Question 1 - Much concern continues with regards to the use of the Dolphin Hotel to house foreign newcomers. In light several negative news articles regarding activities directly linked to such hotel residents across the UK in the last 18 months, there are many Southampton residents who are concerned. Can you confirm under what circumstances these people are here? (How did they arrive and why?)

Answer - People who have claimed asylum and are otherwise destitute and have applied for asylum support which is provided by the Home Office and not the Local Authority.

Question 2 - Are they all male?

Answer - The Local Authority is not able to confirm the breakdown of residents in the hotel as this information is not publicly available.

Question 3 - How much has the average Southampton resident paid to accommodate these people?

Answer - The accommodation and support is provided by the Home Office and their sub-contractor.

Question 4 - What are the next Council actions regarding this issue?

Answer - The Home Office and their sub-contractors regularly liaise with local authorities, we will continue to engage in dialogue with partners as required.

- (iv) The Council received and noted a deputation from Ms Kate Stirling regarding retail crime.
- (v) The Council received and noted a deputation from Ms Horne and Mr Michael Stonehouse regarding the closure of Potters Court restaurant.
- (vi) The Council received and noted a deputation from Mr Fletcher regarding nutrition and best options for residents of Erskine Court.

45. EXECUTIVE BUSINESS

A verbal report of the Leader of the Council was given setting out the details of the business undertaken by the Executive.

The Leader and the Cabinet made statements and responded to questions.

The following questions were submitted in accordance with Council Procedure Rule 11.1:-

1. Council Transport Policies

Councillor Moulton to Councillor Keogh

QUESTION: In light of the government's announcement in September of its new long term plan to back drivers, what changes are being considered to council transport policies or schemes in Southampton?

ANSWER: The Council has an adopted Local Transport Plan Connected Southampton which is our long term strategy to 2040 on how to improve our transport network. The Plan for Drivers is a policy statement from Government which we await for the Department for Transport to provide Local Transport Note updates which the Council will then follow /action.

2. Housing Voids

Councillor P Baillie to Councillor Fielker

QUESTION: We know that HRA housing is in a total mess but given that the excess time to sort out voids is costing over £3.5 million per year, plus over 600 families could have been living in a council home, then what is the rationale for not making the improvement in void time to the property?

ANSWER: I was confused by this question which suggests that Council is not looking improve the current void performance. That is clearly not the case. I do recall an email from you which asked about priorities. I rightly replied that voids, repairs and decent homes have equal priority. You can't address voids in isolation of the other two. It is the need to replace kitchens, bathrooms, boilers, windows and doors at the point properties become empty which is having a major impact on the length of time to prepare a property for reletting. If we don't give repairs and decent homes an equal priority this situation will continue.

3. Child Friendly City

Councillor J Baillie to Councillor Winning

QUESTION: With the city withdrawing from the Child Friendly City process, how are you ensuring that children remain a key focus for the authority?

ANSWER: There is a distinction between the UNICEF Child Friendly programme and Child Friendly Southampton – which continues to be our aspiration for children and young people in our city.

We have given formal notice to UNICEF and we will be working with them proactively until end-January 2024 to confirm local transition arrangements.

The work with UNICEF to date has elicited the views of over 3000 children, which we have used to shape our Child Friendly Plan moving forward.

The approach we are going to take is to use our Children and Young People's Strategic Partnership Board to oversee progress. Officers will make sure that the child friendly initiatives we decide to take forward are linked to the strategic plans that Board monitors as part of its core functions.

Child friendly Southampton remains our ambition, building on the Good Ofsted rating with Outstanding leadership we received earlier in the year. The Children and Learning Scrutiny Panel would ensure progress on our plans and priorities is monitored.

4. Upkeep of Public Spaces

Councillor Galton to Councillor Keogh

QUESTION: I previously asked around the length of grass and you replied complaints were low and the service should be commended. I note in the two months since this, even local labour councillors have been using social media posts point out that grass cutting needs to be done. Do you still feel the upkeep of public spaces is of an acceptable standard in our city?

ANSWER: Complaint levels remain low. Since 1st April 2023 there have been 46 grass cutting requests received from members of the public. Some of these were requests for cutting in wildflower areas or areas that where grass is left long to encourage wildlife; these were not actioned. In this time there were 15 complaints received via customer services. All complaints will be monitored and reviewed.

5. Anti-social behaviour in Council accommodation

Councillor Powell-Vaughan to Councillor Fielker (Councillor Renyard to respond)

QUESTION: Why does Southampton City Council appear to turn a blind eye to tenants smoking and taking drugs in communal blocks and single dwellings. Will you promise to ensure any Southampton City Council tenant using drugs whether impacting on other tenants or not will be held to their lease terms?

ANSWER: Southampton City Council takes the management of antisocial behaviour and criminal activity seriously. Illegal drug use in our properties is not permitted. The Housing Management Team support the police to investigate and prosecute crime taking place in all council properties. Once the Police have confirmed it is a criminal matter, the Council can take action. The Housing Team must follow the pre-action protocol and in the first instance consider options such as speaking to the individuals, mediation or neighbourhood agreements.

It is important that reports of illegal activity are made to both the Council and the Police so that investigation can take place to provide that evidence.

6. Cruise Liner Pollution

Councillor Barbour to Councillor Keogh

QUESTION: Given the recent report in the Observer about cruise liner pollution in Southampton and the impact on health of the next generation of young people in our city what steps is the council planning to take to address this issue and can you furnish me with a timeline of strategic and tactical steps that are in process and are planned. It would appear that all the work on getting Southampton a good rating from Ofsted may be in vain if children are having to breathe in methane, nitrogen dioxide and all the other pollutants from ships. One only has to look at the plume across the city to recognise that the pollution has to go somewhere and with the prevailing winds in the city this is likely to be Bargate, Freemantle, Shirley, Weston, Woolston and Netley. Nurses in Woolston have reported to me increasing rates of asthma diagnosis in their surgeries, this is unnecessary and will build up problems for many years ahead.

ANSWER: Southampton City Council's Air Quality Action Plan 2023-2028 (<https://www.southampton.gov.uk/media/zwjffm2u/scc-aqap-2023-2028-2023-update.pdf>) sets out the measures that Southampton City Council will deliver between 2023-2028 to improve air quality in the city. It also publishes annual air quality reports (<https://www.southampton.gov.uk/our-green-city/council-commitments/clean-air/monitoring-and-reporting/air-quality-reports/>) on its implementation. These include reference to addressing pollution from the cruise industry. Associated British Ports (ABP) has adopted its own clean air strategy, "Cleaner Air for Southampton" (<https://www.abports.co.uk/media/r0sjbo30/abp-southampton-clean-air-update-2022.pdf>), which sets out the actions they will take to reduce the impact of their operations on air quality, including implementing shore-side power.

To date, Associated British Ports (ABP) has installed two shore-side connections at the Horizon and Mayflower cruise terminals through Local Enterprise Funding. This allows compatible ships to 'plug into' mains power rather than using auxiliary engines while in port. This is estimated to result in the equivalent of £10.5 million in air quality benefits. ABP is continuing to investigate the potential for further shore-side power connections. It is expected that demand will increase over next few years as more ships are built with the required infrastructure. Southampton City Council continues to explore opportunities with the port to support both their strategy and SCC's Air Quality Action Plan.

7. Transparent Decision Making

Councillor Blackman to Councillor Kaur

QUESTION: Could you outline the steps taken to ensure that decisions with significant impact, such as ending contracts for services to vulnerable user groups in the city, are made transparently and with the appropriate oversight?

ANSWER: There are processes in place that can ensure our decision making can be efficient. This includes an improved scheme of delegation which I support, however, I agree that decisions with significant impact must of course include necessary Equality and Impact Assessments which are part of our processes and appropriate scrutiny where this is needed. I have already spoken to the Chief Executive about where processes and decision making have not been carried out as well as they should have been. I know this has been the case with a lack of communication which we are resolving and all issues around that are being addressed.

8. Shore Power for Cruise Ships

Councillor Chapman to Councillor Keogh

QUESTION: Portsmouth International Port has secured funding of £19.8M to implement ship to shore power simultaneously for 3 ships - significantly more than our city's capacity. Can you confirm what funding has been applied for, or secured, to upgrade Southampton's to simultaneously charge multiple cruise ships and what steps are being made to ensure that where shore power is available it is being utilised regardless of cost to operators?

ANSWER: Associated British Ports (ABP) has adopted its own clean air strategy, "Cleaner Air for Southampton" (<https://www.abports.co.uk/media/r0sjbo30/abp-southampton-clean-air-update-2022.pdf>), which sets out the actions they will take to reduce the impact of their operations on air quality, including implementing shore-side power.

To date, Associated British Ports (ABP) has installed two shore-side connections at the Horizon and Mayflower cruise terminals through Local Enterprise Funding. This allows compatible ships to 'plug into' mains power rather than using auxiliary engines while in port. This is estimated to result in the equivalent of £10.5 million in air quality benefits. ABP is continuing to investigate the potential for further shore-side power connections. It is expected that demand will increase over next few years as more ships are built with the required infrastructure.

The Council will continue to support ABP and other stakeholders, in securing more funding and lobbying to upgrade the power supply to the port area for more ship to shore powering and wider throughout the city. A bid to Government for funding on localised energy generation is currently submitted from the University of Southampton, supported by Southampton City Council.

9. Emergency Question tabled and approved by the Lord Mayor – Broken Lifts and lengthy repairs at Potters Court.

Councillor Galton to Councillor Kaur (Councillor Fielker responded)

QUESTION: Our tenants have been plagued by issues of broken lifts and lengthy repairs. Currently our most vulnerable residents within Potters Court, have had days with both lifts out of action; before a temporary repair has allowed 1 lift to work for x3 1 hour slots within 24 hours. Residents are being advised this may now be the situation for at least the next 7 to 10 days. Do you find this acceptable and what steps are being taken to ensure lifts remain working, and in the rare instance of a breakdown are fixed within a much shorter time period than what we have currently?

ANSWER: Councillor Fielker agreed to provide a written response on the new lift maintenance contract (noting Potters Court was not part of this contract). With reference to Potters Court assurance was given, but we have been failed by the contractor putting those lifts in, I don't know when we would move to putting in a different solution and looking at how that remedy is taken, but it is to be explored, it is something we would look at and consider. They have promised us it will be 7 to 10 days. There are alternatives being put in as well to make sure that residents won't be trapped in their flats if both lifts break down. I don't know the detail of that, but I am very happy for you to be provided with that information.

46. MOTIONS

(a) Moved by Councillor Moulton and seconded by Councillor Galton

Council recognises that the planned closure of the restaurants in the Potters Court and Erskine Court Extra Care homes has not been handled well, leading to considerable distress to residents and families. The announcement of the closure with the original planned date of end of October did not allow for proper consultation or planning. Council recognises the importance of the restaurants for the wellbeing of residents and urges the Executive to work with potential alternative operators to find an enduring solution to keep them open permanently.

Furthermore, Council asks that for any such changes in the future that ward councillors are fully and proactively engaged, in a timely manner, that the welfare of vulnerable residents is properly considered, and that changes are effectively managed with co-ordination across all council departments involved.

Amendment moved by Councillor Fielker and seconded by Councillor Finn

Paragraph one, second line, delete "has not been handled well" replace with "was not implemented as well as it could have been"

Paragraph one, fifth line, delete "restaurants" and replace with "restaurant space"

Paragraph one, fifth line, after "residents and", delete "urges the Executive to work with" replace with "will explore"

Paragraph one, last line, delete "to find an enduring solution to keep them open permanently." replace with "and solutions."

Paragraph two, first line, delete "asks" replace with "reconfirms"

Paragraph two, first line, after “future”, delete “that ward councillors are fully and proactively engaged, in a timely manner, that the welfare of vulnerable residents is properly considered, and that”

Paragraph two, third line, after “managed”, delete “with co-ordination across all council departments involved” replace with “and communicated with those impacted and ward councillors.”

AMENDED MOTION TO READ:

Council recognises that the planned closure of the restaurants in the Potters Court and Erskine Court Extra Care homes was not implemented as well as it could have been, leading to considerable distress to residents and families. The announcement of the closure with the original planned date of end of October did not allow for proper consultation or planning. Council recognises the importance of the restaurant space for the wellbeing of residents and will explore potential alternative operators and solutions.

Furthermore, Council reconfirms that for any such changes in the future that changes are effectively managed and communicated with those impacted and ward councillors.

UPON BEING PUT TO THE VOTE THE AMENDMENT IN THE NAME OF COUNCILLOR FIELKER WAS DECLARED CARRIED.

RESOLVED that the amended motion be approved.

(b) Moved by Councillor P Baillie and seconded by Councillor Fitzhenry

Southampton City Council, through the Housing Revenue Account, is the most important landlord in Southampton. Its actions as the landlord impact the lives of tens of thousands of people directly, but also many other tens of thousands indirectly, who look up to the HRA for guidance and leadership.

Council notes that since 2012 there has been a sustained lack of investment in HRA. Council also notes that the HRA has ring-fenced finances and is unaffected by outside financial turmoil.

Council thus finds the present situation of void homes taking over 90 days to get ready, the repair service in disarray, and worst of all the percentage of homes meeting the Decent Homes Standard down from 99% to around 50%, unacceptable and Council asks the Executive to prioritise getting homes fit for living in, well repaired, and that the time taken to sort out standard voids is brought below 3 weeks quickly. Council notes that the cost alone of the time taken to sort out voids is around £3.5M per year, and in addition over 550 families could have been in HRA housing for a year.

Council also notes that there has been a complete stop on Estate Regeneration for political reasons, despite an urgent need for new housing.

Finally Council notes that previous Cabinet Members for Housing have appeared to not be equal to the tasks and asks the current Cabinet Member whether she is really up to the difficult challenges ahead.

Council asks that a full apology is given to council tenants, from the Cabinet Member, for the quite terrible performance of the HRA.

Amendment moved by Councillor Fielker and seconded by Councillor A Frampton

Paragraph one, finish the last sentence “indirectly.” Delete “who look up to the HRA for guidance and leadership.”

Paragraph two, first line, delete “2012 there has been a sustained lack of investment in HRA.” Replace with “2010 there has been little government investment in Council housing.”

Paragraph two, second line, delete “and is unaffected by outside financial turmoil.” Replace with “but these are impacted by the levels of rents charged.”

Paragraph three, first line, delete “thus”

Paragraph three, second line, delete “repair service in disarray” and replace with “backlog of repairs”

Paragraph three, second line, delete “worst of all”

Paragraph three, third line, insert after “99%”, “in 2010 (achieved at the end of the last period of Labour government)

Paragraph three, third line, insert after “50%”, “in 2023 (after 13 years of Conservative government),”

Paragraph three, third line, delete “unacceptable and” and replace with “in need of action.”

Paragraph three, third line, before “Council”, insert “The” and delete “asks the Executive to” replace with “will”

Paragraph three, fifth line, after “is brought”, delete “below 3 weeks” after “quickly” replace with “back to our agreed standard.”

Paragraph four, first line, after “stop on”, insert “delivery of any significant” and after “Estate Regeneration” insert “has been challenging under the current government”

Paragraph four, second line, delete “for political reasons” and replace with “for a variety of reasons”

Add new sentence at the end of Paragraph four “Despite this challenge Council has recently delivered 103 new affordable homes on Starboard Way and has ambitions for more.”

Paragraph five, first line, delete “Finally” and “notes that previous Cabinet Members for Housing have appeared to not be equal to the tasks and asks the current Cabinet Member whether she is really up to the difficult challenges ahead.” Replace with

“confirms that it has confidence in the Cabinet Member to deliver on the Council’s housing priorities to improve voids and repairs performance.”

Delete paragraph six “Council asks that a full apology is given to council tenants, from the Cabinet Member, for the quite terrible performance of the HRA.” Replace with “Council requests that the cabinet member engages further with tenant representatives on the HRA Improvement Plan.”

AMENDED MOTION TO READ:

Southampton City Council, through the Housing Revenue Account, is the most important landlord in Southampton. Its actions as the landlord impact the lives of tens of thousands of people directly, but also many other tens of thousands indirectly.

Council notes that since 2010 there has been little government investment in council housing. Council also notes that the HRA has ring-fenced finances, but these are impacted by the levels of rents charged.

Council finds the present situation of void homes taking over 90 days to get ready, the backlog of repairs and the percentage of homes meeting the Decent Homes Standard down from 99% in 2010 (achieved at the end of the last period of Labour government) to around 50% in 2023 (after 13 years of Conservative government), in need of action.

The Council will prioritise getting homes fit for living in, well repaired, and that the time taken to sort out standard voids is brought quickly back to our agreed standard. Council notes that the cost alone of the time taken to sort out voids is around £3.5M per year, and in addition over 550 families could have been in HRA housing for a year.

Council also notes that delivery of any significant Estate Regeneration has been challenging under the current government for a variety of reasons despite an urgent need for new housing. Despite this challenge Council has recently delivered 103 new affordable homes on Starboard Way and has ambitions for more.

Council confirms that it has confidence in the Cabinet Member to deliver on the Council’s housing priorities to improve voids and repairs performance.

Council requests that the Cabinet Member engages further with tenant representatives on the HRA Improvement Plan.

UPON BEING PUT TO THE VOTE THE AMENDMENT IN THE NAME OF COUNCILLOR FIELKER WAS DECLARED CARRIED.

RESOLVED that the amended motion be approved.

(c) Moved by Councillor Fitzhenry in the absence of Councillor Powell-Vaughan seconded by Councillor Renyard

Radicalisation poses a significant threat to the safety, unity, and wellbeing of our community, leading to potential acts of violence and social division. It is the responsibility of Southampton City Council [and partners] to proactively address this issue and implement measures to prevent radicalisation among our residents.

Effective strategies to prevent radicalisation require a multi-agency approach, involving local authorities, educational institutions, law enforcement, healthcare providers, and community organisations.

Council therefore agrees to propose the following actions:

- Southampton City Council to create, support educational programs, multi-faith learning and community initiatives which promote social cohesion, tolerance, and understanding among diverse communities.
- Regular meetings between Prevent Teams at Southampton City Council who can collaborate with relevant agencies and organisations to identify individuals at risk of radicalisation and provide them with appropriate support and intervention.
- Southampton City Council to encourage local schools, colleges and universities to develop curricula and awareness campaigns that teach critical thinking, media literacy, and the values of pluralism.
- Southampton City Council to enhance the training and capacity of local councillors, case workers and front-line staff to recognise signs of radicalisation, ensuring it is handled with sensitivity, respect for human rights, free speech and in accordance with established legal procedures.
- Southampton City Council to allocate resources for a public awareness campaign which informs residents about the signs of radicalisation and the available support services.
- Southampton City Council will regularly assess and report on the effectiveness of our efforts in preventing radicalisation and adapt strategies as required.

