

# Southampton City Council

adapt | grow | thrive



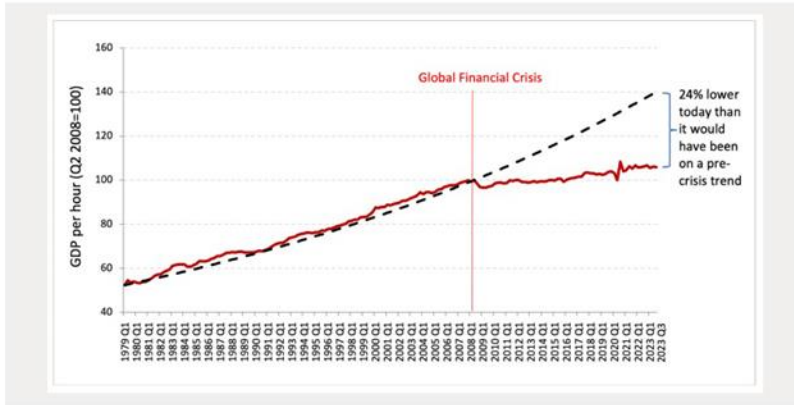
# Context



# National

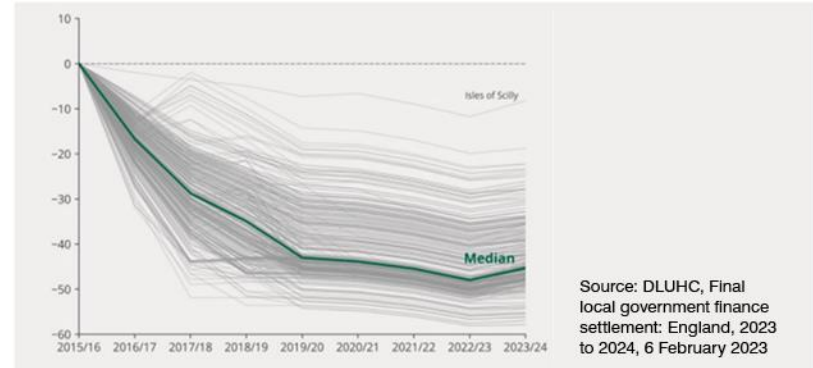
## Growth flat-lining since 2008

Average annual productivity increased at 0.6 per cent in real terms between 2010-2021



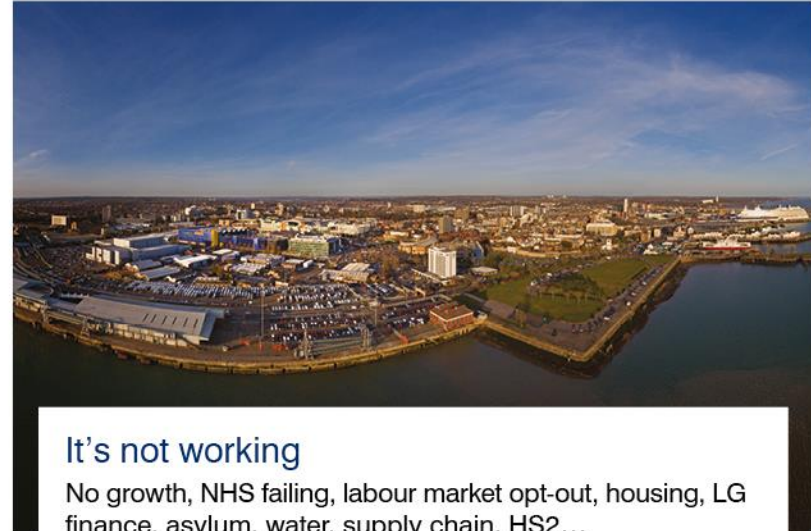
## Local Government finance

Reduction in core spending power since 2010/11:  
England: 18.1% (£13.9bn), Southampton: 21.4% (£68.2m)  
2025/26 onwards: 3.5% cuts per annum



### Events

Brexit, pandemic, elections, climate, war, refugees, cyber, unknown unknowns



### It's not working

No growth, NHS failing, labour market opt-out, housing, LG finance, asylum, water, supply chain, HS2...

