

DECISION-MAKER:	CABINET
SUBJECT:	Southampton Master-planning Delivery Framework
DATE OF DECISION:	20 December 2022
REPORT OF:	COUNCILLOR SARAH BOGLE CABINET MEMBER FOR ECONOMIC DEVELOPMENT

<u>CONTACT DETAILS</u>			
AUTHOR:	Title	Economic Development Manager	
	Name:	MATTHEW HILL	Tel: 07979 702636
	E-mail:	Matthew.Hill@southampton.gov.uk	
Director	Title	Executive Director of Place	
	Name:	ADAM WILKINSON	Tel: 07525 186731
	E-mail:	Adam.Wilkinson@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
None.

BRIEF SUMMARY		
<p>This report sets out a new approach to major site development and regeneration in the city through a master-planning programme and delivery framework that includes the establishment of a new Renaissance Board. In summary this seeks to do the following:</p> <ol style="list-style-type: none"> 1. Provide a refreshed programme for the Council in its master-planning activity; 2. Ensure cross-party support and cross-city ownership for master-plans going forward; 3. Support an update to the 2013 City Centre Masterplan; 4. Ensure the right mix of in-house skills to support the development management process; 5. Provide in-depth consultation & engagement to ensure it takes people/communities with us; 6. Growth needs to be sustainable net zero carbon; 7. Align with other major land use and policy changes such as the emerging Southampton City Vision Local Plan, Solent Freeport & Investment Zones; 8. Integrate the opportunities for the role of culture and heritage to contribute to place-shaping, destination creation and story-telling, identity and pride; 9. Offer clarity around Section106 obligations and other forms of mitigation; 10. Ensure the master-plan is supported by proportionate viability / market testing to create commercially deliverable schemes; 11. Establish new internal and external governance to manage the master-planning programme and ensure long term cross-party ownership and external stakeholder support. 		
RECOMMENDATIONS:		
	(i)	To note the progress of a developing a new Master-planning Delivery Framework and programme, that will support the long-term growth and development of Southampton.
	(ii)	To approve the establishment and draft Terms of Reference of the Southampton Renaissance Board and delegate authority to Executive Director Place, following consultation with the Leader of the Council and Cabinet Member for Economic Development, to administer the Board in

	line with the draft Terms of Reference as described in Appendix 1 of the report.
REASONS FOR REPORT RECOMMENDATIONS	
1.	<p>A broad awareness of the emerging master-planning programme is a prerequisite to ensure the adoption of a people-centred master-planning approach and to ensure the long-term success of the programme.</p> <p>The master-planning programme and delivery framework may well have implications in terms of infrastructure, transport, targeted regeneration, net-zero, flood risk and skills development, particularly for future construction skills. Given this point the programme will affect a number of Cabinet portfolios.</p>
2.	<p>The establishment of a local public / private partnership Board is a stated aim of the current administration and of previous administrations.</p> <p>The Board will evolve through time, developing a strategic advisory role and initiated initially as a Shadow Board to agree a terms of reference, to then be adopted.</p> <p>The remit will be focussed on growth, strategic skills, sustainable development and investment.</p> <p>A City Board ('Renaissance Board') is seen to be the most relevant and appropriate body with key partners will come together to help shape our collective approach to the growth agenda.</p>
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
3.	<p>Other less formal, network based arrangements, have been considered and rejected. A less formal approach is unlikely to provide the level of oversight, long-term buy-in, than by adopting a more coherent, co-ordinated and dedicated approach. Delivery and engagement with investors will be a key underlying drivers for the Board.</p> <p>The proposed Renaissance Board will also involve and engage local bodies, businesses, investors and residents in its work.</p>
4.	<p>A standalone, more independent city board model has been considered and rejected. In time the Renaissance Board many become a standalone entity, however until the Board is fully established, a model of aligned internal and external boards should provide a more stable framework and to ensure that any internal approvals on Council assets and responsibilities can be clearly enacted.</p>
5.	<p>The future role of the Southampton Connect partnership was carefully considered, however the partnership has limited private sector representation. The roles of both bodies may evolve in a complementary fashion. The Connect partnership has a slightly broader remit, where-as the Renaissance Board will be firmly focussed on the growth agenda.</p>
DETAIL (Including consultation carried out)	
6.	<p>Master-planning has undergone a revival across many international cities in recent years. However, significant demographic and social changes are also occurring amid constraints resulting from the current economic challenges, reduced public spending and the drive to respond to environmental imperatives. These conditions challenge the feasibility of applying master planning practices as they were conceived of in the past. The traditional view was that master-planning was a design-led activity concerned with the architectural form of buildings, spaces and infrastructures. This is outdated and inadequate for coordinating the plural processes of developing sustainable places for people that satisfy social, cultural, heritage, functional, economic and environmental requirements, as well as realising visually pleasing city</p>