Council reaffirms its dedication to preventing radicalisation and promoting a harmonious living environment for all our residents and communities and its commitment to fostering a safe, inclusive, and resilient City.

Amendment as submitted by the mover Councillor Powell-Vaughan, moved by Councillor Fitzhenry in her absence and seconded by Councillor Renyard

Paragraph one, first line, delete “Radicalisation poses a significant threat to”

Paragraph one, first line, after “of our”, delete “community, leading to potential acts of violence and social division. It is”, replace with “communities are the”

Paragraph one, third line, delete “(and partners) to proactively address this issue and implement measures to prevent radicalisation among our residents.” replace with “working with our partners in”

And delete paragraph two “Effective strategies to prevent radicalisation require a multi-agency approach, involving local authorities, educational institutions,” replace with “law enforcement, the Home Office, Education, healthcare providers and community organisations. While Radicalisation poses a significant threat to the safety of our communities leading to potential acts of violence and social division, Southampton City Council commits and restates our commitment in this area.”

Bullet Point one, line one, delete “to” replace with “will continue to”

Bullet Point two, add to the beginning of the sentence “Will continue to”

Bullet Point three, after “Council”, add “will do more”

Bullet Point four, after “Council”, add “will continue to”

Bullet Point five, after “Council”, add “will continue”

Bullet Point six, after “Council”, add “will continue to”

AMENDED MOTION TO READ:

The safety, unity, and wellbeing of our communities are the responsibility of Southampton City Council working with our partners in law enforcement, The Home Office, Education, healthcare providers and community organisations.

While Radicalisation poses a significant threat to the safety of our communities leading to potential acts of violence and social division, Southampton City Council commits and restates our commitment in this area.

Council therefore agrees to propose the following actions:

- Southampton City Council will continue to create, support educational programs, multi-faith learning and community initiatives which promote social cohesion, tolerance, and understanding among diverse communities.
- Will continue with regular meetings between Prevent Teams at Southampton City Council who can collaborate with relevant agencies and organisations to identify individuals at risk of radicalisation and provide them with appropriate support and intervention.
- Southampton City Council will do more to encourage local schools, colleges and universities to develop curricula and awareness campaigns that teach critical thinking, media literacy, and the values of pluralism.
- Southampton City Council will continue to enhance the training and capacity of local councillors, case workers and front-line staff to recognise signs of radicalisation, ensuring it is handled with sensitivity, respect for human rights, free speech and in accordance with established legal procedures.
- Southampton City Council will continue to allocate resources for a public awareness campaign which informs residents about the signs of radicalisation and the available support services.
- Southampton City Council will continue to regularly assess and report on the effectiveness of our efforts in preventing radicalisation and adapt strategies as required.

Council reaffirms its dedication to preventing radicalisation and promoting a harmonious living environment for all our residents and communities and its commitment to fostering a safe, inclusive, and resilient City.

UPON BEING PUT TO THE VOTE THE AMENDMENT IN THE NAME OF MOVER COUNCILLOR POWELL-VAUGHAN WAS DECLARED CARRIED.

RESOLVED that the amended motion be approved.

(d) Tabled at the meeting, moved by Councillor Fitzhenry in the absence of Councillor Powell-Vaughan seconded by Councillor P Baillie

Southampton City Council stands with our Southampton Jewish communities in the face of terrorism.

The Council is saddened and disturbed by the terrorist atrocities being committed by Hamas against Israel, which have caused horrific devastation and created an escalating humanitarian crisis.

In light of this, Southampton City Council resolves to, as our way of expressing support for the people of Israel and all members of our communities, who have been deeply impacted by these illegal and unprovoked attacks against the Jewish people and Israel:

1. Condemn the attacks against Israel as horrific acts of terror.
2. Assert the belief, as a democratic state, Israel has the right to defend itself and to deter future terrorist acts against its citizens.
3. As a city of sanctuary, Southampton Council stands ready to provide support to all innocent victims of these atrocious attacks; we will work together with our partners and local communities to offer support and security to those deeply affected.
4. Agrees with the UK Government, European Union and United States of America, Hamas IS a terrorist organisation.
5. Understand, those who support Hamas, have enabled and are responsible for these attacks on Israel.
6. Agree with the Prime Minister and the Leader of the Opposition Sir Keir Starmer, a ceasefire now, will only allow Hamas to regroup, and potentially attack Israel again.

The Lord Mayor permitted an Emergency Motion tabled and moved by Councillor Kaur and seconded by Councillor Fitzhenry on the basis that an Amendment to the above would not adhere to the Council's Procedure Rules.

Southampton City Council stands against all forms of terror around the world, including the Middle East.

We are saddened by the huge loss of innocent lives within the region.

We encourage the international community, including any effort made by the British Government, to urgently work towards long lasting peace and stability.

In Southampton, we have a rich and proud tradition of strong community cohesion, where our different communities work together with mutual respect. These tragic events must not divide our communities or give rise to hate crime. Antisemitism, Islamophobia and all forms of hate, has no place in our city, and we will continue to work with partners to ensure all our communities are supported.

UPON BEING PUT TO THE VOTE THE ORIGINAL MOTION WAS REJECTED AND REPLACED BY THE EMERGENCY MOTION

UPON BEING PUT TO THE VOTE THE EMERGENCY MOTION IN THE NAME OF COUNCILLOR KAUR WAS DECLARED CARRIED.

RESOLVED that the Emergency Motion be approved.

47. QUESTIONS FROM MEMBERS TO THE CHAIRS OF COMMITTEES OR THE MAYOR

The following question to the Chair of Planning and Rights of Way Panel was submitted in accordance with Council Procedure Rule 11.2:-

1. Prevention of Flooding

Councillor P Baillie to Councillor Savage

QUESTION: The absorption of rain water is essential to help prevent flooding. A vital part is the absorption of rain water by front gardens. Why have so many front gardens been allowed to replace grass with impermeable material which just forces the rain water onto the road? What is your committee going to do about this problem?

ANSWER: At present, planning permission is required where a new driveway or hardstanding is greater than five square metres if using traditional construction consisting of impermeable materials (e.g. tarmac or non-permeable block paving) where water is not drained to a permeable area within the property curtilage.

Planning permission is not required if a new or replacement driveway of any size uses permeable (or porous) surfacing, such as gravel, permeable concrete block paving or porous asphalt, or if the rainwater is directed to a lawn or border to drain naturally.

Highway drainage is designed to accept surface water runoff from roads and footpaths within the highway curtilage, and not flows from private land, properties or private drainage connections. It is an offence under the Highway Act 1980 for any private property to direct flow towards the highway, and the Highways Authority can take action against the person(s) responsible.

The Government is committed to the enactment of Schedule 3 of the Flood and Water Management Act (2010) in 2024. This will ending the automatic right to connect into the surface water sewer network for the drainage of surface water and make Southampton City Council a Sustainable Drainage Approval Body (SAB) giving Lead Local Flood Authorities more control over the management of surface water. All development or construction where land covering an area of 100sqm or greater will be required to incorporate the use of sustainable drainage systems (SuDS). The requirement for obtaining consent from the SAB will be separate to the Local Planning Authority.

48. APPOINTMENTS TO COMMITTEES, SUB-COMMITTEES AND OTHER BODIES

The following appointments were noted:

- (i) Councillor Blackman to replace Councillor Wood on the forthcoming Scrutiny Panel Inquiry.
- (ii) Councillor Greenhalgh to replace Councillor Mrs Blatchford on Planning and Rights of Way Panel.

49. OVERVIEW AND SCRUTINY: SUMMARY OF CALL-IN ACTIVITY

The report of the Scrutiny Manager providing an update to Council on the use of Call-In by the Overview and Scrutiny Management Committee over the previous 6 months was noted.

50. EXCLUSION OF THE PRESS AND PUBLIC - EXEMPT PAPERS INCLUDED IN THE FOLLOWING ITEM (IF NEEDED)

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

The appendix was considered to be exempt from general publication based on Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules. It was not in the public interest to disclose this because doing so would prejudice individual finance and business affairs.

51. ONE GUILDHALL SQUARE – DISPOSAL OF FREEHOLD INTEREST

Report of the Cabinet Member for Finance and Change detailing the proposed disposal of freehold interest in One Guildhall Square.

RESOLVED:

- (i) That the commencement of a sale process for a disposal of the freehold interest in One Guildhall Square, subject to existing leases and condition is approved.
- (ii) a. That in the first instance, approval is given for the sale process to be offered "off market" exclusively to the special interest party. b. That any sale to the special interest party will be subject to a completion of a sale taking place by 31 March 2024.
- (iii) The commercial and financial terms and related recommendations as set out in the confidential appendix, be agreed by Council.
- (iv) Following consultation with the Cabinet Member for Finance and Change and the Executive Director for Corporate Services, that the Executive Director for Place be given delegated authority to finalise the detailed terms of this transaction.
- (v) If terms for a sale of the freehold interest cannot be agreed with the special interest party by a specified date, the council will procure the services of a commercial real estate agent through its normal procurement processes, to market the freehold interest on the open market.
- (vi) If the council needs to proceed with an open market sale in accordance with recommendation (v), to delegate authority to the Executive Director Place, following consultation with the Executive Director Corporate Services and the

Cabinet Member for Finance and Change to finalise the detailed terms for, and proceed to the completion of, sale of the property.

NOTE the following Members declared a disclosable pecuniary interest and left the meeting during its consideration: Councillors Blackman, M Bunday, Cox, Denness, Fielker, Houghton, Kataria, Letts, McCreanor and Dr.Paffey.

Councillor Leggett declared a personal interest and remained at the meeting.

SOUTHAMPTON CITY COUNCIL

MINUTES OF THE EXTRAORDINARY COUNCIL MEETING HELD ON
3 JANUARY 2024

Present:

The Lord Mayor, Councillor Laurent
The Sheriff, Councillor Shields
Councillors J Baillie, P Baillie, Blackman, Mrs Blatchford, Barbour, Barnes-Andrews, Beaurain, Bogle, M Bunday, T Bunday, Chapman, Cox, Denness, Every, Fielker, Fitzhenry, A Frampton, Y Frampton, Galton, Greenhalgh, Houghton, Kataria, Kaur, Keogh, Lambert, Letts, McEwing, Mrs Mintoff, Moulton, Noon, Dr Paffey, W Payne, Powell-Vaughan, Rayment, Renyard, Ugwoeme, Webb, Windle, Winning and Wood.

Apologies were received from Councillors Allen, Finn, Goodfellow, Kenny, Leggett, McCreanor, Savage, Quadir and Whitbread.

52. ANNOUNCEMENTS FROM THE LORD MAYOR

Filming

The Lord Mayor announced that the meeting is open to being filmed and reminded those filming that the right to film is limited to the duration of the meeting and recording must cease when I close the meeting.

Filming or recording is not permitted if the effect would be to interrupt or disturb the proceedings or if it is intrusive of a specific individual or individuals. If in my opinion this is occurring, it will not be permitted and I will ask you to stop.

Similarly, some members of the public attending the meeting may object to being filmed, photographed or recorded. I will be making those attending the meeting today aware and will ask those filming, to respect their wishes, and will expect that these are complied with.

53. ELECTION OF THE LEADER

The nomination of Councillor Fielker was moved and seconded.

RESOLVED: that in the absence of any other nominations Councillor Fielker be duly elected as Leader of the Council for the ensuing year.

Following her election as Leader, Councillor Fielker informed the Council of her Cabinet and their Portfolio responsibilities.

Councillor Letts	Deputy Leader and Cabinet Member for Finance and Change
Councillor Bogle	Cabinet Member for Economic Development
Councillor Finn	Cabinet Member for Adults and Health

Councillor A Frampton
Councillor Kataria
Councillor Keogh
Councillor Renyard
Councillor Winning

Cabinet Member for Housing
Cabinet Member for Communities and Leisure
Cabinet Member for Environment and Transport
Cabinet Member for Safer City
Cabinet Member for Children and Learning

SOUTHAMPTON CITY COUNCIL

MINUTES OF THE BUDGET COUNCIL MEETING HELD ON
21 FEBRUARY 2024

Present:

The Lord Mayor, Councillor Laurent
The Sheriff, Councillor Shields
Councillors Allen, J Baillie, P Baillie, Blackman, Mrs Blatchford, Barbour,
Barnes-Andrews, Beaurain, Bogle, M Bunday, T Bunday, Chapman, Cox,
Denness, Every, Fielker, Finn, Fitzhenry, A Frampton, Y Frampton, Galton,
Goodfellow, Greenhalgh, Houghton, Kataria, Kaur, Kenny, Keogh, Lambert,
Letts, McCreanor, McEwing, Mrs Mintoff, Moulton, Noon, Dr Paffey,
W Payne, Powell-Vaughan, Quadir, Rayment, Renyard, Savage, Ugwoeme,
Whitbread, Winning and Wood

54. APOLOGIES

It was noted that apologies had been received from Councillors Leggett and Windle.

55. ANNOUNCEMENTS FROM THE LORD MAYOR AND LEADER

(i) FILMING

The Lord Mayor announced that the meeting is being live streamed and will also be available for members of the public to view online after the meeting. For any member of the public filming the right to film is limited to the duration of the meeting and recording must cease when I close the meeting. Filming or recording is not permitted if the effect would be to interrupt or disturb the proceedings or if it is intrusive of a specific individual or individuals. If this is occurring, it would not be permitted, and would be asked to stop. Similarly, some members of the public attending the meeting may object to being filmed, photographed or recorded and would expect that these wishes are complied with.

(ii) WELCOME TO ANDREW TRAVERS

The Lord Mayor formally welcomed Andrew Travers to Council, Andrew had been appointed as Southampton's Interim Chief Executive. We all looked forward to working with Andrew in his new role.

(iii) GOODBYE TO MIKE HARRIS

The Lord Mayor formally said goodbye to Mike Harris former Chief Executive and thanked him for all his hard work, dedication and commitment to the City Council and Residents of Southampton and wished him well for the future.

56. RECOMMENDATION TO FULL COUNCIL FOR INTERIM CHIEF EXECUTIVE AND HEAD OF PAID SERVICE

Report of the Leader of the Council appointing the Interim Chief Executive and Head of Paid Service.

RESOLVED: that Andrew Travers be appointed to the position of Interim Chief Executive and Head of Paid Service.

57. MEMBERS' ALLOWANCE SCHEME

Report of the Leader of the Council detailing the Members' Allowance Scheme.

RESOLVED: that the premise for the original recommendation for increases by the Independent Remuneration Panel be accepted but agreed that these would be frozen until the expiration of the current adopted Member Allowance Scheme in May 2027.

58. ENERGY PROCUREMENT CONTRACT

Report of the Cabinet Member for Economic Development detailing the Energy Procurement Contract.

RESOLVED: that the procurement of the Council's energy needs over 4 years, equating to a total of £60M, via the Laser Energy Procurement Framework - October 2024 through to September 2028 be approved.

59. EXCLUSION OF THE PRESS AND PUBLIC - EXEMPT PAPERS INCLUDED IN THE FOLLOWING ITEM (IF NEEDED)

The Lord Mayor moved in accordance with the Council's Constitution, specifically the Access to Information Procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the exempt appendix 6 to the following Item.

Appendix 6 was exempt from publication by virtue of category 3 of rule 10.4 of the Council's Access to Information Procedure Rules i.e. information relating to the financial or business affairs of any particular person. It was not in the public interest to disclose this information due to an ongoing commercial dispute which was subject to a protected alternative dispute resolution procedure. If the information was disclosed then the Council's financial position would be available to other parties to the dispute and prejudice the Council's ability to achieve best value.

60. THE HRA BUDGET 2024/25 AND CAPITAL PROGRAMME 2023/24 TO 2028/29

Report of the Cabinet Member for Housing detailing the HRA Budget 2024/25 and Capital Programme 2023/24 to 2028/29 and a 40-year business plan. The report provided details to inform Council in setting rents, service charges and landlord-

controlled heating charges for 2024/25. The report also sets out the HRA capital programme HRA for the period 2023/24 to 2028/29 and identifies how the 2024/25 HRA budget had been balanced and contained the outcome of the formal consultation on proposals for rent and landlord-controlled heating charges.

The recommendations therein, were moved by Councillor Frampton and seconded by Councillor Fielker.

The Council agreed to suspend Council Procedure Rules 14.2, 14.5, 14.6, 14.7, 14.8, 14.9 and 16.2:-

- (i) to enable any amendments to be proposed, seconded and considered at the same time;
- (ii) to enable any amendment to be re-introduced later into the meeting; and
- (iii) to revise the time allowed for speakers as follows:-

Movers of motions - 20 minutes
Seconders - 10 minutes
Green Party/Independent Members – 5 minutes
Honorary Alderman - 5 minutes
Right of Reply (Executive only) – 10 minutes

RESOLVED:

- (i) Following consultation (paragraphs 14 to 25) to approve that, from 1 April 2024, an average rent increase would be applied to dwelling rents of 7.7% in line with Government guidance, as detailed in paragraph 14, equivalent to an average increase of £7.15 per week in the current average weekly dwelling rent figure of £92.75 for Social rent, and £10.58 per week in the current average weekly rent for affordable rent of £151.16. Rents for Shared Ownership rents would also increase by 7.7%.
- (ii) That there was no increase in weekly service charges to be applied from 1 April 2024, pending further work as detailed in paragraph 21 be approved.
- (iii) That the Housing Revenue Account revenue estimates as set out in Appendix 4 and 5 be approved.
- (iv) That the 40-year business plan for revenue and capital expenditure set out in Appendix 1 and Confidential Appendix 6 respectively, that based on current assumptions were sustainable, maintaining a minimum HRA balance increasing from £2.0M agreed for 2023/24 to £7M from 2027/28 in every financial year in line with current policy be approved.
- (v) That the increase in landlord-controlled heating charges as detailed in paragraph 25. which represent a 5% increase (reduced from the 10% increase previously anticipated in the MTFS update in July 2023) be approved.
- (vi) That the revised Housing Revenue Account (HRA) Capital Programme, which totals £280.01M (as detailed in paragraph 60 & 61 and the associated use of resources be approved.
- (vii) That the capital projections in the HRA Capital Programme for 2023/24 to 2028/29 as detailed from paragraph 60, and that spend between 2023/24 and 2027/28 had been increased following the decision of Cabinet on 6 February 2024 on the future delivery of Plots 2,9 and 10 Townhill Park, to deliver plots 2 and 9 through the Affordable Homes Framework and adjusted for known slippages at Quarter 3 be approved.
- (viii) That an increase in the HRA working balance from the current £2m, to £7m by 2027/28 be approved.