# Local

## City region growth

Prosperity, plans, investment, skills and participation



## Balanced budget

Growth, reform, prevention



## Resilience, prosperity, confidence

'Present' and responsive, local partnerships, active community



## Devolution

Funding, powers, mindset and leadership

# Southampton

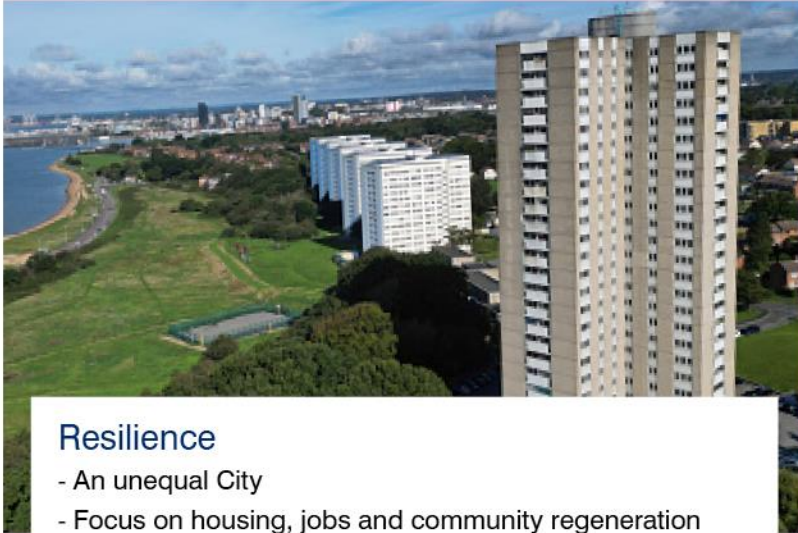
## Economic underperformance

- Opportunity and challenge.
- 2010-22 productivity decreased 0.9% year on year
- 5th highest on the PWC Good growth index for cities 2023



## Budget - council finances and £40m gap

- Analysis of gap vs stat neighbours
- Major reform backlog - Risk of intervention
- 10 year MTFs