	<p>and townscapes. Master planning requires both a business planning component, without which there is no delivery, and a governance component, without which the physical strategy has no legitimacy. A more adaptive and people-centred master-planning approach is required, alongside interdependency and alignment with city, regional and national strategies and engagement and co-creation with people who live, work, visit and shape the city of the future.</p>								
7.	<p>Master-planning by its nature has a long-term horizon but often with shorter-term demands and therefore results in challenges with respect to managing both stakeholder and political expectations and in particular how they evolve over the short, medium and longer-term, with sufficient internal client led capacity, especially when developing multiple master-plans citywide. A strategic approach to a Master-plan Delivery Framework has been established with the following scope:</p> <ul style="list-style-type: none"> ○ Establishment of a Southampton Renaissance Board that with the support of external partners, steers the future growth of the City in terms of economic development, place-shaping, investment in physical infrastructure and our human capital; ○ Review status of the current master-plans; ○ Define locally the key master-planning outputs and outcomes that would form the basis of future place-making activity e.g. to support investment decisions, become policy (Supplementary Planning Document - SPD), promote growth as a prospectus, opportunities to attract inward investment from a range of sources including cultural funders; ○ Identify the defined master-planning areas of focus citywide, including characteristics, high level objectives, development scale and mix; ○ Set out the delivery framework, which includes prioritisation, resource requirements, governance and programme; ○ Alignment and interdependency with local, regional and national strategies e.g. Cultural Strategy, Economic and Green Growth Strategy, Solent LEP 2050 Vision, Solent Freeport and Child Friendly City; ○ Directly support Southampton City Council and its new Local Plan (Southampton City Vision) that will set an overall 'vision' for the City; the master-planning delivery framework will provide a key 'driver' of change. 								
8.	<p>Table 1: MDF - Typology of "Masterplans" - The following typology of master-planning document is identified that would be considered as key outputs of the Masterplan Delivery Framework:</p> <table border="1" data-bbox="284 1541 1490 2092"> <thead> <tr> <th data-bbox="284 1541 502 1659">Document Type</th> <th data-bbox="502 1541 922 1659">Characteristics</th> <th data-bbox="922 1541 1193 1659">How linked to development plan</th> <th data-bbox="1193 1541 1490 1659">Criteria for use</th> </tr> </thead> <tbody> <tr> <td data-bbox="284 1659 502 2092">Masterplan</td> <td data-bbox="502 1659 922 2092"> Defined geographic area (potentially large). Includes: <ul style="list-style-type: none"> • Vision for area; • Land-use proposals; • Transport & other infrastructure proposals; • Place making / public realm / design code; • Development over phases and need to articulate an overall integrated vision. </td> <td data-bbox="922 1659 1193 2092">Referenced in development plan and formally adopted as SPD* to give weight when determining planning applications</td> <td data-bbox="1193 1659 1490 2092"> <ul style="list-style-type: none"> • Large area • Phased development • Complex land ownerships • Need certainty in planning process </td> </tr> </tbody> </table>	Document Type	Characteristics	How linked to development plan	Criteria for use	Masterplan	Defined geographic area (potentially large). Includes: <ul style="list-style-type: none"> • Vision for area; • Land-use proposals; • Transport & other infrastructure proposals; • Place making / public realm / design code; • Development over phases and need to articulate an overall integrated vision. 	Referenced in development plan and formally adopted as SPD* to give weight when determining planning applications	<ul style="list-style-type: none"> • Large area • Phased development • Complex land ownerships • Need certainty in planning process
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Development Brief	Defined geographic area (smaller than masterplan area but still a key or sensitive site) Sets out: <ul style="list-style-type: none"> • Land use proposals; • Sets out constraints; • Design code. 	Need to be consistent with development plan & referenced. Option for adoption as Supplementary Planning Guidance. Alternative to apply similar approach but informal via Development Principles – an informal document used to agree options for site(s) & parameters for applications with developers.	<ul style="list-style-type: none"> • Small area • Small number of land owners • Need certainty in planning process
Design Code	For defined geographic area Sets out design principles that should apply to development with the area including, inter alia, height, massing, materials, etc.	Can be linked to a Local Plan, a master-plan or development brief.	Need to agree design principles.
Local Area Improvement Plan	For defined (small) geographic area Sets out proposed: <ul style="list-style-type: none"> • Public realm improvements • Local Transport improvements • Management proposals 	Independent of development plan (but may have planning implications depending on content). Not altering buildings / redevelopment.	<ul style="list-style-type: none"> • Small geographic area • Landowner input required if necessary • Requires action to make improvements • Actions do not require planning consents.