NOTE: FOR THE RECOMMENDATIONS: Councillors Allen, Barnes-Andrews, Blatchford, Bogle, M Bunday, Cox, Denness, Every, Fielker, Finn, A Frampton, Y Frampton, Goodfellow, Greenhalgh, Kataria, Kaur, Kenny, Keogh, Lambert, Letts, McCreanor, McEwing, Mintoff, Noon, Paffey, Payne, Quadir, Rayment, Renyard, Savage, Shields, Ugwoeme, Webb, Whitbread, Winning and T Bunday.

NOTE: AGAINST THE RECOMMENDATIONS: Councillors J Baillie, P Baillie, Beaurain, Fitzhenry, Galton, Houghton, Laurent, Moulton, Powell-Vaughan, Blackman, Chapman, Wood and Barbour.

61. APPOINTMENTS TO COMMITTEES, SUB-COMMITTEES AND OTHER BODIES

It was noted that following recent changes within the Administration urgency powers under the Officer Scheme of Delegation had been by the Director Legal and Governance to appoint:-

- (i) Councillor Leggett to Governance Committee to replace Councillor A Frampton.
- (ii) Councillor Cox to take up the vacancies on Health Overview Scrutiny Panel and Children and Families Scrutiny Panel.
- (iii) Councillor Letts to take up the vacancy on Licensing Committee.

It was also noted that Councillor Leggett would replace Councillor Greenhalgh on Overview and Scrutiny Management Committee.

SOUTHAMPTON CITY COUNCIL

MINUTES OF THE EXTRAORDINARY COUNCIL MEETING HELD ON
6 MARCH 2024

Present:

The Lord Mayor, Councillor Laurent
The Sheriff, Councillor Shields
Councillors Allen, P Baillie, Blackman, Mrs Blatchford, Barbour, Barnes-Andrews, Beaurain, Bogle (Except Minute 67), M Bunday, T Bunday, Cox, Denness, Every, Fielker, Finn, Fitzhenry, A Frampton, Y Frampton, Galton, Goodfellow, Greenhalgh, Houghton, Kataria, Kaur, Kenny, Keogh, Lambert, Leggett, Letts, McCreanor, McEwing, Mrs Mintoff, Noon, Dr Paffey, Payne, Powell-Vaughan, Quadir, Renyard, Savage, Ugwoeme, Whitbread, Winning and Wood

62. APOLOGIES

It was noted that apologies had been received from Councillors, Chapman, J Baillie, Moulton, Rayment, Webb and Windle.

63. ANNOUNCEMENTS FROM THE LORD MAYOR AND LEADER

(i) FILMING

The Lord Mayor announced that the meeting is being live streamed and will also be available for members of the public to view online after the meeting. For any member of the public filming the right to film is limited to the duration of the meeting and recording must cease when I close the meeting. Filming or recording is not permitted if the effect would be to interrupt or disturb the proceedings or if it is intrusive of a specific individual or individuals. If this is occurring, it would not be permitted, and would be asked to stop. Similarly, some members of the public attending the meeting may object to being filmed, photographed or recorded and would expect that these wishes are complied with.

(ii) LORD MAYOR CHARITY EVENTS

The Lord Mayor announced with great pleasure the success of the Lord Mayor's Ball which recently took place and raised twelve thousand pounds. The Lord Mayor thanked everyone who helped to make it such a great event. The Lord Mayor with great pleasure also announced the forthcoming dance event on 18th March at the O2 Guildhall, tickets were available at the box office.

64. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

The Council received and noted a deputation from Nadia Ditta, Trade Unionist and Socialist Coalition – Annual Budget.

65. THE 2024/25 BUDGET AND MEDIUM TERM FINANCIAL STRATEGY

Report of the Cabinet Member for Finance and Change detailing the 2024/25 Budget and Medium-Term Financial Strategy for 2024/25 to 2027/28. The report provided detail to inform Council in setting the council tax charge for 2024/25. A report setting out the Capital Strategy, Flexible Use of Capital Receipts Strategy, and details of the General Fund capital programme for 2023/24 to 2028/29 was considered elsewhere on this agenda. The council's financial position is such that the budget setting process for 2024/25 had been considerably more challenging than previous years, including during those under austerity and funding reductions. The council faces significant financial challenges to deliver a balanced budget. This included limited revenue reserves, ongoing financial pressures, especially in children's services and adult social care, and the continuing impact of inflation and interest rates.

The 2023/24 budget was balanced by a reliance on revenue reserves (£20.6M). In addition, sizable new budget pressures and increases to existing pressures have emerged during 2023/24. A combination of limited remaining reserves and high pressures has led to an underlying structural budget deficit in-year that is projected to continue into future years. It is against this backdrop that budget proposals for 2024/25 were presented. Despite considerable progress during 2023/24 in identifying measures to reduce expenditure and identify savings, a shortfall remains between the predicted level of spend and the council's funding available. A balanced budget for 2024/25 is only achieved with Exceptional Financial Support (EFS) from the government. This support would be in the form of a capitalisation direction, which would allow the council to use capital resources to meet revenue expenditure in 2024/25. Without this support the council would almost certainly have been facing a Section 114 notice.

The recommendations therein, were moved by Councillor Letts and seconded by Councillor Finn.

The Council agreed to suspend Council Procedure Rules 14.2, 14.5, 14.6, 14.7, 14.8, 14.9 and 16.2:-

- (i) to enable any amendments to be proposed, seconded and considered at the same time;
- (ii) to enable any amendment to be re-introduced later into the meeting; and
- (iii) to revise the time allowed for speakers as follows:-

Movers of motions - 20 minutes

Seconders - 10 minutes

Green Party/Independent Members – 5 minutes

Honorary Alderman - 5 minutes

Right of Reply (Executive only) – 10 minutes

RESOLVED:

- (i) That the revised Medium Term Financial Strategy (MTFS) for the period 2024/25 to 2027/28 as set out in Table 1 and Appendix 1 be approved.
- (ii) That the 2024/25 General Fund Revenue Budget as set out in Table 2 and Appendices 1 and 2 be approved.

- (iii) That an increase in the 'core' council tax of 2.99% and an increase in the Adult Social Care precept of 2.00%, allowable under general powers to increase council tax without a referendum be approved.
- (iv) That additional General Fund pressures totalling £42.03M in 2024/25, increasing to £51.21M in 2027/28, as detailed in paragraph 33 be approved.
- (v) That the new commitments totalling £0.86M in 2024/25, increasing to £4.89M in 2027/28, as detailed in paragraph 36 be approved.
- (vi) That savings proposals totalling £22.68M that are included in the 2024/25 General Fund Revenue Budget, reducing to £20.94M in 2027/28, as detailed in paragraph 40 be approved.
- (vii) That the Government was minded to provide Exceptional Financial Support (EFS) to the Council be noted. This would be in the form of a capitalisation direction, to ensure the council could agree a balanced budget for 2024/25, had sufficient resources to pay for transformation and other work needed to ensure the council was on a sustainable financial footing in future, and meet other potential liabilities.
- (viii) That the establishment of a comprehensive Transformation Programme as detailed in paragraphs 59 to 63 and associated funding of up to £10.62M from a combination of capital resources and Transformation Reserve be approved. To further recommend to delegate to the Chief Executive (after consultation with the Leader of the Council) the draw-down of funding and the establishment of a resource plan as required for the Transformation Programme.
- (ix) That the adoption of the Business Planning Framework set out at paragraph 64 and Appendix 6 be approved.
- (x) Delegate authority to the Executive Director Corporate Services & Section 151 Officer, following consultation with the Cabinet Member for Finance and Change, to do anything necessary to give effect to the proposals contained in this report.
- (xi) Set the Band D Council Tax for Southampton City Council at £1,812.69 for 2024/25, a Net Budget Requirement of £239.24M and the Council Tax Requirement for 2024/25 at £121.43M as per Appendix 9.
- (xii) That the estimates of precepts on the council tax collection fund for 2024/25 as set out in Appendix 10 be noted.
- (xiii) That the summary of changes to fees and charges set out in paragraph 89 and Appendix 12 be noted and the increase in Careline charges set out in Appendix 12 be approved.
- (xiv) That the Statement of the S151 Officer as set out in paragraphs 118 to 124 on the robustness of the budget and the adequacy of the council's reserves be noted and endorsed.
- (xv) That the content of the procurement pipeline 2024-29 contained at Appendix 7 be noted.
- (xvi) Delegate authority to the Executive Director Corporate Services & S151 Officer and the Executive Director of Place (after consultation with the relevant Cabinet Member) everything that was necessary to prepare a specification, carry out a procurement process or other route to market and to appoint a single provider(s) for the delivery of highways and associated services for a maximum period of 15 years, including approving the utilisation of any contractually permitted extension as set out in Appendix 8.
- (xvii) That the draft corporate debt policy and combined council tax and business rates recovery policy at annexes 6 and 7 to the MTFs (Appendix 1) be noted and adopted.

- (xviii) That the application of Council Tax premiums for properties empty for 12 months or more (from 2024/25) and second homes (from 2025/26) be agreed.
- (xix) That the following amounts be now calculated by the council for the financial year 2024/25 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992 be agreed; and determine in accordance with Section 52ZB of the Act that the council's relevant basic amount of council tax for 2024/25 is not excessive in accordance with principles approved by the Secretary of State under Section 52ZC of the Act.
- a) **£595,220,372** (being the aggregate of the amounts which the council estimates for the items set out in Section 31A(2) of the Act).
 - b) **£473,790,082** (being the aggregate of the amounts which the council estimates for the items set out in Section 31A(3) of the Act).
 - c) **£121,430,290** (being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated in accordance with Section 31A(4) of the Act as its Council Tax Requirement for the year). (Item R in the formula in Section 31B(1) of the Act).
- £1,812.69** (being the amount at (c) above (Item R), all divided by the tax base of 66,989 (Item T), calculated by the council, in accordance with Section 31B(1) of the Act, as the basic amount of its council Tax for the year).

NOTE: All Members of the Council declared a pecuniary interest in the above matter, as payers and setters of Council Tax, noted the dispensation granted by the Monitoring Officer and remained in the meeting during the consideration of the matter.

NOTE: NOTE: FOR THE RECOMMENDATIONS: Councillors Allen, Barnes-Andrews, Blatchford, Bogle, M Bunday, Cox, Denness, Evemy, Fielker, Finn, A Frampton, Y Frampton, Goodfellow, Greenhalgh, Kataria, Kaur, Kenny, Keogh, Lambert, Leggett, Letts, McCreanor, McEwing, Mintoff, Noon Paffey, Payne, Quadir, Renyard, Savage, Shields, Ugwoeme, Whitbread, Winning and T Bunday.

NOTE: AGAINST THE RECOMMENDATIONS: Councillors P Baille, Beaurain, Fitzhenry, Galton, Houghton, Laurent, Powell-Vaughan, Blackman, Wood and Barbour.

66. EXCLUSION OF THE PRESS AND PUBLIC - EXEMPT PAPERS INCLUDED IN THE FOLLOWING ITEM

Lord Mayor moved in accordance with the Council's Constitution, specifically the Access to Information Procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the exempt Appendix 9 to the following Item.

Appendix 9 is exempt from publication by virtue of category 3 of rule 10.4 of the Council's Access to Information Procedure Rules i.e. information relating to the financial or business affairs of any particular person. It is not in the public interest to disclose this information due to an ongoing commercial dispute which is subject to a protected alternative dispute resolution procedure. If the information was disclosed then the Council's financial position would be available to other parties to the dispute and prejudice the Council's ability to achieve best value.

67. THE GENERAL FUND CAPITAL PROGRAMME 2023/24 TO 2028/29

Report of the Cabinet Member for Finance and Change detailing the General Fund Capital Programme 2023/24 to 2028/29. The report set out for Council significant changes in the overall General Fund (GF) Capital Programme for the period of 2023/24 to 2028/29. This included highlighting the changes in the programme since the last reported position to Cabinet in February 2024.

The net result of the changes since the previous report was an increase to the General Fund programme of £29.12M. The capital budget proposals put forward in this report reflected the anticipated needs of the Council over the next five years. This provided certainty about future funding and enabled capital spending to be prioritised including to deliver purposeful investment alongside service and council priorities.

The recommendations therein, were moved by Councillor Letts and seconded by Councillor Fielker.

The Council agreed to suspend Council Procedure Rules 14.2, 14.5, 14.6, 14.7, 14.8, 14.9 and 16.2:-

- (i) to enable any amendments to be proposed, seconded and considered at the same time;
- (ii) to enable any amendment to be re-introduced later into the meeting; and
- (iii) to revise the time allowed for speakers as follows:-

Movers of motions - 20 minutes

Seconders - 10 minutes

Green Party/Independent Members – 5 minutes

Honorary Alderman - 5 minutes

Right of Reply (Executive only) – 10 minutes

RESOLVED:

- (i) That the Council's Capital Strategy detailed in Appendix 1 be approved.
- (ii) That the Council's MRP Strategy detailed in Appendix 2 be approved and delegate authority to the Executive Director for Corporate Services (S151 Officer) to make any changes required following the outcome of the consultation on changes to the statutory guidance and regulations: Minimum Revenue Provision.
- (iii) That the Council's Non-Treasury Investment Strategy detailed in Appendix 3 be approved.
- (iv) That the Council's Treasury Management Strategy detailed in Appendix 4 be approved.
- (v) That the Council's Flexible Use of Capital Receipts Strategy detailed in Appendix 5 be approved.
- (vi) That the revised fully funded General Fund Capital Programme, which totals £264.81M (as detailed in paragraphs 18 to 21) and the associated use of resources be approved.
- (vii) That the addition and spend of £31.09M which has been added to the General Fund programme be approved. These additions are detailed in paragraphs 24 to 48 and Appendix 7.

- (viii) That the removal of schemes from the capital programme totalling £2.18M, set out in paragraphs 40 and 48 and detailed in Appendix 7 be approved.
- (ix) That the spend of £39.66M for the SEND Expansion Programme, as set out in paragraph 32 be approved.
- (x) Approve the spend of £27.03M for the Outdoor Sports Centre, as set out in paragraph 37.
- (xi) To delegate authority to the Executive Director for Place following consultation with the Cabinet Member for Communities and Leisure, Executive Director for Corporate Services (S151 Officer), Head of Supplier Management Services and Head of Corporate Estate and Assets to conclude all necessary negotiations on the Football Foundation Grant Terms and Conditions be approved.
- (xii) To delegate authority to the Head of Corporate Estate and Assets to conduct actions necessary to enable decisions required and enter contracts for the delivery of the Outdoor Sports Centre project be approved.

NOTE: NOTE: FOR THE RECOMMENDATIONS: Councillors Allen, Barnes-Andrews, Blatchford, M Bunday, Cox, Denness, Evely, Fielker, Finn, A Frampton, Y Frampton, Goodfellow, Greenhalgh, Kataria, Kaur, Kenny, Keogh, Lambert, Leggett, Letts, McCreanor, McEwing, Mintoff, Noon Paffey, Payne, Quadir, Renyard, Savage, Shields, Ugwoeme, Whitbread, Winning and T Bunday.

NOTE: AGAINST THE RECOMMENDATIONS: Councillors P Baille, Beaurain, Fitzhenry, Galton, Houghton, Laurent, Powell-Vaughan,

NOTE: ABSTAINED THE RECOMMENDATIONS: Councillors Blackman, Wood and Barbour.

DECISION-MAKER:	Cabinet
SUBJECT:	Solent Local Enterprise Partnership Integration into the Solent Unitary Authorities
DATE OF DECISION:	19th March, 2024
REPORT OF:	Councillor Fielker - Leader of Southampton City Council

<u>CONTACT DETAILS</u>			
Executive Director	Title	Chief Executive	
	Name:	Andrew Travers	Tel: 023 8083 2943
	E-mail	Andrew.Travers@Southampton.gov.uk	
Author:	Title	Head of Economic Development & Regeneration	
	Name:	Nawaz Khan	Tel: 023 8091 7648
	E-mail	Nawaz.Khan@Southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
N/A

BRIEF SUMMARY
<p>The purpose of this report is to update Cabinet on the integration of the Solent Local Enterprise Partnership (SLEP) functions into Upper Tier Local Authorities (UTLAs) and seek approval for Southampton City Council (SCC) to work with the Isle of Wight Council (IWC) and Portsmouth City Council (PCC) to jointly take on these integrated LEP functions and deal with the changes that result from this new approach, including the creation of a joint UTLA Board to take on these responsibilities.</p>
<p>The joint UTLA Board was proposed by the three unitary UTLAs in the integration plan submitted to Government on the 30 November 2023, with our proposals for taking this forward. Subsequently a shadow board was formed and is in the process of being formally constituted with draft terms of reference to be approved before 31 March 2024.</p>
<p>It should be noted that PCC's and the IWC's Cabinets decided to approve the following recommendations, PCC's Cabinet on the 6 February 2024 and IWC's Cabinet 8 February 2024. If approved all three partner Council's will have mirrored and approved the same key recommendations, prior to the government's transitional date of 1 April 2024, after which the integration of LEP functions into local democratic institutions will be formalised, subject to the approval by Government of the submitted integration plan.</p>
<p>Recommendation (iv), if approved will provide delegate authority to the Chief Executive and Head of Economic Development and Regeneration, following consultation with the Leader to agree the final details of the transfer of LEP functions to the UTLAs, including future governance arrangements.</p>
<p>The formal decision-making process by the joint UTLA Board will centre on building a consensus amongst the three leaders.</p>

The delegated authority provided to Chief Executive, following consultation with the Leader, will cover the following areas: sub-regional partnerships and initiatives, sub-regional strategic economic planning, economic development, business support and strategic skills.

Where decisions are needed that are outside of the above delegations, then the decision will be formally made by the Cabinets of the partner local authorities.

