

DECISION-MAKER:	CABINET
SUBJECT:	SOUTHAMPTON ECONOMIC AND GREEN GROWTH STRATEGY 2021-2030
DATE OF DECISION:	16 MARCH 2021
REPORT OF:	COUNCILLOR LEGGETT CABINET MEMBER FOR GREEN CITY & PLACE

<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY	
Not applicable	
BRIEF SUMMARY	
<p>Covid-19 has caused a major shock to the city's economy. Whilst the City Council and its partners have been working to support businesses and people economically affected by the pandemic, it is evident that there needs to be a clear approach to economic recovery and stability that supports business and jobs growth and helps ensure that local people can access the jobs created. This requires a strategic approach that has support across the city.</p> <p>There is also considerable economic development and related activity that is ongoing but this lacks strategic focus. Hence this strategy fills a gap in the Council's strategic planning framework.</p>	
RECOMMENDATIONS:	
	(i) To adopt the Economic & Green Growth Strategy.
	(ii) Instruct the Head of Planning & Economic Development to prepare and submit an Annual Report setting out progress on delivering the Economic & Green Growth Strategy commencing in 2022.
	(iii) Instruct the Head of Planning to prepare the first 3-year delivery plan for agreement by Cabinet.
	(iv) Agree to the principle of establishing a City Economy Board and instruct the Executive Director, Place to report back on its proposed terms of reference, membership and relation to existing partner structures.
REASONS FOR REPORT RECOMMENDATIONS	

1.	To ensure that the City has a coherent and strategic approach to supporting the economic recovery and growth of the city over the next ten years.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
2.	To not agree to adopt the Economic & Green Growth Strategy and hence not have a clear view as to how the city's economy can be supported through and beyond recovery and to not set a clear framework for economic interventions.
DETAIL (Including consultation carried out)	
3.	<p>Covid-19, and the interventions required to control the virus, have caused major economic shock nationally and locally. This has been in terms of job losses, business closures and confidence. There is a need to recover and rebuild the city's economy with the Local Resilience Forum setting out an approximate timeline for this as:</p> <ul style="list-style-type: none"> • Survival 2020 to 2021 • Stability 2021 to 2025 • Growth 2025 to 2030 and beyond.
4.	The City Council currently lacks a strategy on how the city's economy can and should develop, let alone how this can happen in a manner consistent with the corporate objectives of "Fairer, Healthier, Greener".
5.	<p>The draft strategy, attached as Appendix 1, sets out a clear view of how the economy can be developed in a manner to achieve these corporate aspirations. Within the strategy there is a focus on:</p> <ul style="list-style-type: none"> • Green economic growth and carbon neutral economy • Create a fairer economy that benefits all especially the most disadvantaged • Providing health benefits via a thriving economy.
6.	The strategy aims to build our economy for and with our communities so that everyone benefits from improved opportunities and outcomes. The strategy builds on Southampton's ongoing economic growth and Green City agendas and sets out our plan to restore and renew our economy as a greener, fairer and healthier city.
7.	The strategy puts people at the heart of our approach to economic growth and sets out plans to work with our residents to deliver a community-based approach to economic growth. Building on this basis we will support businesses to grow, increasing job opportunities for our communities. We will also ensure a sustainable physical environment and infrastructures to support that growth, and through this look outwards to embrace opportunities to grow our status as an international city.
8.	<p>The strategy therefore focuses on four key interrelated themes:</p> <ul style="list-style-type: none"> • People, employment and skills • Supporting and growing local businesses • Growth through sustainable place shaping • Growing an International City
Strategy Development	
9.	<p>The draft strategy has been developed by:</p> <ul style="list-style-type: none"> • Reviewing economic data and intelligence