These documents will be developed for key areas, as described below and will form the key outputs of the programme, although delivery strategies will also be critically important in fulfilling new investment and on the ground improvements in the fabric and infrastructure of the city. The documents set out below will be key as outputs of the master-planning programme.

9. Master-planning Delivery Framework – Priority Areas – Initial Focus

- **Station Quarter**
- **Cultural Quarter**
- **Heart of City**
- **World Class Waterfront**
- **Itchen Riverside**

The programme also includes three district centre improvement plans for Bitterne, Lordshill, Portswood and potentially other areas for regeneration, including (Old) Northam Road linked to the future work of the Southampton Culture Trust.

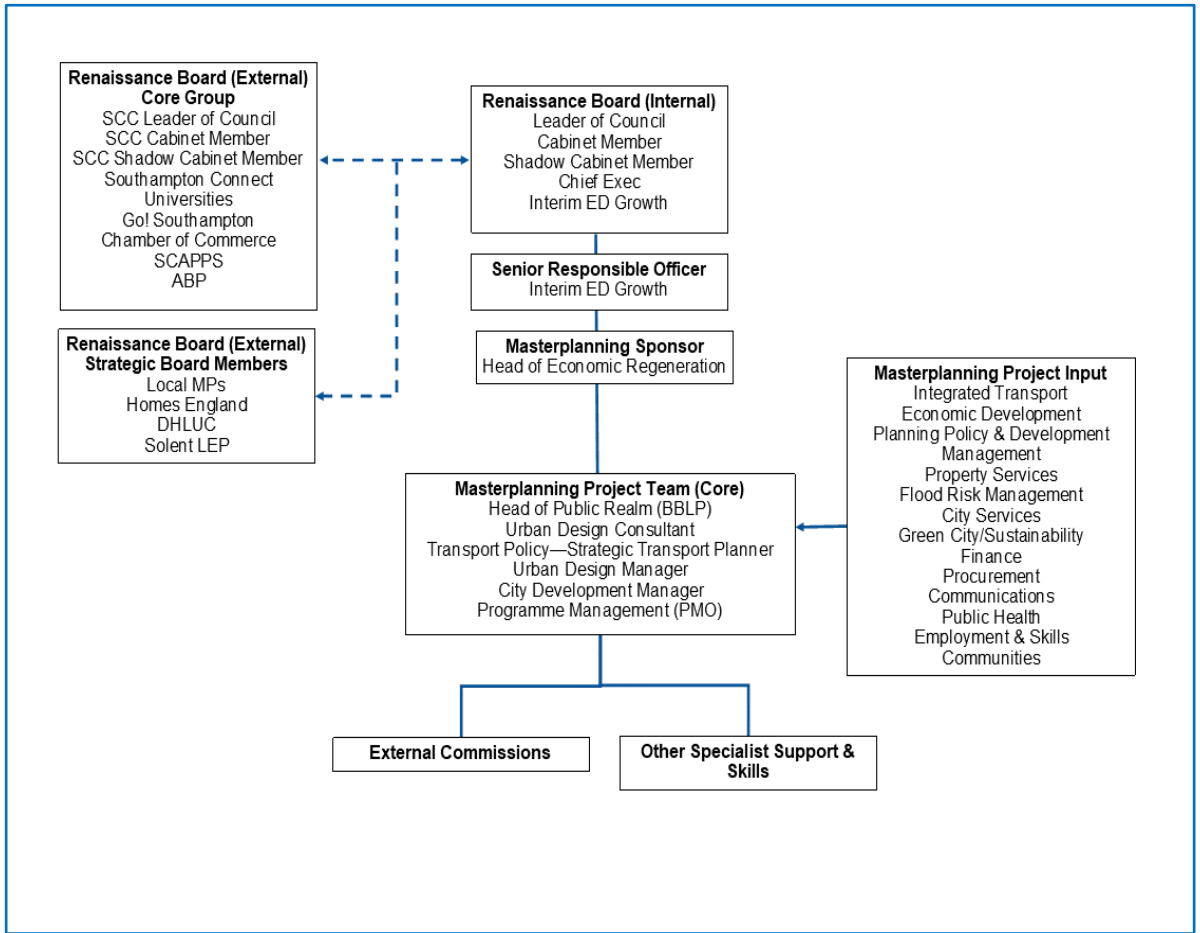
	<p>Details of the initial priority areas can also be seen on Appendix 1 with a map of the above priority areas and in describing the spatial dimension of the programme.</p>
<p>10.</p>	<p>Accountability & Governance</p> <p>Renaissance Boards will be established internally and externally. The external Board will seek to secure local representatives from existing established stakeholders, key city institutions and the private sector, to act as the local advocates as well as a strategic membership from other external bodies and with cross-party local political support. A Shadow Renaissance Board would be chaired by the Leader and / or the Cabinet Member for Economic Development until a Chairperson is elected.</p> <p>Southampton Renaissance Board – Objectives</p> <ul style="list-style-type: none"> • The Board will be focussed on growth, strategic skills, sustainable development and investment. • It will steer the future growth of the City in terms of economic development, place-shaping, investment in physical infrastructure and our human capital. • The Board will evolve through time, developing a strategic advisory role and initiated initially as a Shadow Board to agree a terms of reference, to then be adopted. • Partners will come together to help shape our collective approach to the growth agenda. The Board will include representation from the private sector, the Cabinet of the Southampton City Council, cross-party representation and from the Southampton Connect partnership. <p>Renaissance Board – Terms of Reference</p> <ul style="list-style-type: none"> • The Board will evolve and could develop the following remit, to be agreed: • Ensure the alignment of our public, private sector & major institutions around a growth