RECOMMENDATIONS:

	(i)	To delegate authority to the Chief Executive, following consultation with the Leader and Executive Director for Corporate Services (and S151 officer), to agree the final details of the transfer of LEP functions to the UTLAs, including future governance arrangements.
	(ii)	To approve in principle the proposed draft governance structures attached as Appendix One that demonstrate how SCC plans to work with our sub-regional partners to achieve our economic growth ambitions which will need to be outlined in an updated Solent 2050 Strategy.
	(iii)	Subject to the agreement of PCC and IOWC, to agree that PCC is confirmed as the Accountable Body for the new a new joint UTLA Board, with the Leader of SCC acting as the first board chair.
	(iv)	SCC agrees that the existing LEP funding, should be disaggregated to the three Solent UTLAs and be pooled (<i>subject to the agreement of Isle of Wight Council and Portsmouth City Council</i>), for the benefit of economic growth of the sub-region, defined as the combined geographies of the three Solent UTLAs.
	(v)	Agree that, subject to the three Solent UTLA area being recognised by the Government as an area for LEP Integration, with appropriate legal due diligence, to delegate authority to the Chief Executive, following consultation with the Leader to determine whether SCC will become a Member of Solent Partners (SP). This agreement to be conditional on all three UTLAs agreeing to become Members of Solent Partners in conjunction.
	(vi)	To agree that SCC should not appoint a Director to the Board of Solent Partners to ensure that there is no conflict of interest with the wider governance needed for the new LEP integration arrangements. The three UTLAs will seek appropriate requirements, within the articles of Solent Partners, to ensure representatives of the three Solent ULTAs are entitled to observe board meetings.
	(vii)	To delegate authority to the Chief Executive, following consultation with the Leader to work with all sub-regional partners to develop an agreement on how to deliver economic growth for the functional economic area and take ownership of the Solent 2050 strategy.
	(viii)	To support the creation of a Solent Economic Partnership, inviting adjacent Pages 32 nd Boroughs, Hampshire County

		Council (HCC), and other key public sector stakeholders to participate, to enable Local Authorities leaders and the private sector to have an opportunity to discuss and support economic growth in the Solent sub-region.
	(x)	To approve the proportional disaggregation of existing assets held by the SLEP to the Accountable Body (PCC) on behalf of the Upper Tier Local Authorities, including HCC (subject to the agreement of the three Solent unitary UTLAs).
REASONS FOR REPORT RECOMMENDATIONS		
1.		The Government have stated that all core funding for LEPs will cease, with the core LEP functions being transferred to democratic control. The Government have set criteria for the return of these functions and the recommendations in this report enable an appropriate mechanism to be put in place to achieve the Government's policy requirements.
2.		While current guidance is clear that LEPs can continue in a private capacity, the Solent LEP has confirmed that they intend to cease operating as soon as possible after 31st March 2024 and have set up an alternative company, Solent Partners, with aspirations to continue to support the economic development agenda in the Solent. This report therefore notes that assets and resources built up with public money will need to be retained in the public domain.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED		
3.		The following options have all been considered and rejected in favour our submitting an Integration Plan to Government across the geography of the three Solent UTLAs and in partnership.
4.		The option to do nothing has been rejected on the basis that the Government is proposing to devolve the core functions and responsibilities of the LEPs to upper tier local authorities or combined authorities.
5.		The option of SCC to act unilaterally was rejected on the basis that the new arrangements will be devolved to the sub-region, and it is a requirement for UTLAs to act in partnership or to at least to collaborate on delivery across sub-regions.
6.		That the new arrangements be formed on a county wide basis of Hampshire and the UTLAs of SCC, PCC and IWC. This option was not supported by the three UTLAs as in their view it ignores the clear Functional Economic Area (FEA) across the Solent sub-region which has consistently been recognised by Government with the creation of the SLEP and the Solent Freeport. As established partners the three UTLAs will work together to bring about the integration of the LEP functions across the three unitary authorities.
DETAIL (Including consultation carried out)		
7.		Local Enterprise Partnerships (LEPs) are non-statutory bodies that were created to promote economic growth and job creation. They are business led partnerships with additional representatives from local authorities, as well as academic and voluntary institutions. Thirty-eight LEPs were established across the Country in 2010-11 and Southampton City Council

	area is part of the Solent LEP. The Solent LEP was based on the same geography as the Partnership for South Hampshire (PfSH) with the addition of the Isle of Wight.
8.	In 2018 LEP boundaries were reviewed and, as part of this review, it was determined that a district or borough local authority could no longer be in two different LEPs. This meant that the Solent LEP geography could no longer mirror the PfSH geography and so the whole of the New Forest District Council was included within the SLEP and the parts of Winchester City Council, Test Valley Borough Council and East Hampshire that were part of the SLEP were transferred to Enterprise M3 LEP.
9.	<p>A further review was undertaken by the Government between early 2021 and the publication of the February 2022 Levelling Up white paper. This led to the ministerial letter proposing LEP integration: 'Integrating Local Enterprise Partnerships into local democratic institutions, 31 March 2022'. On the 4 August 2023, the Government issued a letter which confirmed their support for UTLAs and combined authorities to take on the functions currently delivered by LEPs.</p> <p><i>'Where not already delivered by a combined authority, or in areas where a devolution deal is not yet agreed, the Government expects these functions to be exercised by upper tier local authorities, working in collaboration with other upper tier local authorities over functional economic areas (FEA) as appropriate.</i></p>
10.	<p>In the guidance the Government state that the geography for integration of functions should either be a whole County area or a functioning economic area (FEA) that has a population of at least 500,000 (and for some functions at least 22,000 businesses in the area). The Government have been clear that they will no longer fund LEPs with core funding from April 2024 and that the UTLAs will be responsible for:</p> <ul style="list-style-type: none"> ○ Business representation, to 'create or continue to engage with an Economic Growth Board (or similar) made up of local business leaders and relevant representative bodies to (A) provide the view of local businesses as part of regional decision making and (B) work with local leaders to create a broad economic strategy for the area'. ○ Strategic economic planning - areas will be expected to produce, or continue to update, economic strategies to support local decision making, building on the plans currently developed and overseen by LEPs. The Government expects areas to publish their (existing, new, or updated) strategy within six months of receiving any transitional funding. There will be a need to review, update, adopt and publish a refreshed Solent 2050 Strategy and ensure that this is an appropriate strategy for sub-region. ○ Responsibility for the delivery of government programmes where directed. Currently these programmes would be the Growth Hubs and the Career Hubs. The Government expects these functions to be exercised by UTLAs (working in collaboration with other upper tier local authorities as appropriate) where there is not a devolution deal or a deal in the offing. Initial views from Government suggest that they envisage the current Growth Hub to be commissioned on a county wide basis although with the possibility that there could be a Solent front-end for businesses. Further guidance has however suggested a need to

	ensure the delivery of government functions is coterminous with the FEA for economic strategy and business representation so further guidance is needed.
11.	Whilst the Government have stated that their expectation is that the area for integration is a county area or FEA, they also state that the starting point for consideration of an appropriate area should be the existing LEP geography. Hampshire County Council (HCC) are clear that they do not wish to sustain the current Solent LEP geography for the integration arrangements and instead have submitted detail for county council geography, including our neighbouring Districts and Boroughs.
12.	This proposed geography recognises that the two cities of Southampton and Portsmouth drive the growth of the region and have clear links to the Isle of Wight including through ferry routes. There are also key synergies across the area on key economic sectors including advanced manufacturing and the visitor economy and on key challenges association with deprivation and coastal areas. The three Solent unitaries, working together, meet the thresholds required by the Government and have sent an integration template back to Government on this proposed geography. This report takes forward what was in the integration template. Assuming this approach is supported by the Government, and there has been no indication that this will not be the case, there will need to be a strong and positive working relationship with HCC, who will be operating in the wider Solent area for the parts of the SLEP area that comprises the districts and boroughs.
13.	In parallel to the integration of functions from the LEP there is a need to consider the disaggregation and transfer of assets from the LEP to the UTLAs. The amount to be disaggregated between HCC, PCC, SCC and IOWC remains to be agreed between the LEP and PCC, acting as its accountable body for the SLEP. Funding received by the three unitary UTLAs will be pooled and held by PCC as the accountable body or the three authorities. This funding will be for the benefit of the economic growth of the area. This will be subject to further agreement between the three unitary UTLAs.
14.	In response to the envisaged changes to their operating environment, the SLEP's Board decided to set up a new company limited by guarantee called Solent Partners. Solent Partners was established to provide continuity and with the potential to support the delivery of the functions being devolved to the Solent UTLAs.
15.	Whilst Solent Partners can enable the delivery of LEP functions across the Solent area, it will be the UTLAs that will be accountable for delivery of the functions and economic growth. The governance arrangements detailed below recognise this reality and so are based on a model where-by the three UTLAs commission Solent Partners to deliver some of the functions on their behalf, whilst considering public procurement regulations and in delivering best value considerations. Any commissioning through Solent Partners will be subject to the specific governance and function of that company and the funding mechanisms chosen by the three UTLAs, that may also include direct delivery options, where appropriate.
	Proposed governance and delivery model

16.	As the Accountable Body (AB) for the Solent LEP, PCC has a role to make sure that the LEP Integration Process is undertaken properly and that any decisions around existing assets and liabilities are in accordance with regulations and guidance. The AB role is different to the role in relation to the decisions and wishes of PCC, and as the AB will need to work in partnership with Isle of Wight Council and Southampton City Council to make sure that LEP Integration works successfully for the Solent sub-region and the communities and businesses that are within our geography.
17.	The three unitary UTLAs have already set-up a shadow joint Board, that comprises the Leaders and Chief Executives of the three Solent unitary authorities. This Board will be accountable for the devolved responsibilities and where appropriate, will commission any delivery partners, to account for delivery of the programmes and functions assigned to support the economic growth agenda. Draft terms of reference will be approved by the joint UTLA Board prior to 31 March 2024. The sovereignty of individual authorities is recognised whilst also allowing for wider work that supports the devolution ambitions of the area. The Board would also need to work with HCC to try to ensure as much alignment as possible.
18.	Alongside the joint UTLA Board there is the potential, and wish, to set up a Solent Economic Partnership. This would cover the wider Solent geography and HCC, the districts and boroughs within the Solent area would be invited to be part of this partnership. It would comprise Leaders and Chief Executives, or their representatives, and will enable a discussion to take place on the wider geography and hopefully ensure that there is some ongoing alignment or in considering delivery or commissioning options across the wider sub-regional geography.
19.	Solent Partners is a Company Limited by Guarantee (as is the Solent LEP). It has been proposed that the core Members of the Company will be the three unitary authorities. This is different to the Solent LEP where there are Members from both the public and private sector, and PCC has the role as the accountable body for the Solent LEP. HCC has made it clear that it does not wish to be part of Solent Partners.
20.	The joint UTLA Board will set out an annual commissioning plan, used to set the LEP Integration work programme. Meetings will be held quarterly to performance manage the plan. The joint UTLA Board will be in a position to change the approach, or the delivery partner, if the plan is not being achieved, subject to an agreed notice period.
21.	The SLEP also undertakes some functions outside of the core functions described above. There are two companies to deliver specific economic aspirations in the region. The Membership of the Solent Cluster Ltd has agreed to be transferred to Solent Partners and it is anticipated that Maritime Solent (UK) Ltd will similarly transfer its membership, subject to its own internal agreement. These two companies have been provided revenue funding by the SLEP to operate until March 2026 and thereafter become self-sustaining, private sector led initiatives. The SLEP has also provided start-up revenue funding for the Solent Maritime Innovation Hub, providing support to March 2026.
22.	Solent Partners also have a desire to take on roles in and with other bodies and panels, the most notable of these is the Skills Advisory Panel,

	which was set up by PfSH before transitioning to the LEP. It seeks to be a steering group for the Local Skills Improvement Plan (LSIP), a Department for Education funded plan, for which the Hampshire Chamber of Commerce is the designated employer representative body.
23.	One of the issues that is outstanding at the time of writing this report is what to do with existing LEP assets and resources and the associated implications on SLEP employees. Government guidance is clear that any reserves and assets built up using public funds will remain within the public domain (i.e. transferred to the relevant local authority or authorities). All SLEP employees are employed by PCC and there may be Transfer of Undertakings Protection of Employment (TUPE) or redundancy issues that will need to be considered depending on discussions that are ongoing with HCC and Government around delivery options across the wider geography. PCC as the AB, working with the SLEP, must agree how to split public funds that are currently held by the SLEP between the UTLAs, including HCC.
24.	Initial informal consultation has taken place with all the Solent unitary and district councils, with HCC, key business, and public sector stakeholders in the formulation of the agreements set out in this report. Stakeholder consultation will be ongoing, with the SLEP Board members, with Solent Partners and other key stakeholders, such as our university partners. Once the integration plans, submitted to Government in November 2024 are finally approved, then the partners will be able to formally consult on the newly approved arrangements.
RESOURCE IMPLICATIONS	
<u>Financial</u>	
25.	Acting as the Accountable Body for the Solent LEP, PCC has an important role in agreeing the disaggregation of assets held by the SLEP at 31 March 2024 and as part of this have been working with the SLEP and the four UTLAs, including HCC, to agree a disaggregation method that is in line with the guidance published by the Government.
26.	The guidance sets out that it is for the LEP and the Accountable Body to agree this method and the Accountable Body will make its judgement having reviewed the formal representations made by each of the UTLAs.
27.	Fundamentally, the Accountable Body's judgement will be based on the balance of the following: <ul style="list-style-type: none"> a. The rationality of the decision in the public interest b. That decisions are taken in line with the National Assurance Framework, adhering to proper governance and due diligence. c. That decisions are made in accordance with the intent and spirit of any Government Guidance
28.	Following a review of the submissions and any necessary further consultation with the Solent LEP, the Accountable Body may ultimately agree or disagree with the LEP's position. In the event of a disagreement then the LEP and Accountable Body will engage with the Government to seek their view.
29.	Acting as the Accountable Body for Solent Partners, PCC will ensure that any disaggregated LEP funding received is pooled, held on a separate

	area of its balance sheet, and used for the benefit of economic growth of the region subject to the agreement of the three UTLAs.
<u>Property/Other</u>	
30.	There are no direct property implications associated with this report.
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
31.	S.1 Localism Act 2011 (the 'General Power of Competence') permits a Council to do anything to support the delivery of its functions providing not otherwise prohibited by statute. The proposals within this report are authorised by virtue of s.1. The arrangements and status of the proposed Board will be determined in accordance with the Local Government Acts. The formal status of the Board will, in due course, be confirmed in the respective Council's Constitutions.
<u>Other Legal Implications:</u>	
32.	<p>The contents of this report outline the current position within the construct of the Guidance and the current disaggregation plan. What is also clear is that there will be beyond the noting stage of this process a few legal challenges which whilst yet to crystallise are in summary (as set out within the body of the report) the following:</p> <ul style="list-style-type: none"> ○ It is recognised that the Solent Partners is of itself an independent company. The option for a shared membership (ownership) from each of the three UTLA's will be subject to the appropriate due diligence. ○ The current model does not espouse that within Solent Partners that the UTLA's will have any director status (this is subject to a current piece of work being dealt with to look at how the independence of Solent Partners sits within the concept procurement and the PCR's.) ○ The paper alludes to the UTLA's being able within some form of construct to, amongst themselves set the "tone and focus" for how Solent Partners (or indeed any organisation that the UTLA's might wish to align) should deliver key objectives. That can be achieved via some form of "Board structure" which self-governs probably via some form of MOU. ○ There is a need to maintain clear channels of decision making and facilitation separating as far as practicable the respective roles and functions.
RISK MANAGEMENT IMPLICATIONS	
33.	The governance arrangements detailed in this report are based on a model where the three Solent UTLAs act in partnership on the joint UTLA Board and act to share risk management.
34.	The joint UTLA Board was proposed by the three unitary UTLAs in the integration plan submitted to Government on the 30 November 2023, with our proposals for taking this forward. Subsequently a shadow board was formed and is in the process of being formally constituted with draft terms of reference to be approved before the 31 March 2024.
35.	Further risks arise from the commissioning of any delivery partners, if the Joint ULA Board determine that any devolved responsibilities should in whole or in part be delivered on their behalf of the Solent UTLAs, then any

	delivery partner/s will need to clearly to demonstrate that they are providing best value services for the UTLAs.
36.	To mitigate risk the accountable body (PCC) have commissioned external legal advice, in consideration of commissioning. Further legal advice may be sought in determining the most appropriate relationship with external delivery partners.
POLICY FRAMEWORK IMPLICATIONS	
	Corporate Plan
37.	Growth that benefits local people is a key strategic objective of Southampton City Council's Corporate Plan. Economic growth is the central motivation for integrating LEP functions into UTLAs. Providing business representation across the UTLAs, delivering strategic economic planning, and continuing the delivery of government programmes such as the Growth Hub and Career hub will support the Council's ambitions to support local businesses, and to provide more job opportunities and further investment in Southampton.
38.	The Council is also committed to achieving long-term financial sustainability so that it can invest purposefully into the city and help it to grow to its full potential. Under the new arrangements the UTLAs will be expected to produce, or continue to update, economic strategies to support local decision making, building on the plans currently developed and overseen by the LEP. The new arrangements will support the three unitary authorities commission Solent Partners to deliver economic development functions on their behalf assuming that Solent Partners are able to demonstrate that they are providing best value services.

KEY DECISION?	Yes
WARDS/COMMUNITIES AFFECTED:	All Wards
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Proposed governance and delivery structure model
2.	ESIA

Documents In Members' Rooms

1.	None
2.	

Equality Impact Assessment

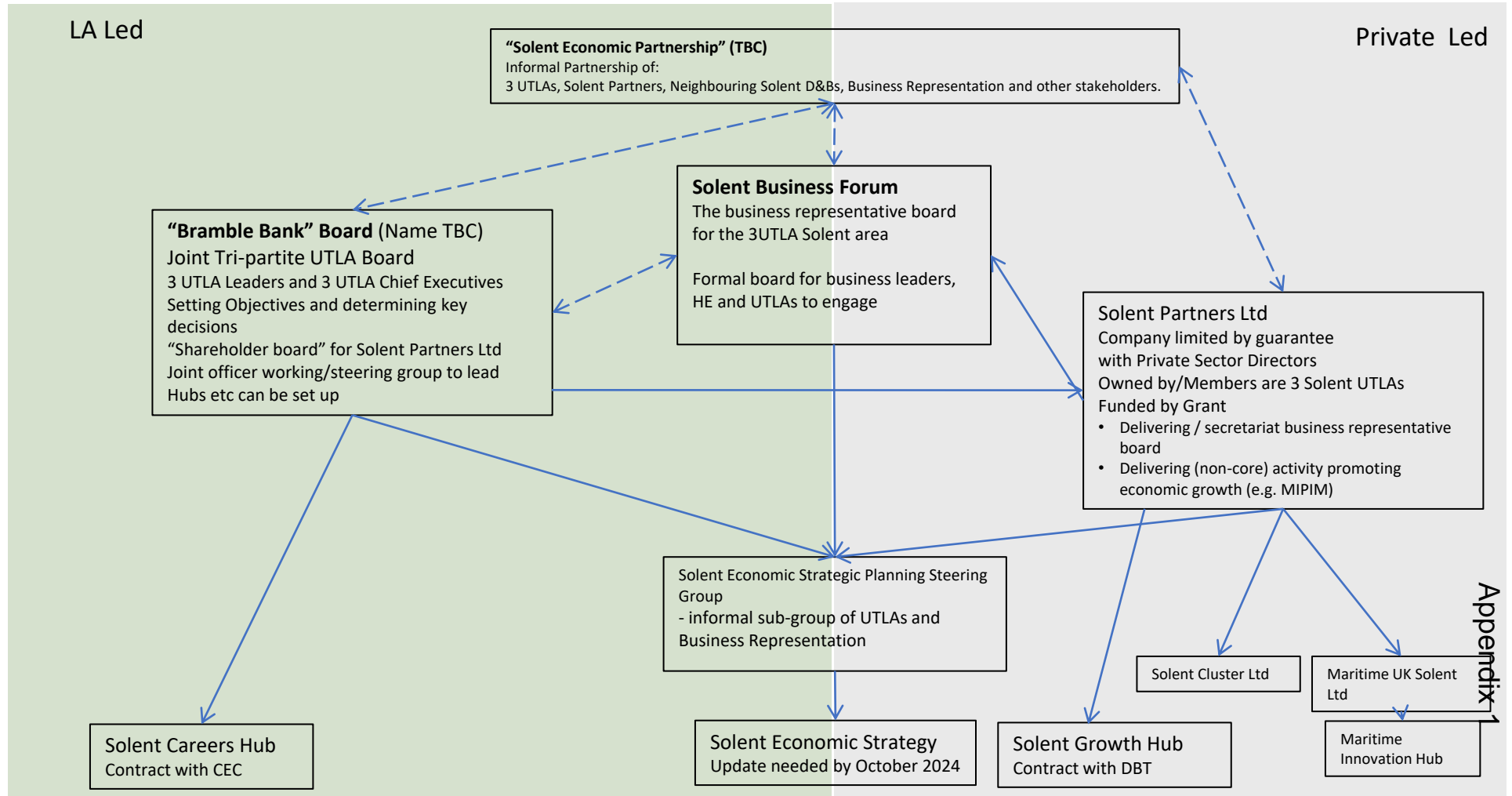
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	Yes
---	------------

Data Protection Impact Assessment

Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	No
--	-----------

Other Background documents available for inspection at:		
	Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.		
2.		