	<ul style="list-style-type: none"> • Reviewing and integrating with other city council and partner strategies • Engagement with partners • Engagement with businesses via the Business Task Force and a number of sector-based roundtables including developers and hospitality. <p>The strategy development has also been overseen by a cross-organisational officer group to ensure a “one council” approach.</p>
	Public Engagement Exercise
10.	<p>Southampton City Council undertook a public engagement exercise on the proposed draft Economic and Green Growth Strategy, to inform the development of the strategy and gather views from local residents and businesses. The engagement exercise was undertaken with residents and stakeholders on the draft strategy which included asking for feedback on four key themes:</p> <ul style="list-style-type: none"> • People, employment and skills • Supporting and growing local businesses • Growth through sustainable place shaping • Growing an international city
11.	<p>The aim of this engagement exercise was to:</p> <ul style="list-style-type: none"> • Communicate clearly to residents and stakeholders the Economic and Green Growth Strategy proposals for 2020-2030. • Ensure any resident, business or stakeholder who wished to comment on the proposals had the opportunity to do so, enabling them to raise any impacts the proposals may have. • Allow participants to propose alternative suggestions for consideration which they feel could achieve the objectives in a different way.
12.	<p>The agreed approach for this engagement exercise was to use an online questionnaire as the main route for feedback. Questionnaires enable an appropriate amount of explanatory and supporting information to be included in a structured questionnaire, helping to ensure respondents are aware of the background and detail of the proposals.</p>
13.	<p>The engagement exercise was promoted in the following ways:</p> <ul style="list-style-type: none"> • Sent to the Peoples Panel (3,200 members) • Council e-bulletins • Social media channels (including paid for adverts through Facebook) • Press release which the Daily Echo ran • The link was shared with partner organisations
14.	<p>In total, 453 people responded to the public engagement exercise, including 394 residents and 31 businesses.</p>
15.	<p>Of those who responded, 65% felt that the draft strategy will have a positive impact on themselves, their business or their wider community.</p>
16.	<p>In addition to this, feedback has been sought from key business forums including Go! Southampton, Chamber of Commerce and Business South. The Business Task Force was also engaged throughout the strategy preparation. There was also a briefing to all Councillors and a discussion at Overview & Scrutiny Management Committee. This provided member input into the development of the final strategy document.</p>

	A full analysis of the public engagement exercise feedback is included in Appendix 2.
	<u>Issues raised in the engagement exercise</u>
17.	Following careful consideration of the feedback received through the public engagement exercise, the strategy was reviewed and updated as follows:
18.	a) Overall strategy
	<ul style="list-style-type: none"> 72% of respondents agreed or strongly agreed that the draft strategy was easy to understand. However, there were some comments that the language used in the strategy was too technical and was complicated to understand. The strategy was reviewed and edited to make sure that the language used was clear and concise.
	<ul style="list-style-type: none"> Only 18% of respondents disagreed that the draft strategy provided sufficient information. However, the strategy has been updated to include a page on 'delivering our strategy' which explains that the strategy will be accompanied by a detailed action plan that will identify the key tasks and actions necessary to achieve these objectives over the life of the strategy.
	<ul style="list-style-type: none"> The majority of respondents (65%) felt that the draft strategy will have a positive impact on themselves, their business or their wider community.
	<ul style="list-style-type: none"> Some respondents questioned where the accountability for the strategy sits. The strategy has been updated to address this on the new page called 'delivering our strategy', which explains that Southampton City Council will look to create a City Economy Board, to provide oversight and governance of the Economic and Green Growth Strategy.
	<ul style="list-style-type: none"> The strategy has been updated to include a foreword from both Cllr Hammond and Cllr Leggett demonstrating the local support from elected leaders.
	<ul style="list-style-type: none"> The feedback noted that the strategy should include clear information on how progress will be measured. The strategy has been updated to clarify the process for monitoring and review, removing specific KPIs per theme/action and instead looking at the overall picture of growth in the city to assess the impact of the strategy. Within the 'delivering our strategy' section a summary of data and other economic analysis that will be used to monitor progress and inform the ongoing development of actions to achieve the strategic objectives has been added.
19.	b) People, employment and skills
	<ul style="list-style-type: none"> The first theme covered within the questionnaire was People, Employment and Skills. As part of this respondents were asked to provide feedback on each of the three points of focus below: <ul style="list-style-type: none"> Bringing quality jobs to local people Brining local people to quality jobs Reducing inequalities