agenda; • Seek to revitalise the built environment by realising opportunities through a master-planning & investment delivery programme; • Have oversight of the Economic & Green Growth Strategy & major initiatives including the Solent Freeport; • Ensure that Southampton is an attractive place to build a career, to work in and visit, as a more dynamic and vibrant place; • Catalyse the growth of innovative new industries to drive future growth; • Consider how the benefits of growth can be distributed more evenly and to our more disadvantaged communities; • Engage with and be informed by the Southampton City Vision – Local Plan; • Involve and engage local bodies, businesses, investors and residents in this work.
<p>11.</p>	<p>Consultation aligned to the Local Plan process</p> <p>The Draft Local Plan with Options document is currently open to consultation, running from 31 October to 23 December 2022. It explains the policies that have been developed following the Stage One consultation in 2020 and seeks feedback on the options to be taken forward across eight core themes:</p> <ol style="list-style-type: none"> 1. Strategic Approach 2. Homes 3. Economy 4. Infrastructure 5. Environment 6. Transport and Movement

7. Development Principles
8. Sites

Residents’ input into the draft Local Plan is very important, being an opportunity to directly influence the standards against which future development will be assessed, from affordable homes to the waterfront, as well as how we go about delivering new homes, employment areas and other essential facilities and infrastructure.

It is also important to recognise that many outputs from the Master-planning Delivery Framework will be aligned to and support the development and adoption of the Southampton City Vision – Local Plan in 2025.

12. Proposed Governance Structure & Interrelationships



RESOURCE IMPLICATIONS

Revenue

13. There is no base budget for master-planning. Previous projects have either had to be absorbed within existing service resources or receive specific budget allocations. A budget carry forward into 2022/23 of £0.20M for master-planning, funded out of wider underspends in the Growth directorate in 2021/22, was approved by Council in July 2022 subject to the delegations detailed in the Budget Outturn report.

There is currently a one-off funding of £0.20M available in 2022/23 for essential spend. Beyond that it would require existing surplus budgets to be identified and transferred to create a master-planning budget, or for a specific master-planning budget allocation to be made.