Preferred structure that needs to be considered the Public Procurement Regulations (PPRs), in terms of the commissioning and external delivery through partners. Key assumptions - PPRs will determine what functions the 3 UTLAs may need to 'directly' deliver and those elements that might be delivered by delivery partners such as Solent Partners.



Further work is needed to determine the final governance and delivery structure.

This page is intentionally left blank



Equality and Safety Impact Assessment

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

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

Name or Brief Description of Proposal	Solent Local Enterprise Partnership Integration into the Solent Unitary Authorities
Brief Service Profile (including number of customers)	
<p>One Council</p> <p>This proposal has been developed by the Place directorate and developed in conjunction with Portsmouth City Council (PCC) and the Isle of Wight Council (IWC) as our key sub-regional partners. These were presented to Cllr Bogle’s (Economic Development) CMB on 24 November 2023, with the Leader and Chief Executive at a Shadow Joint Upper Tier Local Authority (UTLA) Board on the 22 January 2024. A further briefing paper will be provided to the OSMC on the 14 March, prior to a Cabinet paper due on the 19 March 2024.</p> <p>Governance and decision-making</p> <p>The key drivers for the proposed governance model, centre on the need to empower local leaders and in turn with the integration of Solent LEP functions into local democratic institutions.</p> <p>The formal decision-making process by the Board will centre building a consensus amongst the three Leaders, each with delegations, provided by their respective Cabinets. In turn recommendation 1.3 of this Cabinet report, if approved, will provide delegate authority to SCC’s Chief Executive and Head of Economic Development and Regeneration, following consultation with the Leader to agree the final details of the transfer of LEP functions to the UTLAs, including future all governance arrangements.</p> <p>Southampton City Council’s (SCC) Legal Services have advised with respect to decision making regarding the new Joint UTLA Board, a key decision is needed to approve the formation of the new external Board sub-regional partners Board to manage the integration process and associated Terms of Reference. Future decisions and approvals will in part be delegated to the Chief Executive, in</p>	

consultation with the Leader and Cabinet Member for Economic Development. Where decisions are needed that are outside of these delegations, then the decision will be formally made by each respective member Council's Cabinet.

As such this ESIA considers the headline equality associated with the formation of the issues of the proposed Shared UTLA sub-regional Board in managing the responsibilities devolved to UTLAs by Government.

Terms of Reference - Shared UTLA Board

Purpose

The Levelling Up White Paper set out three key policy objectives, to extending devolution across England, empowering local leaders, and integrating Local Enterprise Partnership (Solent LEP) functions into local democratic institutions.

The Board will be led by local democratic leaders, to direct the future growth of the sub-region in terms of economic development, investment in new infrastructure and in our human capital, with a clear focus on driving sustainable growth.

- 1) The Board will ensure that there is a strong, independent, and diverse local business voice in local democratic institutions.
- 2) The Board will drive strategic economic planning and ensure that the area's economic priorities and sectoral strengths are fully considered and articulated.

Membership

- Chair – the Leader of Southampton City Council (SCC)
- The Leaders of IWC and PCC.
- The Chief Executives of SCC, IWC and PCC.

Summary of Impact and Issues

The delegated authority provided to the Chief Executive, following consultation with the Leader, will cover the following areas: sub-regional partnerships and initiatives, sub-regional strategic economic planning, economic development, business support and strategic skills.

The partners are committed to **delivering sustainable, inclusive growth** in the Solent sub-region, by:

- Setting objectives and determining key decisions on behalf of the three unitary authorities in relation to the delivery of LEP functions.
- Ensuring that the partners work together in partnership, in a coordinated, impactful, and effective manner to deliver the Solent 2050 strategy.
- Work to ensure that more responsibilities, functions, and powers are devolved to the Solent sub-region.
- Considering how the benefits of inclusive growth can be distributed more evenly and to more disadvantaged communities.
- Consider how the Net Zero transition to a green and sustainable future will provide new opportunities to growth in the Solent sub-region.

Broadly these objectives and the new responsibilities relate to the economic development and sustainable growth agendas. The partners will now play a

critical role within the sub-region, convening local partnerships between businesses, academia, and other local partners to determine our key economic priorities.

The partners are committed to promoting sustainable economic growth to champion our region and ensure our communities can prosper, and ensure the sub-region has an ambitious strategy: Solent 2050. Building on strong foundations, proven resilience and unique strengths, the Solent 2050 Strategy will shape the future of our region for the next generation, enabling the Solent to reach its full potential.

Potential Positive Impacts

The Levelling Up White Paper set out three key policy objectives, to extending devolution across England, empowering local leaders, and integrating Local Enterprise Partnership (Solent LEP) functions into local democratic institutions.

The provision of greater democratic oversight should provide a greater degree of local accountability and transparency in delivering these new responsibilities.

Southampton City Council's role and that of our sub-regional partners, PCC and IWC will be to ensure due regard for the Public Sector Equality Duty (Section 149 of the Equality Act) and with-in the proposed external Joint UTLA Board.

A core remit of the Joint UTLA Board will be to consider how the benefits of inclusive growth can be distributed more evenly and to more disadvantaged communities.

Responsible Service Manager	Matthew Hill
Date	28.02.2024
Approved by Senior Manager	Nawaz Khan
Date	28.02.2024

Potential Impact

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
Age	Future development, infrastructure investment and skills provision focussed on a too limited band of age groups.	Through the promotion of mixed-use development, with adherence to active planning & social value policies focussed on inclusive growth.

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
Disability	Skills support, business support provision and careers advice.	Openness to diversity widens access to the best talent. Inclusion allows engagement with talent effectively. Equality enables delivery of fair outcomes. Together, this leads to enhanced innovation, creativity, productivity, reputation, engagement, productivity, and business outcomes.
Gender Reassignment	Not applicable	
Marriage and Civil Partnership	Not applicable	
Pregnancy and Maternity	Not applicable	
Race	Skills support, business support provision and careers advice.	Openness to diversity widens access to the best talent. Inclusion allows engagement with talent effectively. Equality enables delivery of fair outcomes. Together, this leads to enhanced innovation, creativity, productivity, reputation, engagement, productivity, and business outcomes.
Religion or Belief	Skills support, business support provision and careers advice.	Openness to diversity widens access to the best talent. Inclusion allows engagement with talent effectively. Equality enables delivery of fair outcomes. Together, this leads to enhanced innovation, creativity, productivity, reputation, engagement, productivity, and business outcomes.
Sex	Not applicable	
Sexual Orientation	Not applicable	
Community Safety	Good urban design should account for improvements in the safety of those using public spaces.	Good urban design & adherence to planning active policies.
Poverty	Southampton faces issues of poverty & deprivation. These	Investment in the city to create new economic &

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
	<p>issues are well known. As an example, some wards have higher levels of deprivation & individuals & families can remain in a cycle of deprivation.</p>	<p>training opportunities through active Employment & Skills Plans (construction), as well as active adult community learning and employment initiatives.</p>
<p>Health & Wellbeing</p>	<p>The deterioration of the urban environment, the quality of our public spaces & homes impacts on our health & wellbeing. A lack of investment in new public realm and green spaces.</p>	<p>Good urban design accounts for health & wellbeing issues to enhance people's experience of the environment, public & green spaces. Good urban design is an intrinsic facet of the master planning process.</p>
<p>Other Significant Impacts</p>	<p>A detrimental impact on our environment and contribute towards climate change.</p>	<p>The Solent 2025 strategy will seek to set out the need for necessary infrastructure and facilities to support the growth of our sub-region whilst protecting & enhancing the environment.</p> <p>The strategy will:</p> <ul style="list-style-type: none"> Recognise individual neighbourhoods and communities with-in the sub-region including those most disadvantaged. Encourage sustainable growth & investment in the city. Recognise our wider climate and environmental objectives.

This page is intentionally left blank

DECISION-MAKER:		CABINET	
		COUNCIL	
SUBJECT:		CORPORATE PLAN 2024	
DATE OF DECISION:		CABINET 19 MARCH 2024 COUNCIL 20 MARCH 2024	
REPORT OF:		COUNCILLOR FIELKER – LEADER OF THE COUNCIL	
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	DIRECTOR OF STRATEGY AND PERFORMANCE	Tel: 0 23 8083 4476
	E-mail:	munira.holloway@southampton.gov.uk	
Director	Name:	CHIEF EXECUTIVE	Tel: 0 23 8083 2943
	E-mail:	andrew.travers@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY		
None.		
BRIEF SUMMARY		
<p>The Southampton City Council Corporate Plan has been updated to reflect the financial pressures facing the council and the strategy to achieve financial stability through transformation and economic growth. The corporate plan provides the overall strategic vision, goals, and outcome ambitions. It aligns with other key strategies across the council, such as Health and wellbeing, Safe City partnership, Economic and green growth and Children and young people and both shapes and supports key internal strategies.</p>		
RECOMMENDATIONS:		
Cabinet		
	(i)	To recommend to Council the adoption of the Corporate Plan (2024 update), appended to the report.
	(ii)	To recommend to Council to delegate authority to the Chief Executive to make minor amendments to the corporate plan after consultation with the Leader of the Council.
Council		
	(i)	To approve the Corporate Plan (2024 update), appended to the report.
	(ii)	To delegate authority to the Chief Executive to make minor amendments to the corporate plan following consultation with the Leader of the Council.
REASONS FOR REPORT RECOMMENDATIONS		
1.	To provide clarity on cross organisational priority areas for focus and delivery (externally and internally) as set by Cabinet with elected Members, colleagues within the council and external stakeholders.	

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
2.	Not to develop and publish an updated corporate plan. Rejected as not considered to be sound management practice and would not reflect the council's current position.
DETAIL (Including consultation carried out)	
3.	The current corporate plan was approved in November 2022 to be renewed in 2030. Focused initially on the 2024/25 year, the updated corporate plan reflects the significant financial pressures that have been identified since that time, it acknowledges the £40m financial gap that the council is facing, the level of transformation and the platform for delivery that is required to achieve a sustainable organisation.
4.	The updated Medium-Term Financial Strategy (MTFS) is scheduled for Cabinet on 5 th March 2024 and Council on 6 th March 2024 and details the financial pressures and plans to address the financial challenges. The corporate plan is being updated to ensure the vision, strategic goals and focus reflect the council's financial situation and the MTFS is aligned.
4.	The vision is: Southampton: Our city of opportunity. The core goals have been reviewed and refined, with outcomes that focus on improving the lives of residents and growing the economic and health prosperity of our city.
5.	Strategic objectives have been developed that provide more specifics around areas of focus to make that step-change, and the business and budget planning framework will ensure the work of all areas of the council are aligned to the achievement of these objectives, outcomes, and goals.
6.	The corporate performance framework is in place, and being further developed to ensure we have the right overview of performance across the organisation. As part of this, a regular key performance indicator (KPI) report will be developed to ensure council performance is aligned with the corporate plan. These reports will be shared and discussed within the council regularly to ensure that we are making progress. Updates will also be provided on the council's website.
7.	Equality and Safety Impact assessments (ESIA) will be drafted for new strategies and policies which sit under the corporate plan.
8.	A city and corporate plan will be developed for 2025/26 onwards, building on the work delivered to date.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
9.	Any resource implications required to deliver the objectives within the corporate plan will be defined through the transformation plan (through a business case approach) and existing service budgets as developed through business plans.
<u>Property/Other</u>	
10.	Any property or other implications required to deliver the objectives within the corporate plan will be defined through the transformation

	plan (through a business case approach) and existing service budgets as developed through business plans.
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
11.	S.111 Local Government Act 1972 provides the power to do anything calculated to facilitate the delivery of the council's primary functions.
12.	S.1 Localism Act 2011 permits the council to do anything a private individual may do subject to any conditions on the use of the power (none applicable in this instance). S.1 authorises the development and delivery of the corporate priorities and behaviours in accordance with the business plan. Itemised deliverables may be subject to their own statutory delivery powers, and these are addressed in the budget report or individual decisions and delegations as appropriate.
<u>Other Legal Implications:</u>	
13.	The formulation of the plan has had regard to the provisions of the Equalities Act 2020 (in particular s.149 – the Public Sector Equality Duty) , together with the Human Rights Act 1998 and the Crime and Disorder Act 1998.
RISK MANAGEMENT IMPLICATIONS	
14.	There is a significant risk that the council will face increasing financial pressures over the next three years. The corporate plan will need to be updated to reflect any major pressures which will affect the implementation of the corporate plan.
15.	The corporate risk register provides a framework to consider the key risks facing the council and is reviewed regularly. The need for good governance in change and service redesign projects are recognised within the register.
POLICY FRAMEWORK IMPLICATIONS	
16.	The corporate plan is consistent with the policy framework.

KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	All
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Corporate Plan 2024 update
Documents In Members' Rooms	
1.	None.
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No

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



Southampton City Council Corporate Plan (update 2024)

Southampton... our city of opportunity





**Councillor
Lorna Fielker -**
Leader of
Southampton
City Council

Andrew Travers -
Chief Executive
Officer,
Southampton
City Council

As the new Leader and Chief Executive for Southampton City Council, we have developed the 2024 update of the Corporate Plan to reflect our changing circumstances as a council and a city.

With a challenging financial position, we are going to need to make some difficult decisions to get us to a place that means we have a balanced budget for 2025/26 and confidence that the planned budget is sustainable.

Despite the current challenge, we truly believe that Southampton is a city of opportunity. So, our Corporate Plan supports our aspirations, that we're building and delivering ambitious plans for change, improvement and growth, and to be a place that fosters and grows ambition and enables people to understand and develop their possibilities.

We are determined to continue to support those who are most in need, while working with community leaders, partners and businesses to take Southampton forward, expanding on everything the city has to offer and recognising the ambitions we share for our great city.

Together we will build a proud, pioneering global destination and maritime city - investing in infrastructure, skills and

technology to attract more businesses, create quality jobs and renew and regenerate housing across the city. Building on the inclusive diversity of our city, we will promote and develop our vibrant culture and events to promote Southampton as a destination city. Through the green economy, emerging technologies and creative industries we'll work collectively to develop our local talent and deliver quality jobs that benefit local people.

Through the corporate plan we are committed to delivering on those things that will genuinely help improve the quality of life of our residents. Through our transformation programme we will change the way we engage with people and the way we work both within the council and with others to achieve our goals.

We look forward to working together alongside cabinet, council officers, community leaders, partners and businesses to deliver the plan for and with the people of Southampton, to achieve Southampton's ambitions.

Introduction

At Southampton City Council we are committed to creating a place where people want to live, work, study, visit and enjoy. This is Southampton City Council’s updated medium-term plan.

We want Southampton to be a city that creates opportunities for all ages and backgrounds. We want residents to have strong foundations for life, pride in their city and a successful city council to depend on. We are dedicated to working together to make Southampton a city of opportunity. A city of diversity where all are welcome, we are a city of music, dance, theatre, and art. Our two universities are leading the way with innovative research.

As well as our proud history and thriving cultural scene, we have difficult challenges that we must face head-on. Our residents experience greater health inequality than some of our statistical neighbours and we score higher in the index of multiple deprivation than other areas in Hampshire, despite this we want to tap into the potential we have for economic growth, tackle health inequalities, and be part of making Southampton a city of opportunity for all.

Southampton City Council is a unitary authority. That means we are responsible for all local services within the city.