## Resilience

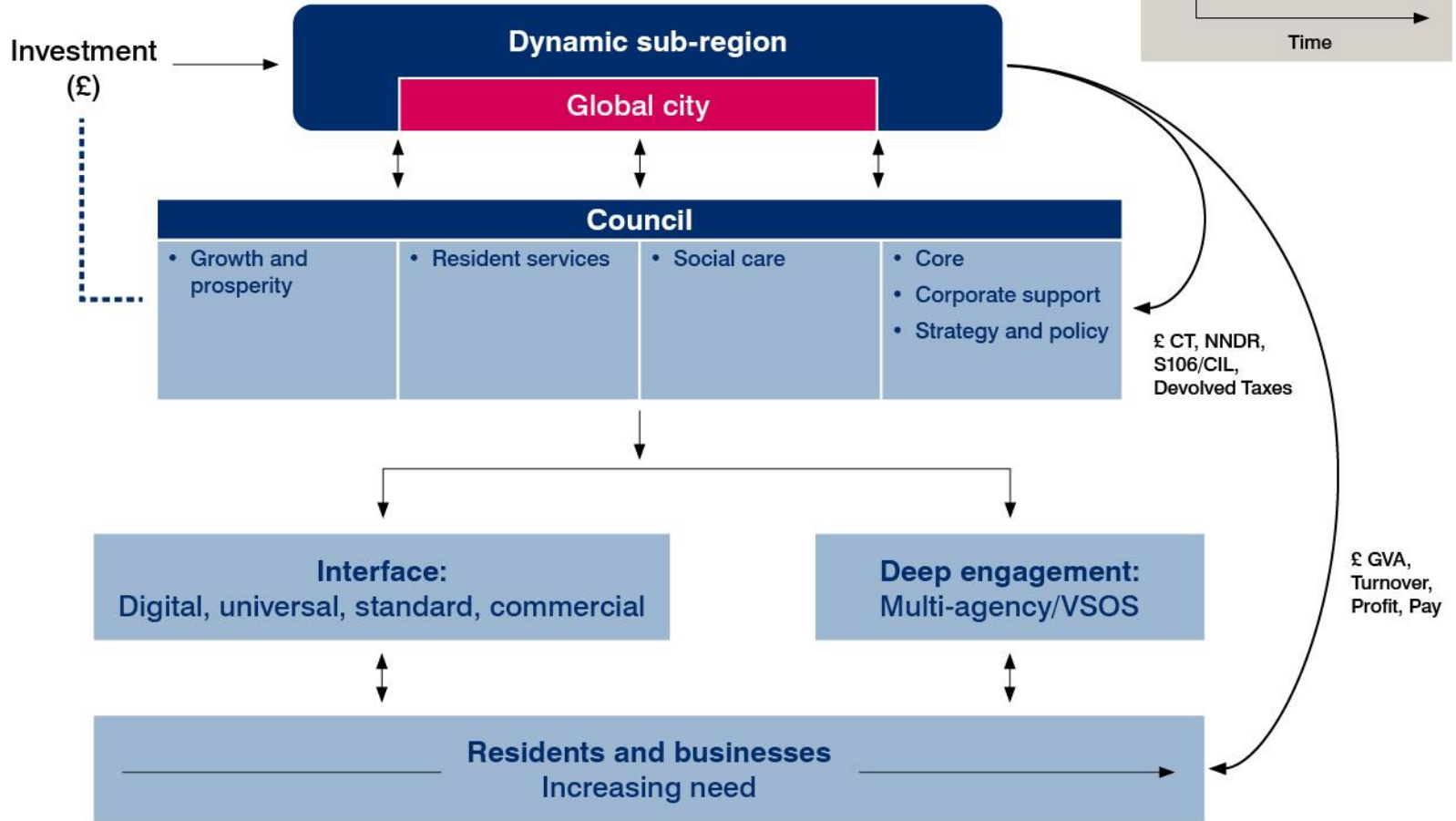
- An unequal City
- Focus on housing, jobs and community regeneration



