

Public Document Pack

Overview and Scrutiny Management Committee

Thursday, 12th December, 2024
at 5.30 pm

PLEASE NOTE TIME OF MEETING

Council Chamber - Civic Centre

This meeting is open to the public

Members

Councillor Blackman (Chair)
Councillor Evely
Councillor Y Frampton
Councillor Kloker
Councillor Leggett
Councillor McManus
Councillor Powell-Vaughan
Councillor Renyard
Councillor Stead

Appointed Members

Catherine Hobbs, Roman Catholic Church
Rob Sanders, Church of England
Vacant, Primary Parent Governor

Contacts

Joni Goodman
Democratic Support Officer
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Mark Pirnie
Scrutiny Manager
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PUBLIC INFORMATION

Overview and Scrutiny Management Committee

The Overview and Scrutiny Management Committee holds the Executive to account, exercises the call-in process, and sets and monitors standards for scrutiny. It formulates a programme of scrutiny inquiries and appoints Scrutiny Panels to undertake them. Members of the Executive cannot serve on this Committee.

Role of Overview and Scrutiny

Overview and Scrutiny includes the following three functions:

- Holding the Executive to account by questioning and evaluating the Executive's actions, both before and after decisions taken.
- Developing and reviewing Council policies, including the Policy Framework and Budget Strategy.
- Making reports and recommendations on any aspect of Council business and other matters that affect the City and its citizens.

Overview and Scrutiny can ask the Executive to reconsider a decision, but they do not have the power to change the decision themselves.

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

- **Strong Foundations for Life**.- For people to access and maximise opportunities to truly thrive, Southampton will focus on ensuring residents of all ages and backgrounds have strong foundations for life.
- **A proud and resilient city** - Southampton's greatest assets are our people. Enriched lives lead to thriving communities, which in turn create places where people want to live, work and study.
- **A prosperous city** - Southampton will focus on growing our local economy and bringing investment into our city.
- **A successful, sustainable organisation** - The successful delivery of the outcomes in this plan will be rooted in the culture of our organisation and becoming an effective and efficient council.

Procedure / Public Representations

At the discretion of the Chair, members of the public may address the meeting 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.

Access is available for disabled people.

Please contact the Democratic Support Officer who will help to make any necessary arrangements.

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.

Mobile Telephones: - Please switch your mobile telephones to silent whilst in the meeting

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.

Smoking Policy: - The Council operates a no-smoking policy in all civic buildings.

Dates of Meetings for the Municipal Year:

2024	2025
20 June	2 January
11 July	23 January
22 August	20 February
12 September	20 March
24 October	24 April
21 November	
12 December	

CONDUCT OF MEETING

TERMS OF REFERENCE

The general role and terms of reference for the Overview and Scrutiny Management Committee, together with those for all Scrutiny Panels, are set out in Part 2 (Article 6) of the Council’s Constitution, and their particular roles are set out in Part 4 (Overview and Scrutiny Procedure Rules – paragraph 5) of the Constitution.

RULES OF PROCEDURE

The meeting is governed by the Council Procedure Rules and the Overview and Scrutiny 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 4.

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 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.

AGENDA

1 APOLOGIES AND CHANGES IN PANEL MEMBERSHIP (IF ANY)

To note any changes in membership of the Panel made in accordance with Council Procedure Rule 4.3.

2 DISCLOSURE OF PERSONAL AND PECUNIARY INTERESTS

In accordance with the Localism Act 2011, and the Council's Code of Conduct, Members to disclose any personal or pecuniary interests in any matter included on the agenda for this meeting.

NOTE: Members are reminded that, where applicable, they must complete the appropriate form recording details of any such interests and hand it to the Democratic Support Officer.

3 DECLARATIONS OF SCRUTINY INTEREST

Members are invited to declare any prior participation in any decision taken by a Committee, Sub-Committee, or Panel of the Council on the agenda and being scrutinised at this meeting.

4 DECLARATION OF PARTY POLITICAL WHIP

Members are invited to declare the application of any party political whip on any matter on the agenda and being scrutinised at this meeting.