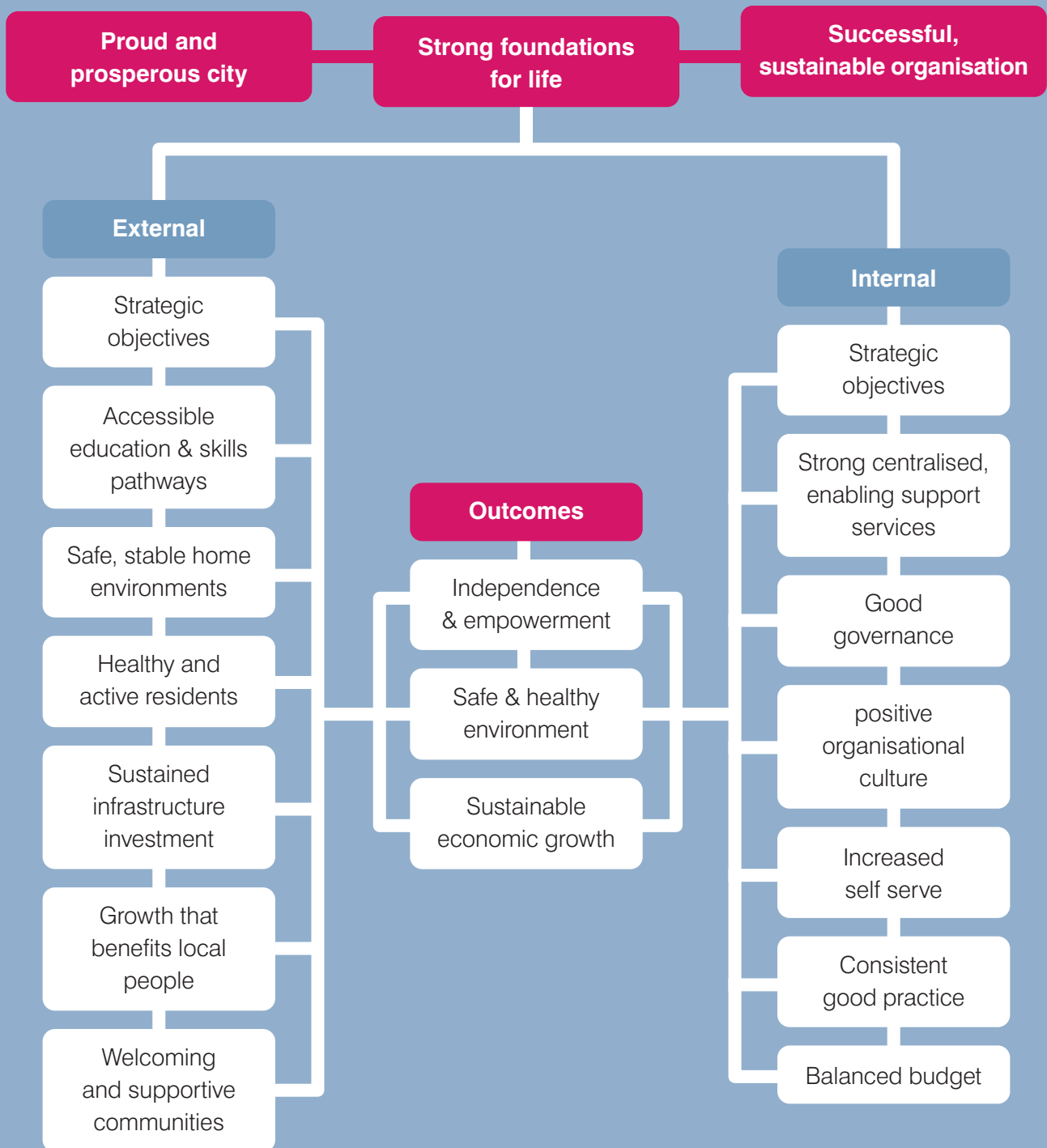
We provide services for our 250,000 residents, 16,300 tenants, 60,000 businesses and over 3,000 employees. These include:

- Libraries
- Highways
- Social services
- Processing planning applications
- Waste collection and disposal
- Council tax
- Housing
- As a local education authority, we run some schools as well.

We are committed to delivering these services to a high standard, despite growing financial challenges, we know that this plan will help us deliver this. We want to build our future as an enabling, inclusive, and productive council that delivers for our residents, partners, businesses, and visitors, whilst working together to help Southampton achieve its potential.



Southampton... our city of opportunity



Outcomes focused

Our outcomes, whilst broad, are fundamental to Southampton's success. Our strategic objectives and everything we do is focused around achieving these outcomes and the corporate plan goals. These goals, outcomes and objectives provide the clear links throughout all directorate business plans, service plans and employee's individual performance objectives.

Strategic objectives

Our strategic objectives have been developed by working with Cabinet Members and listening to residents, businesses and council officers.

Thriving communities and businesses create places where people want to live, work and study. We will focus on growing our local economy and bringing investment into our city. Working with partners and businesses across the city, Southampton City Council is committed to enabling residents of all ages and backgrounds to better help themselves by supporting people to develop the strong foundations that will help them flourish throughout their lives.

We recognise that there is work to do to improve ourselves, so we have also developed a set of internal objectives that will support us to develop our role as a contemporary, inclusive and productive council.

- **Safe and stable home environments**

A safe place to call home should be a fundamental right for everyone. Home, in whatever form that takes, gives stability and a sense of belonging. It is where we make memories, and it helps us to build a strong foundation for our lives. We will focus on helping individuals to remain in a safe home, by providing quality housing across the city, and access to support when needed.

- **Accessible education and skills pathways**

From early years and throughout life, accessing good quality education and developing useful skills provides strong foundations from which people can build. We are committed to working with partners and businesses across the city to enable more Southampton residents to have the opportunity for higher-skilled, higher-paid jobs. We will support access to education, training, and advice throughout people's lives.

- **Healthy and active residents**

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

- **Sustained infrastructure investment**

We will continue work to ensure that Southampton benefits from funding opportunities on a continuous basis. Building better sustainable infrastructure, with safer, more affordable, and accessible modes of travel options around Southampton will support our communities and businesses to grow. This will enable economic, environmental, and social benefits and offer opportunities for all.

- **Growth that benefits local people**

Everyone benefits most when there is growth and opportunity that local people can tap in to. Whether that's local business, more job opportunities or investment in the city that attracts visitors to our events, shopping and attractions.

- **Welcoming and supporting communities**

Our focus is on working with communities to creating a welcoming environment for all people from all backgrounds. We will continue to celebrate and embrace Southampton as a culturally rich and diverse city.

The successful delivery of the internally focused outcomes in this plan are rooted in the culture of our organisation. We are transforming the way we deliver services to ensure we are an efficient, well-run organisation with clear and sustainable goals.

- **Strong centralised enabling support services**

Continuing our drive for productivity and efficiency, we are evolving the way we work, and the way we set up work to improve our services, maximise skills and capacity, and build a stable, efficient, and innovative organisation.

- **Positive organisational culture**

A positive, open culture supports people to feel inspired, connected and empowered. We want to develop an ambitious, forward-thinking, and optimistic organisation. Having the right people working in the right way and understanding and embedding our values will help us create an enabling council that supports a city of opportunity.

- **Increased self-serve**

Where practical we are working to make sure people can easily access useful information and digital council services. We are continuing to develop systems and approaches to enable residents, employees and partners to help themselves. With new digital and data strategies we are working to ensure we have systems that work for everyone.

- **Good governance**

Fast paced, robust decisions and actions are supported by good governance. Promoting accountability, transparency, and efficiency in our decision-making will build trust and stability across the organisation and city.

- **Consistent good practice**

We are dedicated to upholding ethical, fair, and transparent practices, understanding what we need to do and embedding good practice throughout the organisation. This will build trust, deliver better and more consistent services, reduce cost and risk, and promote long-term stability.

- **Balanced budget**

We are committed to achieving long-term financial sustainability for the council. This is so we can invest purposefully into the city and help it to grow to its full potential.

Financial challenges

Against a challenging economic climate, with increasing demand for services alongside increasing costs of delivery, the council is facing significant financial pressures.

We have worked together to develop a new medium-term financial strategy to support the organisation achieve financial sustainability. We currently have a nearly £40m budget gap for the 2024/45 financial year and a continued ongoing deficit that needs addressing through transformation activity across the organisation, working alongside more tactical cost reduction and savings activities.

As well as our direct financial challenges, residents are experiencing a cost-of-living crisis. This is affecting all residents, particularly those in more deprived households. We have taken a city-wide partnership approach to providing support for people across the city.

We recognise that some of the decisions we make over the next few years will not be easy. We must address the difficult choices to make sure we provide services for those who need them and deliver on our commitments to the city. This Corporate Plan reflects our approach to support residents and businesses across the city as well as visitors, to understand and access the opportunities Southampton has to offer.





The medium-term financial strategy is key to providing clarity on our financial position and ensuring our ongoing financial strategy supports our goals. We have a financial management improvement plan that will ensure that our staff are grounded in financial acumen, understand the importance of financial challenges and are thinking commercially when redesigning services. Some of the principles include enabling more people to help themselves, rationalising council buildings, seeking income generation opportunities, creating the conditions for economic growth and recovery, and considering the needs of communities. Together with the key strategies and transformation plan it is critical to identifying how we will align our existing and future resources with the goals, outcomes and objectives within the Corporate Plan.



Business planning

Our business planning framework has been developed to align all business planning activity to the vision, strategic objectives, savings proposals and change activity, enabling us to address both short-term challenges and longer-term goals.



Building an evidence informed, enabling council

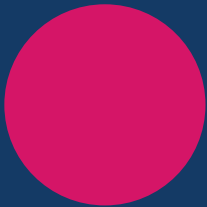
The active use of data is ever more important, our new data strategy is fundamental to shaping the way we gather, process and use data to understand and inform the decisions we make. Evidence informed decision making is a core principle of the way we work.

Digital thinking and innovation are key enablers for our transformation and improvement work. Our digital strategy has been developed with expert support and provides a roadmap for digital development and continuous improvement, including additional use of robotics, artificial intelligence, and appropriate automation.

Our People Strategy will support delivery of the Corporate Plan by ensuring we develop a positive organisational culture that enables a proactive, innovative, skilled and engaged workforce that work together to deliver our strategic objectives.

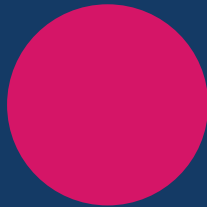
This strategy is inextricably linked with the data and digital strategies and will help to develop our peoples' data and digital skills so that we can fully utilise the new tools, solutions and innovative technologies.

We have evolved our employee values to reflect how we work best together in challenging times of great opportunity



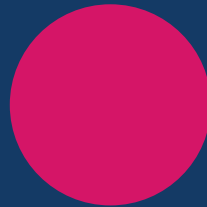
Trust

We work together and trust each other.



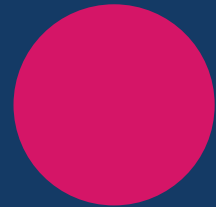
Pride

We are proud and passionate about Southampton.



Respect

We take time to listen and understand.



Accountable

We take personal responsibility, deliver value for money, and try new things.

As we work towards delivering this, we are evolving a set of consistent organisation design and operating principles that will help to provide the foundations for the way we operate and all our service redesigns.

Our commitment to a prosperous, healthy city is stronger than ever.

Our promise to positively address health in all policies, and our successful bid to become a Health Determinates Research Collaboration (HDRC), provides us with funding to set up a research hub that will support our work with partners and communities across the city to ensure that initiatives we implement have positive impact on the health of our residents.



Transformation

We have been working on, and are further developing, an organisational transformation programme. This programme of activity will address what we do, how we work and what technological, process and structural changes are needed to enable us to reshape the organisation to deliver quality services within a balanced budget. The programme will be supported by the implementation of the data, digital and people strategies.

The programme will be underpinned by a set of organisational design principles, focused around building an enabling council.

Business planning throughout the council will align to achieving the strategic objectives, savings proposals and transformation activity following our agreed approach.

How we will measure success

We have identified a core set of key performance indicators (KPIs) that will demonstrate our progress towards achieving the outcomes and objectives.

These will be reviewed and published on an annual basis so that we can be held accountable for our performance.

In addition to this we have a Corporate Performance Framework that is being further developed to ensure we have the right overview of performance across the organisation, which is regularly monitored. As part of this, a wider key performance indicator report will be developed to ensure council performance is aligned with the Corporate Plan.

These reports will be shared and discussed within the council on a regular basis to ensure that we are making progress, we'll also provide updates on our website.

- Percentage of homes that meet the decent homes standard
- Rate of Looked After Children (per 10,000)
- Percentage of pupils achieving a grade 5 or above in English & Maths
- Percentage of economically active population with no or low qualifications
- Gap in median weekly pay between residents and workers (£)
- Male/Female healthy life expectancy at birth (years)
- Percentage of Year 6 children with excess weight (%)
- Proportion of physically active adults (%)
- Economic growth measured by GVA per head (£)
- Percentage of working age adults claiming out of work benefits (%)
- Proportion of residents that agree that their local area is a place where people from different backgrounds get on well together (%)
- Southampton's relative deprivation rank amongst Local Authorities in England



DECISION-MAKER:	COUNCIL
SUBJECT:	Pay Policy 2024 - 2025
DATE OF DECISION:	20 March 2024
REPORT OF:	Chief Executive

<u>CONTACT DETAILS</u>		
Author	Title	Head of HR and OD
	E-mail	christopher.bishop@southampton.gov.uk
Chief Executive	Name	Andrew Travers
	E-mail	andrew.travers@southampton.gov.uk

STATEMENT OF CONFIDENTIALITY

None

BRIEF SUMMARY

The Council is required under the Localism Act 2011 to prepare and publish a Pay Policy Statement annually. This report explains the parameters of the Pay Policy Statement and the statement for 2024-2025 is provided at Appendix 1.

In addition, proposed changes to the Severance & Pensions Payments: Discretionary Powers Policy are outlined, including redundancy payment levels, that will be considered by Governance Committee and reflected in the Pay Policy once agreed.

RECOMMENDATIONS:

	(i)	To approve the Pay Policy statement for 2024 -2025.
	(ii)	Delegate authority to the Executive Director Corporate Services to amend the Pay Policy once the proposed revisions to the Severance & Pensions Payments: Discretionary Powers Policy are agreed by the Governance Committee.

REASONS FOR REPORT RECOMMENDATIONS

- | | |
|----|---|
| 1. | Under the Localism Act 2011 only full Council is authorised to approve the Pay Policy Statement annually. |
|----|---|

DETAIL

2.	<p>Scope This Pay Policy Statement sets out Southampton City Council's pay policies relating to its workforce for the financial year 2024-2025, including the remuneration of its Chief Officers, lowest paid staff and the relationship between its Chief Officers and the staff who are not Chief Officers.</p> <p>The proposals reflect proposed national agreements and affect all employees of the council with the exception of: teachers and support staff in Voluntary Aided (VA)/Trust schools; Modern Apprentices (separate pay framework); Non council staff who work for the council (NHS, including Public Health staff who transferred</p>
----	---

	<p>under COSOP (Transfer of Undertakings (TUPE) equivalent) and have retained NHS pay.</p> <p>The Act requires councils to include the following in their Pay Policy Statement:</p> <ul style="list-style-type: none"> the level and elements of remuneration for Chief Officers; the remuneration of its lowest-paid employees the definition of “lowest-paid employees” and reasons for adopting that definition); policy on the relationship between the remuneration of Chief Officers and other officers; policy on other specific aspects of Chief Officers’ remuneration; remuneration on recruitment, increases and additions to remuneration; use of performance-related pay and bonuses, termination payments, and transparency. <p>Remuneration includes charges, fees, allowances, benefits in kind, increases in/enhancements of pension entitlements, and termination payments.</p> <p>The Pay Policy Statement can be amended in-year but must be:</p> <ul style="list-style-type: none"> approved formally by Council; approved by the end of March each year; published on the authority’s website (and in any other way the authority chooses); complied with when the authority sets terms and conditions for Chief Officers.
3.	<p>Transparency</p> <p>As part of the council’s commitment to being open and transparent and ensuring it is delivering value for money, gender pay gap information is published on the website.</p> <p>The current gender pay gap shows that women’s hourly rate is:</p> <ul style="list-style-type: none"> 1.4% lower (mean) 5.2% lower (median) <p>The Council’s mean and median gender pay gap is significantly lower than the UK national average, which is estimated at 14.9% based on data from the Office of National Statistics (ONS).</p> <p>Whilst the council does have a much lower gender pay gap than the national average, we recognise that a small gender pay gap does still exist due to the nature of our workforce profile and the job roles that men and women are employed to do.</p> <p>Whilst we have higher female representation than men in all our pay quartiles, we have a larger proportion of women in our lower pay quartiles, which explains our mean and median gender pay gap. Most of the roles in our lower pay quartiles are part time, that tend to be held by women. 87% of our part time workers are female, which is higher than estimates that 74% of part time workers in the UK are women.</p>

	The Council has significant female representation in our upper pay quartiles; 57% and 59% in highest two pay quartiles demonstrating that we have a good gender balance amongst our most senior roles.
4.	<p>Severance and Pensions Payments: Discretionary Powers Policy</p> <p>In light of the council's financial situation, it is proposed that the Council adopts statutory redundancy payment levels for Compulsory Redundancy (CR) and Voluntary Redundancy (VR). The latter is currently 1.25 x CR. These are decisions for the Governance Committee as employment policies fall within its terms of reference.</p> <p>Council redundancy rates match statutory redundancy pay rates in terms of being based on the same employee's age and length of employment, and length of service being capped at 20 years. The key difference is that statutory weekly pay is capped at £643, with the maximum amount of statutory redundancy pay being £19,290.</p> <p>This would result in the Council being in step with some other Local Authorities, it is considered to be a more appropriate use of public money, and ensures we meet our statutory responsibility to employees going forward. It will reduce the cost of needed transformation and will not have a detriment to the lowest graded employees.</p> <p>Other changes to the discretions policy are also recommended in order to reduce potential costs in future:</p> <p>As we will no longer be paying above the statutory maximum, remove allowing employees to use any redundancy payment in excess of the statutory amount to be used to buy additional pension.</p> <p>Not have the discretion to grant extra annual pension of up to £7,579 (figure at 1 April 2023) to an active member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency. We haven't used this discretion, and it would cost us more money to do so.</p> <p>These proposed changes will be considered by Governance Committee in April 2024 It is recommended that delegated authority is given to the Executive Director Corporate Services to amend the Pay Policy once agreed.</p>
5.	<p>Equal Pay</p> <p>In order to ensure that Council employees are paid fairly, an Equal Pay Audit will be undertaken in 2024/2025 and any required actions will be taken as a result.</p>
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
6.	N/A
DETAIL (Including consultation carried out)	
7.	N/A
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
8.	The implementation of the Pay Policy is in accordance with the council's Revenue Budgets approved for 2024/25.

<u>Property/Other</u>	
9.	N/A
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
10.	Local Government Act 1972 and Localism Act 2011
<u>Other Legal Implications:</u>	
11.	Equalities Act 2010, in particular s.149 (The 'Public Sector Equality Duty')
RISK MANAGEMENT IMPLICATIONS	
12.	None
POLICY FRAMEWORK IMPLICATIONS	
13.	None

KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	None
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Pay Policy Statement
2.	Chief Officer Pay scales
3.	Main pay scales Grades 2 -13
4.	Allowances Framework
5.	Equality and Safety Impact Assessment

Documents In Members' Rooms

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

Southampton City Council Pay Policy Statement Financial Year 2024-2025

1. Purpose

This Pay Policy Statement (“Pay Statement”) is published to comply with the Localism Act 2011 (“Localism Act”) and is updated prior to the commencement of each subsequent financial year.

This Pay Statement sets out Southampton City Council’s pay policies relating to its workforce (excluding schools) for the financial year 2024-2025, including the remuneration of its Chief Officers, lowest paid staff and the relationship between its Chief Officers and the staff who are not Chief Officers.

2. Definitions

For the purpose of this Pay Statement the following definitions apply:

- “Pay” in addition to base salary includes charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements and termination payments.
- “Chief Officers” refers to the following roles within the Council:

Statutory Chief Officer roles are:

- a) Chief Executive, as Head of Paid Service
- b) Director of Legal & Governance (Monitoring Officer)
- c) Executive Director – Wellbeing Children & Learning (DCS)
- d) Executive Director Wellbeing & Housing (DASS)
- e) Executive Director – Corporate Services (Chief Financial Officer, as Section 151 Officer)
- f) Director of Public Health

Non Statutory Chief Officer roles are:

- a) Executive Director Place
- b) Director Strategy & Performance
- c) Director of Customer & Employee Experience
- d) Director of Digital
- e) Director of Finance
- f) Deputy Director Children’s Social Care Delivery
- g) Director of Housing
- h) Director of Environment
- i) Director of Commissioning – Integrated Health and Care

- The wider leadership team also includes other Chief Officers that are Heads of Service and report directly to/or are accountable to a statutory or non-statutory Chief Officer.
- “Lowest paid employees” refers to those employees paid within Grade 2 of the Council’s mainstream pay structure. This definition has been

adopted because Grade 2 is the lowest grade on the Council’s mainstream pay structure and the posts have been assessed through the NJC Job Evaluation Scheme as having the least amount of complexity and responsibility.