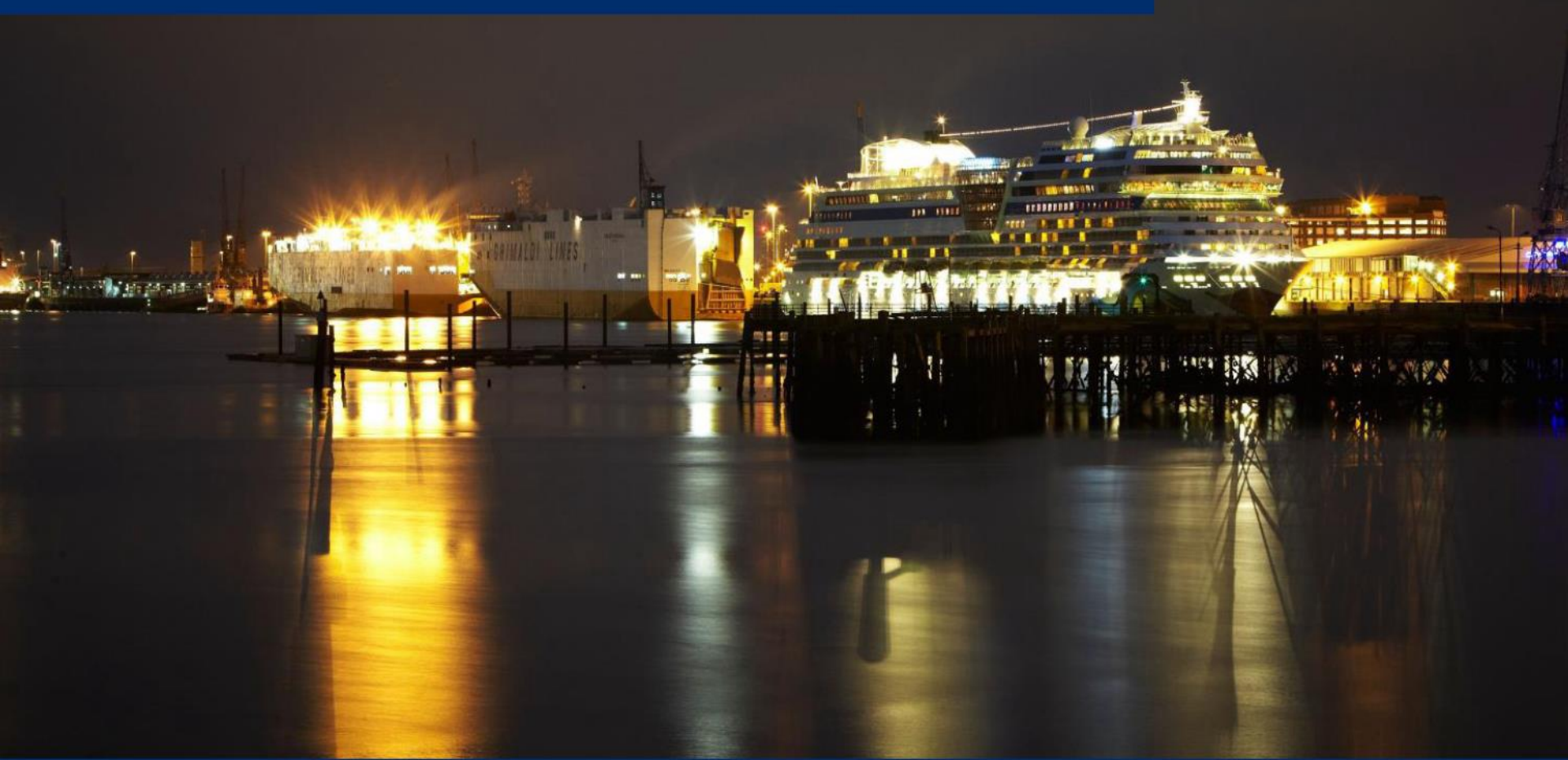
## Leadership role

- Devolution deal
- Solent economic strategy
- City Growth and Prosperity Plan - Renaissance Board
- Private sector delivery partnerships

# Operating model



# Transformation Programme



# Introduction

To address the Council's structural budget deficit, we are delivering change across the organisation through a single Transformation Programme. That Programme is addressing what we do, how we do it, and what technology, process and structural changes are needed to enable us to reshape the Council to deliver for our residents in the challenging context we face.

But this is not just about the Council. To be successful and sustainable we will work with our partners to deliver growth and prosperity for the region and our city, and we will forge new relationships with our residents for efficient service delivery, coupled with deeper engagement where that is necessary for them to thrive.

Our aim is to set a balanced budget for 2025/26, but beyond that to continue our Transformation Programme over a three-year period to deliver our ambitions in line with our new City Plan. To achieve this, we are investing in our capacity for change and building a strong governance and delivery framework so that everyone can contribute for our Council and our City.

**adapt | grow | thrive**



# adapt | grow | thrive

**adapt...** to achieve a sustainable financial position and succeed within a volatile world we will create a more effective and agile organisation focussed on outcomes for our residents.

**grow...** for longer-term success, we will work with our partners to achieve growth and prosperity for our region and our City.

**thrive...** the work that we are doing with our partners will enable our residents and the City to thrive.

# Transformation design principles

We have developed a set of design principles to underpin our transformation journey

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We will carry these principles throughout our thinking when delivering transformation; in how we design services, where we invest our resources, in how we make key decisions and what we value and what we expect from each other.

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**City Council Leadership:**  
Sub region, city, partners, residents