	<ul style="list-style-type: none"> The majority of respondents (95%) agreed with the commitment to bringing quality jobs to local people.
	<ul style="list-style-type: none"> The majority of respondents (93%) agreed with the commitment to bringing local people to quality jobs; 2% disagreed.
	<ul style="list-style-type: none"> Feedback suggested a focus is required on young people and digital training. The strategy addresses this focus and no further changes have been made, as a detailed action plan as to how these will be achieved will follow.
	<ul style="list-style-type: none"> The majority of respondents (86%) agreed with the commitment to reducing inequalities, and only 2% disagreed.
	<ul style="list-style-type: none"> Feedback raised concerns that inequalities had a negative connotation and should be amended to reflect current national guidance. The strategy has been updated and the focus is now 'increasing equity across the city'.
20.	c) Supporting and growing local businesses
	<ul style="list-style-type: none"> The second theme covered within the questionnaire was 'supporting and growing local businesses'. As part of this, respondents were asked to provide feedback on each of the four points of focus: <ul style="list-style-type: none"> Greener business Community centred economic growth Business innovation and growth Business leadership and resilience
	<ul style="list-style-type: none"> The majority of respondents (88%) agreed with Greener Businesses, 4% disagreed.
	<ul style="list-style-type: none"> The majority of respondents (84%) agreed with Community Centred Economic Growth, 4% disagreed.
	<ul style="list-style-type: none"> The majority of respondents (85%) agreed with Business Innovation and Growth; 2% disagreed.
	<ul style="list-style-type: none"> The feedback provided suggestions that more assistance, focus and support are required for start-ups and SMEs. Whilst the strategy provides this as an outcome no further changes will be made to the strategy but will be addressed in the action plan as to how.
	<ul style="list-style-type: none"> The majority of respondents (78%) agreed with Business Leadership and Resilience, 4% disagreed. Feedback raised concerns that clarification is needed on how and substance to claims. This will be addressed in the action plan that is to be created and the strategy has been updated to confirm this.
21.	d) Growth through sustainable place shaping
	<ul style="list-style-type: none"> The third theme covered within the questionnaire was 'Growth through sustainable place shaping'. As part of this, respondents were asked to provide feedback on each of the four points of focus below:

	<ul style="list-style-type: none"> ○ Green development, regeneration and growth programmes ○ Physical Infrastructure needs of the city ○ City and district centres ○ Digital City
	<ul style="list-style-type: none"> ● The majority of respondents (81%) agreed with Green Development, Regeneration and Growth Programmes, 8% disagreed.
	<ul style="list-style-type: none"> ● The majority of respondents (89%) agreed with Physical Infrastructure needs of the City, 6% disagreed.
	<ul style="list-style-type: none"> ● Feedback raised concerns as to how will appropriate infrastructure and transport be actioned. No changes have been made to the strategy in relation to this as the outcome is in the strategy and the actions will be detailed in the action plan.
	<ul style="list-style-type: none"> ● The majority of respondents (81%) agreed with City and District Centres, 4% disagreed.
	<ul style="list-style-type: none"> ● Feedback suggested concerns that focus is city-centred and not enough on outer city areas.
	<ul style="list-style-type: none"> ● The majority of respondents (79%) agreed with Southampton as a Digital City; 5% disagreed.
	<ul style="list-style-type: none"> ● Feedback suggested that a definition of 'Digital City' is required. The strategy was reviewed and amendments were made to clarify the document and actions as to how will be included in an action plan to follow.
22.	e) Growing an international city
	<ul style="list-style-type: none"> ● The fourth theme covered within the questionnaire was 'Growing an International City'. As part of this, respondents were asked to provide feedback on each of the three points of focus: <ul style="list-style-type: none"> ○ Southampton as a global gateway ○ Southampton as a cultural city ○ Strengthening international relationships
	<ul style="list-style-type: none"> ● The majority of respondents (77%) agreed with Southampton as a global gateway, 9 % disagreed.
	<ul style="list-style-type: none"> ● The majority of respondents (76%) agreed with Southampton as a Cultural City; 9% disagreed.
	<ul style="list-style-type: none"> ● The majority of respondents (80%) agreed with Strengthening internal relationships, 5% disagreed.
	Delivering the Strategy
23.	<p>The performance management framework for the strategy will comprise:</p> <ul style="list-style-type: none"> ● A dashboard of key economic indicators ● A 3-year delivery plan against which progress will be monitored