	In the short term – for the remainder of 2022/23, utilising the £200k budget available, a new Masterplan Delivery Team will be established that will be matrix managed, with responsibility for the team and programme delivery being with the Head of Economic Development & Regeneration. The table in Appendix 4 sets out the core matrix team of master-planning specialists made up of existing internal SCC staff, existing external contractors and via new commissions. This team will be tasked with the setting up and early delivery of the new framework and shaping the longer-term pipeline and budget requirements.
14.	Other funding options are being considered in conjunction with corporate finance and include the use of developer contributions and master planning partnerships to support directly the delivery of the Masterplan Delivery Framework and any associated commissions.

Property/Other

15.	<p>The Council has the necessary statutory powers under section 123 of the Local Government Act 1972 to dispose of properties in any manner it wishes. The only constraint is that a disposal must be for the best consideration reasonably obtainable (excluding short tenancies). However, it is recognised that there may be circumstances where a council considers it appropriate to dispose of land undervalue. The Local Government Act 1972 General Disposal Consent 2003 permits disposal at less than best consideration where the Council considers it will help it to secure the promotion or improvement of the economic, social or environmental well-being of its area and the undervalue does not exceed two million pounds.</p> <p>At this early stage the Council is neither considering acquiring or disposing of land or property and in most circumstances, it may provide beneficial to retain land or property holdings to leverage and control future development.</p>
16.	Any future decisions to acquire or dispose of any land or properties will be subject to obtaining professional valuation and investment advice. Any future land acquisitions will need to have strategic importance to the overall delivery programme and be justified in terms of public sector intervention.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

17.	The council's ability to undertake master-planning for its area lies in the Town and Country Planning Act 1990.
18.	<p>S.111 and 123 Local Government Act 1972, S.1 Localism Act 2011.</p> <p>The Council can lawfully hold a commercial property portfolio. There is no obligation to dispose of properties - that is a discretion. The Council, as a private landlord, and a landowner, can acquire or dispose of properties and land, with all negotiations being "subject to contract".</p>

Other Legal Implications:

19.	The proposals within this report are wholly in accordance with the public sector equality duty as set out in the Equalities Act 2010 and the rights relating to the protection of property afforded to individuals under the Human Rights Act 1998. A detailed Equality Impact Assessment has been carried out and is provided as a background document to this report.
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RISK MANAGEMENT IMPLICATIONS

20.	<p>Summary of key risks as follows:</p> <p>Short to medium term budget certainty. The report notes a one-off £200k budget to kick-start the Master-planning Delivery Framework. The longer-term sustainability of the programme will be subject to securing additional funding both internal and external (Government grants/ Homes England etc.) This will be a priority for the new Economic Development & Regeneration Service area.</p> <p>Completion of the organisational restructure including the appointment of a new Executive Director for Place and Head of Service for Economic Development & Regeneration. These roles being filled – in particular the Head of Service will be critical to the delivery of the master-planning programme and matrix management of the team who will deliver this.</p> <p>External buy-in to the Renaissance Board – the board will need key stakeholders to provide some capacity to support what will be a relatively demanding role. Informal discussions will take place with external stakeholders to prepare for formal invitations.</p> <p>The outcome of LUF bids will significantly influence the resource to fulfil the master-planning programme and support delivery on some city centre sites.</p>
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POLICY FRAMEWORK IMPLICATIONS

21.	<p>Some sites in the programme are identified in the City Centre Action Plan (adopted in 2015) as major development sites or as being with-in development quarters. The emerging Strategic Land Availability Assessment (SLAA) which will be used to guide the allocations for the new Southampton City Vision also identifies this site as appropriate for future housing development.</p> <p>City Centre Action Plan - Adopted - 2015</p> <p>Planning Policy - Emerging Plans - City Vision</p>
22.	<p>As examples, Policy AP31 relates to the Cultural Quarter, AP21 to the Station Quarter, Policy AP23 to the Waterfront (Town Quay) and AP26 to areas of Itchen (Chapel) Riverside.</p> <p>Outputs from the Master-planning Delivery Framework will be aligned to and support the development and adoption of the City Vision – Local Plan in 2025.</p>

KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	Bargate, Bevois, Bitterne, Bitterne Park, Harefield, Peartree, Portswood and Coxford.
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Summary - draft Terms of Reference – Southampton Renaissance Board
2.	Master-planning programme – map of priority areas
3.	Master-planning programme – initial timeline
Documents In Members' Rooms	
1.	ESIA

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		
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.		