- “Employee who is not a Chief Officer” refers to all employees who are not covered under the “Chief Officer” pay scale group above. This includes the “lowest paid employees” i.e. employees on Grade 2 and all other staff up to and including Grade 13.

3. Pay Framework and remuneration levels

3.1 General approach

The pay structure and pay scales have been designed to enable the council to recruit and retain suitably qualified staff at all levels to meet the outcomes detailed in the Corporate Plan within an affordable financial framework.

With a diverse workforce the council recognises that the Pay Policy needs to retain enough flexibility to cope with a variety of circumstances that can arise and may necessitate the use of market supplements or other such mechanisms for individual categories of posts where appropriate. The decision to apply a market premium will be made by the Head of HR and OD after consultation with the Transformation Board. Any approved premium will be subject to an annual review.

3.2 Responsibility for decisions on pay structures

It is essential for good governance that decisions on pay are made in an open and accountable manner. The council’s locally determined pay structures are based on the outcome of recognised job evaluation schemes (Hay and National Joint Council (NJC)). This is in line with the national requirement for all councils to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer and to comply with employment legislation as well as the economic climate locally. The current mainstream pay structure was implemented from June 2015 under the Pay & Allowances Framework collective agreement. The pay structure for Chief Officers and Heads of Service on Chief Officer grades is determined separately and pay rates are assessed through the Hay job evaluation process.

The Executive Director Corporate Services will have the delegated authority to amend the pay levels in line with the nationally agreed pay award for 2024.

3.3 Pay scales and grading framework

The main council pay scale consists of 55 pay spine points (SCP) within 13 grades with grade 2 being the lowest and grade 13 the highest. All staff will be on one of the 12 grades based on their job evaluated role. Each grade contains several spinal column points (SCP) to allow for incremental advancement within the grade. All main scale posts are paid within the range £22,367 to £69,799 per year (2023-24 figures). 2024/25 pay range will reflect the 2024 Foundation Living Wage (FLW) figure

(minimum hourly rate of £12) and the nationally agreed pay award once this is confirmed and will be effective from 1st April 2024.

The council has committed to ensuring that all staff receive a rate of pay at least equal to Real Living Wage (RLW) (in line with the Living Wage Foundation review and recommendations) and applies an additional payment to staff on any hourly pay rate which falls below the RLW. This has had the on-going effect of increasing annual salaries for the lowest paid employees.

Details of the Chief Officer pay scales and the council's mainstream pay structure are published on the Council's website alongside this statement and reflect the position with effect from 1st April 2023 (Note; these charts are pre any confirmed pay award for April 2024).

Pay awards are considered annually for all employees but are subject to restrictions imposed nationally by the Government and/or negotiated locally. The outcome of national consultations by the Local Government Association in negotiation with the Trade Unions in relation to the settlement of the annual pay award is normally applied as per the recommendation for 2024-2025 onwards. If there is an occasion where to apply nationally agreed pay awards would distort the local pay structures, alternative proposals are developed, discussed with the trade unions and brought to Elected Councillors for formal approval.

4. Remuneration – level and element

4.1 Salaries of Chief Officers

“Chief Officers” are identified at 2 above. They are all paid within the council's pay structures as follows (2023-2024 figures as 2024 pay award yet to be confirmed):

- a. Chief Executive, as Head of Paid Service will be paid a salary within the grade range £168,505 to £199,742.
- b. Statutory and Non-Statutory Chief Officers/Managers of the council's 700 services (Chief Officers) will be paid a salary within the grade range £72,044 to £162,874.

Details of Chief Officer and Heads of Service remuneration are published on the Council's website.

4.2 “Lowest paid employees”

Each lowest paid employee will be paid a salary within the pay scales for Grade 2 plus an additional payment to achieve the Real Living Wage.

4.3 Bonuses and Performance related pay

There is no provision for bonus payments or performance related pay awards to any level of employee. There is, however, an honorarium provision for an agreed sum or

an accelerated increment which may be awarded where an employee performs duties outside the scope of their post over an extended period or where there are agreed, short term additional duties and responsibilities. All such payments/ increments are subject to approval by the budget holder and must be within existing budget provision.

4.4 Other pay elements

The pay structure for Chief Officers takes account of the clearly defined additional statutory responsibilities in respect of the Section 151 and Monitoring Officer roles.

4.5 Charges, fees or allowances

Allowances or other payments, for example linked to irregular or unsocial hours working, standby etc. are paid, as appropriate, to staff below Chief Officer pay grade in connection with their role or the pattern of hours they work and in accordance with the Council's Allowances Framework (that is published on the Council's website alongside this statement) and national collective agreements.

4.6 Pension

All employees as a result of their employment are eligible to join the Local Government Pension Scheme (LGPS).

5. Relationship between remuneration of "Chief Officers" and "employees who are not Chief Officers"

The ratio of the council's definition of "Chief Officers" and the median average earnings across the whole workforce as a pay multiple is shown in Table X below. The Council's highest paid employee is the Chief Executive (Head of Paid Service). The median salary and ratio was calculated using pay data for all permanently employed staff. The ratio of the Council's highest paid employee and the median average earnings across the whole workforce is published for comparison with the April 2023 position.

Table 1 Comparison of highest paid employee to median salary

	April 2023 (£)	March 2024 (£)
Highest paid employee	£174,269	£199,742
Median Full Time Equivalent (FTE) salary	£34,722	£36,647
Ratio	5.02:1	5.45:1

Chief Officer and Chief Executive pay scales

April 2023

Grades	Grades	SCP	Hourly rate	Annual salary*
CO5		70	£37.34	£72,044
CO5		71	£38.22	£73,740
CO5		72	£39.12	£75,470
CO5		73	£40.04	£77,250
CO4APR0		74	£40.99	£79,072
CO4APR0		75	£41.95	£80,939
CO4APR0		76	£42.94	£82,852
CO4APR0		77	£43.96	£84,803
CO4APR0	CO3APR08	78	£44.99	£86,805
	CO3APR08	79	£46.06	£88,859
	CO3APR08	80	£47.15	£90,962
CO2.5APR08	CO3APR08	81	£48.26	£93,112
CO2.5APR08	CO3APR08	82	£49.41	£95,321
CO2.5APR08		83	£50.58	£97,581
CO2.5APR08		84	£51.78	£99,892
CO2.5APR08	CO2.3APR08	85	£53.00	£102,258
	CO2.3APR08	86	£54.26	£104,691
	CO2.3APR08	87	£55.55	£107,172
	CO2.3APR08	88	£56.87	£109,719
	CO2.3APR08	89	£58.22	£112,320
		90	£59.61	£114,997
CO2.1APR08		91	£61.02	£117,729
CO2.1APR09		92	£61.27	£118,211
CO2.1APR10		93	£62.72	£121,014
CO2.1APR11		94	£64.22	£123,897
CO2.1APR12		95	£65.75	£126,845
		96	£67.32	£129,871
		97	£68.91	£132,938
CO1.2		98	£70.53	£136,080
CO1.2		99	£72.20	£139,300
CO1.2		100	£74.22	£143,200
CO1.2		101	£76.24	£147,097
CO1.1		102	£78.65	£151,737
CO1.1		103	£81.60	£157,435
CO1.1		104	£84.42	£162,874
CHIEF		105	£87.34	£168,505
CHIEF		106	£90.36	£174,331
CHIEF		107	£93.49	£180,369
CHIEF		108	£96.72	£186,607
CHIEF		109	£100.07	£193,063
CHIEF		110	£103.53	£199,742

*rounded to the nearest £ (in this document - not in your pay)

This page is intentionally left blank

Southampton City Council



National Joint Council (NJC) pay scales

April 2023

Grade	SCP	Hourly rate	Annual salary*
2	2	£11.59	£22,367
3	3	£11.78	£22,737
3	4	£11.98	£23,114
4	5	£12.18	£23,500
4	6	£12.46	£24,038
5	7	£12.59	£24,293
5	8	£12.89	£24,866
5	9	£13.10	£25,272
5	10	£13.24	£25,545
5	11	£13.50	£26,042
6	12	£13.79	£26,609
6	13	£13.93	£26,873
6	14	£14.17	£27,334
6	15	£14.53	£28,026
6	16	£14.66	£28,282
6	17	£14.91	£28,770
<i>Not in use</i>	18	£15.17	£29,269
7	19	£15.43	£29,777
7	20	£15.70	£30,295
7	21	£15.98	£30,824
7	22	£16.26	£31,364
7	23	£16.63	£32,077
7	24	£17.12	£33,024
7	25	£17.59	£33,944
8	26	£18.06	£34,834
8	27	£18.53	£35,744
8	28	£19.00	£36,648
8	29	£19.35	£37,336
8	30	£19.81	£38,223
9	31	£20.31	£39,186
9	32	£20.85	£40,220
9	33	£21.47	£41,418
9	34	£21.98	£42,403
9	35	£22.51	£43,420
10	36	£23.03	£44,428
10	37	£23.55	£45,441
10	38	£24.08	£46,464
10	39	£24.58	£47,420
10	40	£25.13	£48,474
11	41	£25.66	£49,498
11	42	£26.18	£50,512
11	43	£26.70	£51,515
11	44	£27.21	£52,494
11	45	£27.75	£53,543
11	12	£28.30	£54,599
11	12	£28.84	£55,648
12	48	£29.39	£56,708
12	49	£30.40	£58,647
12	50	£31.24	£60,263
12	13	£31.96	£61,658
13	52	£32.71	£63,113
13	53	£33.47	£64,578
13	54	£34.35	£66,274
13	55	£35.25	£68,012
13	56	£36.18	£69,799

*rounded to the nearest £ (in this document - not in your pay)

This page is intentionally left blank

Southampton City Council

Human resources and organisational development

Allowances framework

Go to

[Standard](#) | [Overtime](#) | [Unsocial](#) | [Bank holidays](#) | [Shift](#) | [Tool](#) | [Standby/callout](#) | [Car](#) | [First aid and wellbeing](#) | [Fire marshal](#) | [Emergency](#) | [Mileage](#)

Standard hours

Standard week	37 hours Monday to Friday	When you have worked your contractual hours, you are paid overtime. If your contract hours are over 37, these hours are paid at plain time.
---------------	----------------------------------	---

Weekend hours

Saturday and Sunday	Time and a half (1.5)	Where your weekend hours are a part of your normal working week. Not including irregular hours.
---------------------	------------------------------	---

Overtime / additional hours: hours worked over standard week (37 hour)

Grades 1 – 7	1.5 OR 1.5 in lieu	- your overtime / additional hours are paid at the appropriate rate for the work and must have approval. If you work in areas working irregular hours, your overtime includes the enhanced rate of pay for the post
Grades 8 - 13	Plain time (except at weekends)	
Chief officers	Unavailable (unless agreed in advance in exceptional circumstances)	

Bank holidays

If you are required to work a bank holiday you get:	Your usual contractual pay
	Plus – plain time for your hours worked
	Plus – time off in lieu (to take later)

Shift (irregular) hours

You need to meet the following conditions for shift (Irregular) hours:	The service operates contractual hours including evenings, nights and weekends
	Time bands: 6:30-12pm (midnight) or 12.01-7:30am
	Enhancement is paid for all hours and all days, including weekends
15% enhancement	10% enhancement
You work a pattern of hours over the week and contract hours include time before 7:30am and after 6:30pm	You work a pattern of hours over the week or contractual hours include time before 7:30am or after 6:30pm
Your hours vary week to week as part of your rota	Your hours vary week to week as part of your rota

Fixed unsocial hours / night workers

If you work fixed and regular hours over the week and 30% or more of your contract hours are before 7:30am or after 6:30pm		
Monday – Friday	6% enhancement per hour	
Saturday and Sunday	1.5 per hour	Weekend working is a part of your normal working week

Standby and callout

Standby payment		Stand-by allowance for social workers/social worker managers	
Monday – Friday	£15.25	Nightly (pro rata per 24 hours)	£31.57
Saturday	£17.73	Includes first hour of any calls	
Sunday/Bank Holiday	£23.19		
Weekly (excluding bank holidays)	£117.20		
Call out – for out of hours, emergency issues or areas requiring duty of care			
In service areas where attendance on site is not required and the “call-out” can be done by telephone from home, the stand-by payment only will apply			
The qualifying period is a minimum of 1 hour per call out – at the rate of time and a half and payments are then calculated for each additional 30-minute period the call out requires.			
In addition to the Standby flat fee “Call out” payments will be paid at the rate/grade of the post.			
Travel includes to site and back home.			
Call-out and stand-by is voluntary for all staff and your hours need approval by your line manager, in advance.			
Stand-by payments are subject to increase in line with national pay agreements			
If you work call-out hours on a bank holiday, you get the usual bank holiday pay			

More allowances

Car user	
Contractual car user (does not apply to Chief officers):	£40 – monthly allowance (and non-contributory car pass) Mileage at HMRC rates
First aid Fire-marshal	
Standard Allowance -	£152.90 a year
If your job needs you to be first aid or fire marshal trained, you do not get the allowance. It forms part of your job evaluation.	
Emergency planning: duty volunteer allowance	
Standard Allowance -	£152.90 a year
Volunteers - qualified (in date), trained, with approved business need.	
Volunteers will be on the duty rota. Emergency planning duty posts get an extra 'call-out duty' payment at the normal hourly rate, on top of the flat allowance rate.	
Tool allowance	
Selected posts paid allowance and allowance. See your red book for the rates.	
Chargehand allowance (waste and recycling/housing operations)	
Standard Allowance -	£155.33 a month
A responsibility allowance for craft employees in housing operations and operatives employed in waste and recycling for additional responsibility of organisation of work, materials, plant and equipment.	
Subject to management approval and confirmation with payroll (£6.68 per day as approved claim for cover / occasional one off requirement)	

Mileage rates – (HMRC rates)

Car	45p
Car (over 10,000 miles)	25p
Motorcycles	24p
Bicycles	20p



Equality and Safety Impact Assessment

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

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

Name or Brief Description of Proposal	<u>Pay Policy 2024/25:</u> To seek agreement to implement the national pay agreements for the pay policy for 2024-2025.
Brief Service Profile (including number of customers)	
The HR & OD service support our workforce of 3,700 colleagues to whom the pay policy for 2024-2025 will apply.	
Summary of Impact and Issues	
The purpose of the Council report is to approve the Pay Policy for 2024-2025. The proposals reflect proposed national agreements and affect all employees of the council with the exception of: Teachers and support staff in Voluntary Aided (VA)/Trust schools; Modern Apprentices (separate pay framework); Non Council staff who work for the council (NHS, including Public Health staff who transferred under COSOP (Transfer of Undertakings (TUPE) equivalent) and have retained NHS pay.	
Potential Positive Impacts	
Provides colleagues with remuneration that is appropriate to their role and reflects the national agreements. In line with the pay policy 2024-2025, we pay the Foundation Living Wage which means we ensure our lowest paid colleagues receive above and beyond the National Joint Council minimum, where applicable and aids colleagues in the current cost of living crisis.	
Responsible Service Manager	Gareth Terry
Date	01/3/2024
Approved by Senior Manager	Chris Bishop
Date	01/3/2024

Potential Impact

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
Age	No impact	
Disability	No impact	
Gender Reassignment	No impact	
Marriage and Civil Partnership	No impact	
Pregnancy and Maternity	No impact	
Race	No impact	
Religion or Belief	No impact	
Sex	No impact	
Sexual Orientation	No impact	
Community Safety	No impact	
Poverty	<p>Whilst we are implementing the nationally agreed pay agreements, in the current cost of living crisis some colleagues may be struggling financially. Therefore, whilst the implementation of the pay policy will have a positive impact, some colleagues may feel they need a higher form of remuneration to cope with rising costs. This heavily depends on the nationally agreed pay increase.</p>	<p>Ensure colleagues are aware of wellbeing champions and mental health first aiders, as well as being supported via their line manager, colleagues, and HR&OD team.</p>
Health & Wellbeing	<p>Some colleagues may be struggling with their wellbeing due to the current cost of living crisis. The pay policy implementation will have a positive effect, some colleagues may feel they need a higher form of remuneration to cope with rising costs. This heavily depends on the nationally agreed pay increase.</p>	<p>Ensure colleagues are aware of wellbeing champions and mental health first aiders, as well as being supported via their line manager, colleagues, and HR&OD team.</p>

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
Other Significant Impacts	Depending on the nationally agreed pay increase, we could see an increase in staff turnover if colleagues leave because they feel the pay increase isn't enough.	Ensure our overall value proposition as an employer is promoted and communicated to staff, highlighting other benefits, both financial and non-financial.