	<ul style="list-style-type: none"> An annual report setting out [a] delivery against the plan, [b] key economic events affecting delivery, and [c] any proposed changes to the delivery plan and/or strategy
24.	<p>We are committed to partnership working and know that we cannot achieve economic prosperity without working together as a city and as a community. Partnership working means bringing everyone together, whether they are a strategic partner, a business, an investor, a resident or a visitor to our city, to work towards economic growth and to benefit from economic growth. We propose to develop this by creating a new private/public City Economy Board, which would not be a decision making body of the Council, but which will monitor the delivery and success of the strategy and that builds on the existing Southampton Connect structures.</p>
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
25.	<p>Finance for the delivery of the strategy will be drawn from existing revenue and capital budgets. Spend on specific new interventions within the remit of the strategy will be identified and approved on a case by case basis.</p>
<u>Property/Other</u>	
26.	<p>The delivery of the strategy may influence the use of Council property but this will be determined as interventions are developed on a case by case basis</p>
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
27.	<p>Section 1(1) of the Localism Act 2011 – the power of general competence - permits a Local Authority to do anything it considers appropriate in order to delivery its statutory and discretionary functions within its local area subject to any pre-existing statutory restriction. The adoption of an economic and green growth strategy is authorised by virtue of these powers.</p>
<u>Other Legal Implications:</u>	
28.	<p>The delivery of the strategy will make use of a range of other legal powers or duties applicable to the council. These will be assessed on a case by case basis</p>
29.	<p>Section 149 of the Equality Act 2010 sets out the Public Sector Equality Duty: A public authority must, in the exercise of its functions, have due regard to the need to—</p> <p>(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;</p> <p>(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;</p> <p>(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share</p>
30.	<p>An Equality Impact Assessment has been undertaken demonstrating the councils regard to the Public Sector Equality Duty and the strategies impacts on people who share protected characteristics.</p>

RISK MANAGEMENT IMPLICATIONS	
31.	Failure to have a strategy will impact the council's ability to support the economy and help people into work. The lack of clear strategy for the economic growth of the city would also undermine future bids for external funding that often require a strategic context or fit within applications.
32.	The delivery of the strategy will be set out in an action plan and this will be accompanied with a risk log as per the council's corporate risk register.
POLICY FRAMEWORK IMPLICATIONS	
33.	The Economic and Green Growth Strategy is consistent with the council's corporate objectives to create a fairer, greener and healthier city, as set out in the Corporate Plan 2020-2025.
34.	The strategy will also support the delivery of the objectives set out in the Health and Wellbeing Strategy 2017-2025: <ul style="list-style-type: none"> • Inequalities in health outcomes are reduced • Southampton is a healthy place to live and work with strong, active communities

KEY DECISION?	Yes
WARDS/COMMUNITIES AFFECTED:	ALL
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Economic & Green Growth Strategy
2.	Engagement Report

Documents In Members' Rooms

1.	Equalities & Safety Impact Assessment	
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.		