**Economic growth:**  
Investment, infrastructure, housing, business



**Reducing carbon emission:**  
Towards net zero



**Prosperity:**  
Skills, labour market, pay



**One Council:**  
Budget balanced, confident, ambitious, engaged



**Reform:**  
Transformation, delivery model options, promoting independence

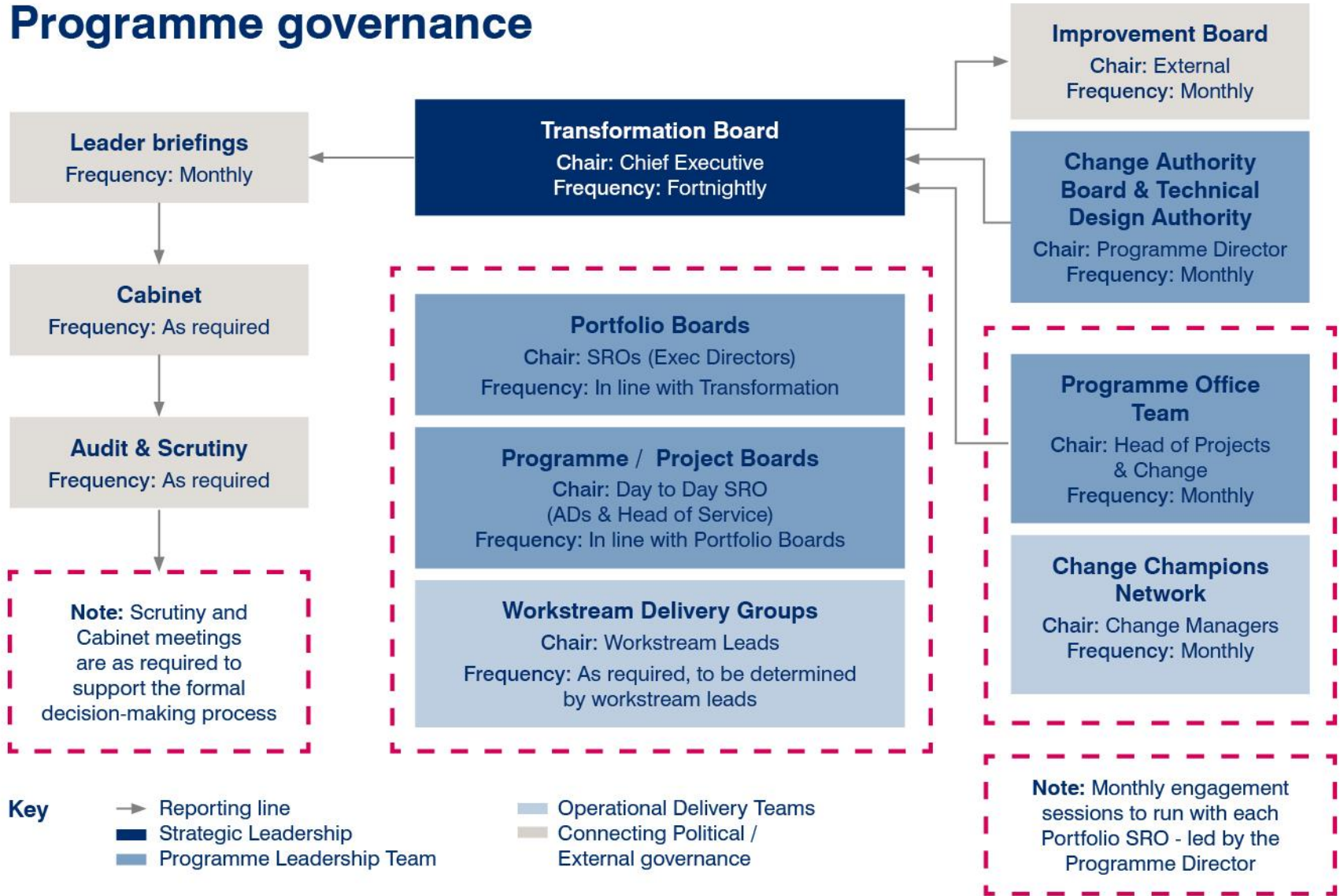


**Efficient:**  
Digital, resident, business focused

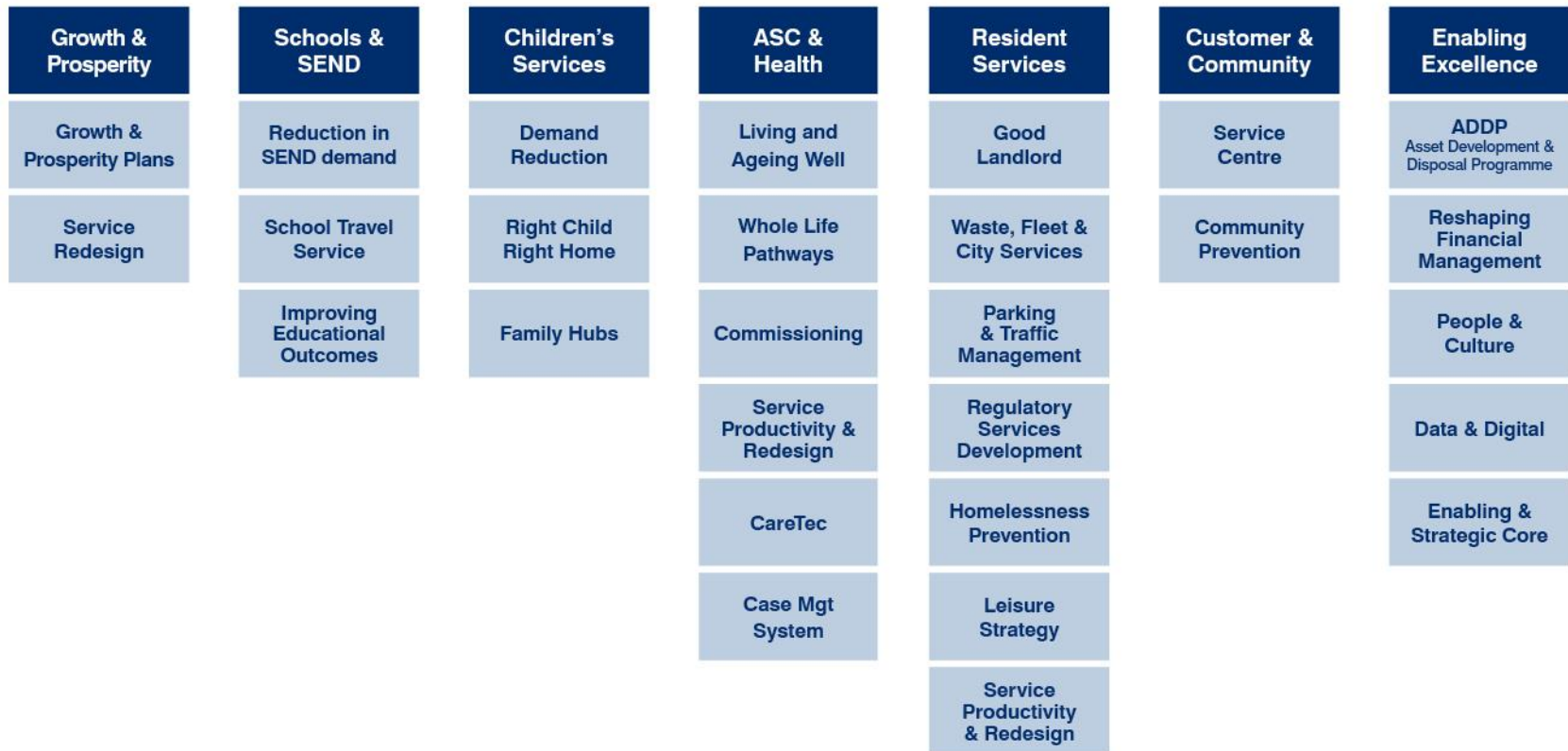


**Prevention:**  
Data, deep engagement, equality, demand management