This page is intentionally left blank

DECISION-MAKER:	CABINET COUNCIL
SUBJECT:	ASSET DEVELOPMENT AND DISPOSAL PROGRAMME
DATE OF DECISION:	19TH MARCH 2024 (CABINET) 20th MARCH 2024 (COUNCIL)
REPORT OF:	COUNCILLOR BOGLE CABINET MEMBER FOR ECONOMIC DEVELOPMENT

<u>CONTACT DETAILS</u>			
AUTHOR:	Title	Head of Service Support	
	Name:	Gaetana Wiseman	Tel: 023 8083 2422
	E-mail:	Gaetana.wiseman@southampton.gov.uk	
Director	Title	Executive Director Place	
	Name:	Adam Wilkinson	Tel: 023 8254 5853
	E-mail:	Adam.wilkinson@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
<p>Appendix 1, 2, 3 and 4 of this report contains information deemed to be exempt from general publication based on Category 3 (information relating to the financial or business affairs of any particular person (including the Authority holding the information)) of paragraph 10.4 of the Council's Access to Information Procedure Rules. In applying the public interest test this information has been deemed exempt from the publication due to commercial sensitivity. It is not considered to be in the public interest to disclose this information as it would reveal information which would put the Council at a commercial disadvantage.</p>
BRIEF SUMMARY
<p>The council has launched its Asset Development and Disposal Programme (ADDP), an important programme over the next 3-5 years (focused on properties within the council's general fund) with the following vision and purpose: "Driving Southampton's growth through the retention, development or disposal of the council's corporate, operational and investment portfolio, whilst delivering capital receipts."</p>
<p>Alongside the securing of capital receipts to achieve financial sustainability, ADDP will seek to achieve wider financial and economic benefits from the disposal and development of council-owned assets. This includes increasing council tax and business rates revenue, as well as reductions in building maintenance and utilities costs. The benefits from this programme will make a significant contribution to the delivery of the council's ongoing budget savings. However, the programme is not solely about financial benefit, it is also an opportunity to be more proactive about the management of council assets and support regeneration and economic development in line with the aspirations of the Renaissance Board and master-planning delivery framework.</p>

RECOMMENDATIONS TO CABINET:		
	(i)	To consider the principles of Aecom's report (Appendix 1) when determining recommendations ii to iv below on the retention, development and disposal of council-owned assets across the council's corporate and operational portfolio.
	(ii)	To approve the Asset Development and Disposal Programme and progression of the corporate and operational properties recommended for disposal/ development as detailed in Appendix 2 of this report).
	(iii)	To approve the Asset Development and Disposal Programme and progression of investment properties for disposal and regeneration (as outlined in Appendix 3 of this report).
	(iv)	To delegate authority to the Executive Director Growth and Prosperity, following consultation with the Cabinet Member for Economic Development, the Cabinet Member for Finance and Change, the Executive Director Corporate Services, and the Director of Legal and Governance, to progress and implement asset disposal and asset development and regeneration opportunities within the scope of the ADD Programme (as outlined in Appendix 2 and Table 1 & 2 of Appendix 3).
RECOMMENDATIONS TO COUNCIL:		
	(i)	Council to approve the overall Asset Development and Disposal programme and disposal of assets (as detailed in Appendix 2 and 3) which includes assets with a combined value at over £5M.
REASONS FOR REPORT RECOMMENDATIONS		
1.	The purpose of this report is to introduce the council's ADDP. To outline the recommendations relating to disposal and development of corporate and operational assets (Appendix 2). Additionally, to outline recommendations for the disposal and regeneration of properties within the council's investment portfolio (Appendix 3). The rationale for disposal and development of sites is outlined in Appendix 1.	
2.	The report also seeks approval for delegated powers be given to officers following consultation with relevant cabinet members to progress discrete asset disposals and asset development and regeneration opportunities within the scope of the ADDP. Appendix 4 provides an outline of the type of information that will be gathered to make robust decisions under delegated powers.	
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED		
3.	Option 1. Do nothing: The council has a sizeable asset portfolio containing c.330 corporate and operational properties, as well as other investment and commercial properties. Assets within the General Fund incur significant maintenance and operational costs, including energy and business rates. If the council does not act and look to dispose of a proportion of these assets, and redevelop and regenerate sites across the city, there is a risk that properties many fall into disrepair. There is a risk the council is therefore unable to fund the future investment required to meet its	

	<p>ongoing liabilities. Doing nothing will also fail to meet the council’s capital receipts target and ensure the financial benefit and stability of the council.</p> <p>Option 2: Bring each property individually to Cabinet/ Council for approval once finalised. The current approach for disposal of council-owned properties is for reports on individual assets to be considered (and recommendations made) to Cabinet or Council, depending primarily on value. This approach would benefit from revision when consideration is being given to progressing a significant number of disposals in a in a 1-2 year timeframe. Discrete properties are identified in Phase 1 and therefore delegated authority is sought within this report to action. Members will be kept updated regarding both those discrete disposals and wider property matters as appropriate.</p> <p>Option 3: Explore alternative options that do not involve disposal of assets. One of the key outcomes of the ADDP is securing £85M in capital receipts to benefit the future financial stability of the council and fund the Capitalisation Direction, approved by the Government as part of the Council’s application for Exceptional Financial Support (EFS). The only realistic opportunity to realise this capital benefit is through property disposal. It should also be highlighted that maintaining the council’s property portfolio incurs substantial costs in terms of maintenance/repairs and rates. Disposing of these assets will help to reduce long-term revenue implications and create savings.</p>
DETAIL (Including consultation carried out)	
4.	The ambition for ADDP is to develop and implement proposals to retain, dispose and develop council assets for the long-term benefit and growth of the city and for the financial benefit and stability of the council. This is a complex programme and the correct resourcing of council officers and consultants is required to realise programme outcomes and benefits.
5.	The ADDP is aiming to achieve a significant reduction in the council’s corporate and operational assets (properties we occupy or deliver a service from) to reduce operating costs and achieve the capital receipt target of £85M. The council will be undergoing future transformation and with a slimmer organisation there will be a need for fewer council owned properties. Disposal of assets will inevitably mean some council services will be relocated and migration of staff from these buildings to the Civic Centre is the preference at this time. This property is currently underutilised and can accommodate approximately 450 additional staff working from this location. However, some internal reorganisation of working areas may be necessary to accommodate additional numbers.
6.	The council owns an extensive range of freehold and leasehold properties across the city. Its corporate and operational portfolio includes over 330 assets in total. Ranging from office accommodation and depots, leisure centres, museums, heritage and tourism assets (including medieval town walls, historic vaults and monuments), libraries, car parks and adult social care facilities to Family Hubs, early years facilities, schools and cemeteries. The total value of the corporate and operational portfolio as at the 31 st March 2023 as stated in the Statement of Accounts was £256M (excluding schools). This is an accounting book value and not necessarily representative of the value of an asset in an open market sale, particularly when considerations around planning or inherent statutory legislation exist

	e.g. historic building/ archaeological designations that may constrain development.
7.	The council also possesses a varied investment property portfolio. These buildings include shops and retail units, industrial units/ warehouses, pubs, hotels, offices, student accommodation and parcels of land. As at 31 st March 2023 as stated in the Statement of Accounts the value of these circa 200 assets was £106M.
8.	<p>The ADDP is split into 4 projects, the purpose of each project and its outputs is summarised below.</p> <ol style="list-style-type: none"> 1. Asset data and information - ensuring all asset management data is up to date and robust to enable effective and informed decisions on the future of council assets. 2. Corporate and operational assets review – consultants (Aecom) commissioned to carry out a review of the council’s corporate and operational portfolio and produce high level recommendations by the end of February 2024 on assets to be retained, developed, or disposed. Aecom were required to recommend where investment in buildings is needed. They were also asked to identify where staff could be relocated to the Civic Centre or appropriate alternative council-owned sites if assets were to be disposed of. Aecom will also be updating the Service Asset Management Plans following on from initial workshops, to be reviewed and initially agreed by each service area. 3. Asset disposal - If the recommendation from project 2 is to dispose of an operational/ corporate asset, or investment asset, there is then a need to identify the most appropriate route for disposal (Affordable Homes Framework, open market, auction etc) to achieve best consideration reasonably obtainable. The work required for a decision report is outlined in Appendix 4 and then if approved there is then a need to progress the disposal to completion. 4. Asset development and regeneration – This will be a commission to review the council’s investment portfolio sites identified as opportunities for development / regeneration as outlined in Appendix 3 (Table 2) and production of a regeneration and development strategy for these locations. Then to progress the development of assets through relevant development routes (over 3-5 years). <p>Consultation on the future disposal of council-owned sites will be carried out where appropriate. Proposals for disposal of assets used by the public will be subject to Equality and Safety Impact Assessments (ESIA) and potential mitigation measures under the Equalities Act 2010.</p>
9.	One of the early ADDP commissions involved the appointment of Aecom to give the council a set of recommendations, by the end of February 2024, on approximately 200 properties within the corporate and operational portfolio advising on the retention, development, or disposal of these assets. An extract of Aecom’s report can be found at Appendix 1 and this outlines the methodology and approach taken in their assessment of council assets. It should be noted Aecom’s report does not explore all assets. The exclusions are listed in their report and include schools, housing, sports pitches, recreation grounds, parks, community centres and properties within the council’s investment portfolio. Aecom have also been tasked with updating

	service asset management strategies. These documents were developed between 2021 and 2023.
10.	Aecom's report recommends further feasibility work and detailed studies to be undertaken in relation to a number of assets in order for the council to reach future decisions on retention, development or disposal.
11.	Their review is the first stage of the ADDP which the council has used as a basis to define a recommended list of corporate and operational buildings that should be considered for disposal or development (outlined in Appendix 2). This paper focuses on disposal and development opportunities that have the support of council services.
12.	Whilst Aecom's report has focused on reviewing properties in the corporate and operational portfolio, a separate exercise has taken place evaluating buildings in the council's investment portfolio and a high-level set of recommendations has been produced in relation to these buildings (see Appendix 3). This document outlines investment properties to be considered for disposal (Table 1), along with those properties with significant regeneration and growth potential (Table 2) which should be progressed at this time. An assumption has been made that the sites identified for regeneration will be capable of securing an uplift in value and a capital receipt.
13.	The sites identified in Appendix 3 (Table 2) are sites that have the greatest capacity to generate regeneration in the city and maximise the opportunity for growth, support master planning and the work of the Renaissance Board, including generation of capital receipts, council tax and business rates. Finance officers have implemented a methodology to determine the financial benefits of disposal versus retention of council-owned properties.
14.	This financial methodology enables a comparison of whether it is better to dispose of an income generating asset and realise the capital receipt now or continue to hold the asset and receive the income over the life of the building. The analysis assumes the capital receipt will be used instead of borrowing to fund the capital programme. This enables a comparison to be made on whether, over the life of the building, the saving on borrowing is greater than the estimated rental income and residual value of the building. As the analysis is based on cashflows over, generally, 25 years, the methodology incorporates a net present value (NPV) analysis of the future income and the residual value of the asset compared to the savings on borrowing. This analysis uses a discount factor to present the future cash flows as a value as at today. The model includes the net position of the income received over a 25-year period plus the residual value of the asset, less potential savings on borrowing costs, along with any capital refurbishment costs (if they are expected to be required to the building within the period). Investment properties are generally let on a full repairing lease basis, so most repairs and maintenance costs are expected to be funded by the leaseholder. The NPV analysis discounts future cash flows to the present value based on the premise that the value of the future cash flows decrease over time due to the time value of money. The discount rate used is based on the cost of borrowing of £80k per £1m which works out at around 6.2%.
15.	Under the ADDP, additional feasibility work will be required to ensure that disposal of assets meet statutory requirements around best consideration

	reasonably obtainable. The council will undertake robust valuation work on each site and secure the necessary expertise to investigate and recommend the most appropriate route for disposal of buildings. A decision report will be produced for each asset recommended for disposal containing key information in readiness for approval. Further details can be found in Appendix 4.
16.	The council is looking to procure a strategic partner to define opportunities for asset development and regeneration across Southampton in line with its master planning ambitions. This commission will be a critical activity within the ADDP.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
17.	A programme budget of £0.54M for 2023/24 was approved in-year as part of the wider Transformation programme by the Chief Executive under delegated urgent decision powers, funded by existing capital receipts, as part of the flexible use of capital receipts strategy. The purpose of the budget is to procure the necessary skills and expertise required to progress the disposal and development of assets. The direct costs of disposal (estate agents, legal, surveyors etc) can be financed from the receipt generated, capped at 4% of the capital receipt.
18.	The programme budget for 2024/25 and beyond was included for approval at the council's recent budget setting meeting in March. The funding of the ADDP, and wider transformation activity undertaken across the council over the next three years will be dependent on securing additional capital receipts.
19.	<p>Income that meets the definition of capital receipts (proceeds from sale of property, plant and equipment over £10,000) is reserved for capital investment or the reduction of debt.</p> <p>An application has been made to Government seeking Exceptional Financial Support (EFS) to help balance the budget for 2024/25 and provide for other costs and potential liabilities. Government has now confirmed that it is minded to support the council by providing an EFS facility. A ministerial statement on 29 February 2024 confirmed this for Southampton City Council, and for 18 other local authorities.</p> <p>The EFS is in the form of a 'Capitalisation Direction'. Capitalisation is how the Government permits local authorities to treat revenue costs as capital expenditure. It is a relaxation of the rules that requires revenue costs to be met from revenue resources only and that councils should not "borrow" to fund revenue expenditure. EFS is only available in 2024/25 to give the council time to develop further savings and transformation plans to reduce the structural budget deficits in future years.</p> <p>The EFS will allow the council to use up to £121.58M of capital resources to fund revenue expenditure and other potential liabilities. The council is not obliged to use the full value of the EFS, and this should be seen as a facility to use rather than permission to spend. EFS is not additional funding and it must be repaid either through capital receipts or borrowing.</p>

	<p>The use of the EFS facility should therefore be kept to the minimum necessary.</p> <p>Any use of EFS will require the generation of capital receipts to create the necessary funding or will need to be funded by new borrowing. Any new borrowing will attract a premium of 1% on the prevailing Public Works Loan Board (PWLB) rates and removes the entitlement for the council to borrow using certain rates, so will be closer to 1.2% above the rate we would have borrowed at. The repayments will add to the financial pressures the Council faces.</p>
20.	<p>Currently rental income from properties in the council's investment portfolio is included as income in the renamed Growth & Prosperity Directorate revenue budget. The disposal of any income generating asset will need an accompanying business case to demonstrate that the benefit of the capital receipt being utilised to avoid borrowing costs, outweighs any reduction in revenue income. This will be used to inform disposals decisions and the delegations set out in this report. The potential loss of revenue income from the disposal of investment property has been considered as part of future financial planning, however the Growth & Prosperity Directorate cash limited budget level will need to be adjusted to offset the loss of the income generated by disposed assets.</p>
21.	<p>The CIPFA Prudential Code for Capital Finance in Local Authorities was updated in 2021. One of the key updates was regarding investments for service purposes. The Council as a net borrower, due to the size of the current capital programme, is now required to consider an exit strategy from all investments before borrowing is taken. An assessment needs to be made as to whether the investment is being held for regeneration or other service purposes or primarily for financial return. 'Primarily for financial return' means that the main reason why the investment was entered into, or is now being held, is to earn money.</p>
22.	<p>The direct financial benefits from ADDP will be the capital receipts generated and revenue savings from having a reduced operational estate. These savings will be fully costed and incorporated into the Medium Term Financial Strategy as the detailed disposal programme is developed. The indirect financial benefits will include potential future increases in council tax and business rates receipts where sites are redeveloped, and how they support the growth and prosperity and alignment to the city vision and master plan. The programme has targeted financial outcomes and dedicated specialist resource is required to deliver this high value programme at pace. Activity already undertaken through the Aecom commission and by securing a team of other professional roles, either directly employed, or secured through framework providers, will enable the ongoing delivery of the programme.</p>
<u>Property/Other</u>	
23.	<p>The council has an obligation to comply with S123 Local Government Act 1972 to secure best consideration reasonably obtainable on any disposal. It is critical that valuations are secured across all sites recommended for disposal or development. This is a significant programme which will instigate a requirement for large-scale disposals requiring resource and expertise beyond the staffing levels within the council's current Valuations</p>

	and Estates team. Properties of interest included in this report are those owned freehold or leasehold by the council.
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
24.	In addition to general powers under the Localism Act 2011, as previously outlined, the council has an obligation to comply with S123 Local Government Act 1972. Where best consideration is less than £2,000,000 below the market valuation then authorisation for transfer can be granted by the council providing the transfer contributes to the promotion/ improvement of economic well-being, promotion/ improvement of social well-being or the promotion/ improvement of environmental well-being.
25.	Where best consideration is greater than £2,000,000 below market valuation then a request to the Secretary of State for authorisation must be obtained. If such situations arise, they will be managed on a case-by-case basis after consultation with appropriate members.
<u>Other Legal Implications:</u>	
26.	The council has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and best value.
27.	Under s.111 of the Local Government Act 1972 the council has the power to do anything incidental to the exercising of any of its functions. The general power of competence under section 1 of the Localism Act 2011 gives local authorities a broad range of powers "to do anything that individuals generally may do" subject to limits within other legislation and there are no adverse limits on the proposed scheme under the current legislation.
28.	Proposals for disposal of assets used by the public will be subject to Equality Impact Assessments and potential mitigation measures under the Equalities Act 2010 and detailed impact assessments will be required for each individual disposal proposal.
RISK MANAGEMENT IMPLICATIONS	
29.	<p>There will be a robust risk management approach in relation to this programme through the development and ongoing review of the programme RAID log (risks, assumptions, issues, and dependencies) and thorough risk plans developed for individual buildings.</p> <p>The significant risks within the programme include:</p> <ol style="list-style-type: none"> 1. Securing the required budget to fund the ADDP and future transformation activity in 2024/25. Risk will be mitigated by securing a capital receipt from the sale of a council asset before the end of the current financial year. 2. Correct resources are procured without delays to enable asset development and disposal work to progress at pace to meet programme outcomes. This risk will be mitigated by ensuring the council can procure through frameworks to enable necessary resourcing (legal, valuations, disposals, surveying, procurement

	<p>expertise etc). Resource requirements will be continuously reviewed/monitored by the Programme Manager.</p> <p>3. Correct programme governance, including securing programme delegations to achieve robust/ swift decision making, is supported. The required delegations will be sought through consultation with elected members as outlined in this paper.</p> <p>4. The council will achieve best consideration from disposal of its assets. The council will procure the correct level of qualified surveying resources to ensure statutory obligations are achieved around best consideration.</p> <p>5. Decisions are made supporting the long-term regeneration and future growth of the city, balanced against the need to achieve an £85M disposals target. Securing a strategic partner to assess the opportunity for development and regeneration of sites, and production of a strategy, which aligns with the council's broader master planning ambitions will be key activity within the programme.</p>
30.	Any disposal of assets within the programme needs to be carefully planned and executed. The preparation stage is important, requiring an assessment of each building and its profile. Various factors need to be considered including the current use, condition, statutory compliances, and planning status. It will also be important to undertake a current market appraisal with valuation of each property. Detail outlining some of the information that will be included in a report to seek approval to take a particular route to dispose of a building can be found in Appendix 4.
POLICY FRAMEWORK IMPLICATIONS	
31.	The proposal in this report reflects the Council's Corporate Plan 2022-2030 and aspirations around a 'prosperous city'. It also supports the council's Local Development Plan (2013-2026) and Southampton City Council Housing Strategy (2016-2025).

KEY DECISION?	Yes (for Cabinet decisions)
WARDS/COMMUNITIES AFFECTED:	Potentially all
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Extract of Aecom's asset optimisation report (confidential)
2.	Detailed list of corporate and operational properties for disposal under the ADDP (confidential)
3.	Detailed list of investment and commercial properties for disposal and regeneration under the ADDP (confidential)
4.	An indication of the content of decision reports required for property disposal (confidential)

Documents In Members' Rooms

1.	Not applicable
----	----------------

Equality Impact Assessment		
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.		Yes
Data Protection Impact Assessment		
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.		No
Other Background Documents		
Other Background documents available for inspection at:		
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)	
1.	Aecom report	

Document is Confidential

This page is intentionally left blank

Document is Confidential

This page is intentionally left blank

Document is Confidential

This page is intentionally left blank

Document is Confidential

This page is intentionally left blank