# Programme governance



# Transformation scope

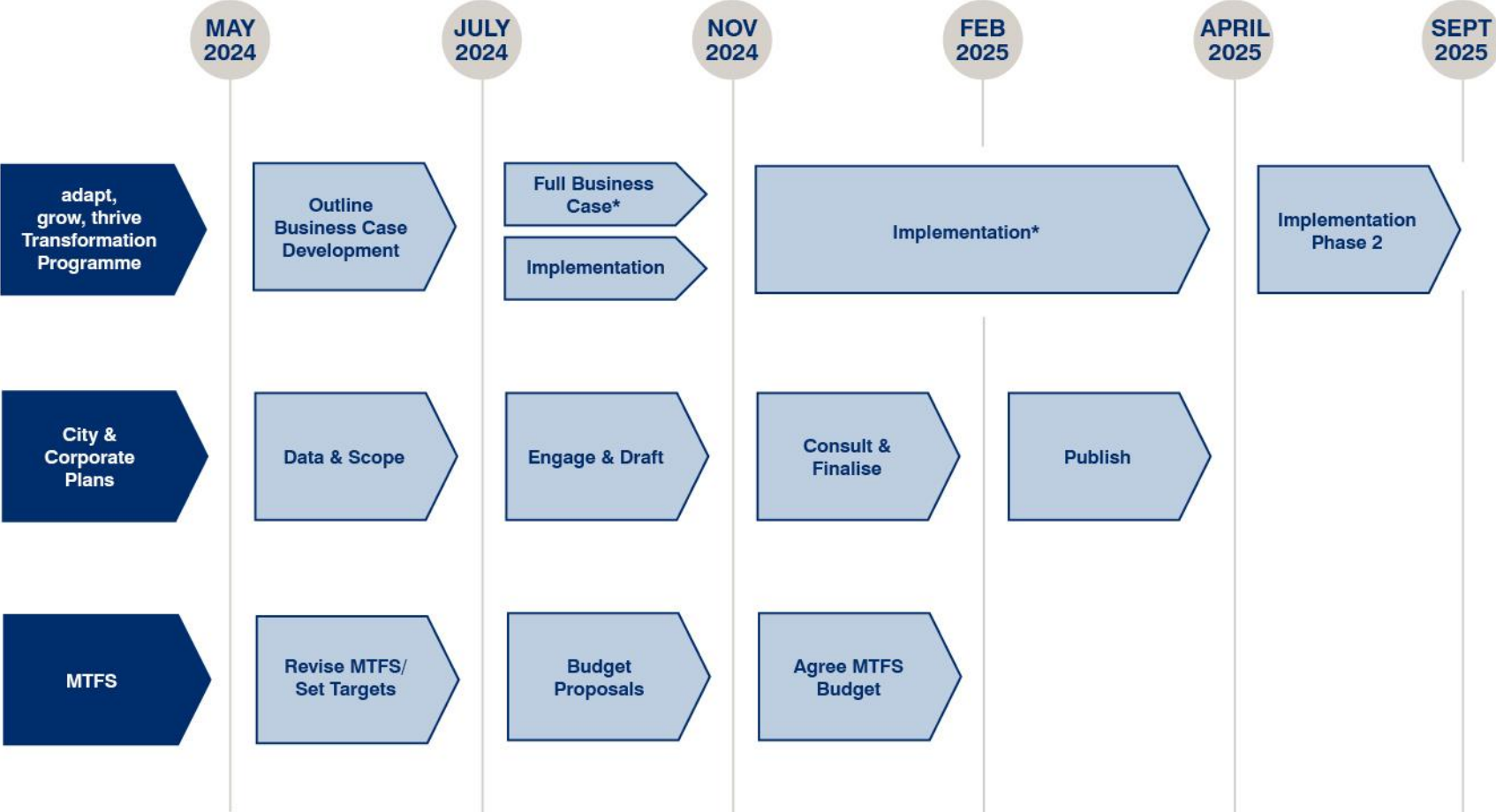


## Cross cutting programme elements

- HR & People
- Legal & Democratic
- Finance
- ICT & Digital
- Comms & Engagement
- Procurement

# Transformation timeline

How our Transformation aligns with other key activities over the next year:



\*Including engagement and consultation

# A successful outcome means:



**Budget set for 2025/26**  
without additional EFS



**Children and young people**  
are safe and valued



**Ten-year MTFS** agreed based  
on growth and devolution



**A more resilient community**  
with improved housing, labour  
market participation and pay



**Investment portfolio**  
for the region and city to increase  
growth and productivity



**Residents have support,**  
where necessary, to  
live independent lives



**A focus on prevention,**  
led by a public health approach

**A vibrant city**



**An engaged council**  
at the heart of city partnerships