5 MINUTES OF THE PREVIOUS MEETING (INCLUDING MATTERS ARISING) (Pages 1 - 4)

To approve and sign as a correct record the Minutes of the meeting held on 21 November 2024 and to deal with any matters arising, attached.

6 STATEMENT FROM THE CHAIR

7 CALL-IN OF EXECUTIVE DECISION CAB 24/25 46237 - STARTPOINT SHOLING DAY NURSERY (Pages 5 - 58)

Report of the Scrutiny Manager, detailing the Call-In of Executive Decision 24/25 46237-Startpoint Sholing Day Nursery.

8 SOUTHAMPTON CITY COUNCIL'S HOUSING IMPROVEMENT PLAN (Pages 59 - 84)

Report of the Cabinet Member for Housing setting out Southampton City Council's Housing Improvement Plan in relation to Landlord Services.

9 RIVER ITCHEN FLOOD ALLEVIATION SCHEME - UPDATE (Pages 85 - 94)

Report of the Cabinet Member for Environment and Transport providing an update on the River Itchen Flood Alleviation Scheme (RIFAS).

10 MONITORING SCRUTINY RECOMMENDATIONS TO THE EXECUTIVE (Pages 95 - 98)

Report of the Scrutiny Manager enabling the Overview and Scrutiny Management Committee to monitor and track progress on recommendations made to the Executive at previous meetings

Wednesday, 4 December 2024

Director – Legal and Governance

SOUTHAMPTON CITY COUNCIL
OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE
MINUTES OF THE MEETING HELD ON 21 NOVEMBER 2024

Present: Councillors Blackman (Chair), Y Frampton, Kloker, Leggett, McManus, Powell-Vaughan and G Lambert
Appointed Members: Rob Sanders

Apologies: Councillors Renyard and Stead

31. **APOLOGIES AND CHANGES IN PANEL MEMBERSHIP (IF ANY)**

It was noted that following receipt of the temporary resignation of Councillor Every from the Committee, the Monitoring Officer, acting under delegated powers, had appointed Councillor G Lambert to replace them for the purposes of this meeting and in addition noted the apologies of Councillors Renyard and Stead.

32. **ELECTION OF VICE-CHAIR**

RESOLVED that:

(i) Councillor Powell-Vaughan be elected as Vice-Chair for the remainder of the Municipal Year 2024/25.

33. **MINUTES OF THE PREVIOUS MEETING (INCLUDING MATTERS ARISING)**

RESOLVED that the minutes of the committee meeting held on the 24 October 2024 were approved and signed as a correct record.

34. **HOUSING STRATEGY 2016- 2025 - "NEW AND BETTER HOMES FOR ALL"**

The Committee noted and discussed the report of the Executive Director - Resident Services detailing actions that are being taken to meet the ambitions outlined in Southampton City Council's Housing Strategy - "New and better homes for all".

Councillor Letts, Deputy Leader of the Council and Cabinet Member for Finance and Corporate Services, Debbie Ward, Executive Director - Resident Services, Jamie Brenchley, Director of Housing, Ian Collins, Director of Environment, Stephen Hayes-Arter, Service Manager for Private Sector Housing and Port Health, Dr Mark Jordan and Professor Helen Carr of the Research Centre on People, Property, Community at the University of Southampton's Law School, and expert advisers to the Scrutiny Inquiry Panel on the Private Rented Sector inquiry, were in attendance and with the consent of the Chair addressed the meeting.

Councillor Letts provided an overview of the Council's aims and objectives relating to housing in Southampton and the Executive Director for Resident Services outlined plans to develop and adopt a new housing strategy in 2025.

The Committee noted the update and discussed the value of the current strategy in addressing the inter-connected housing challenges facing the city today, that the Committee noted as being:

- Housing supply – The supply of new housing has slowed and for many residents' homes in the city are too expensive to buy.
- Private Rented Sector – Often homes to rent in the city are expensive, in poor condition, and result in instability for tenants.
- Southampton City Council's housing stock and management – The housing waiting list is high; too many homes are not of a decent standard; voids currently take too long to bring back into use.
- Homelessness – There are an increasing number of residents at risk of homelessness, and this is increasing the cost to the Council of temporary and emergency accommodation.

The Committee considered the Cabinet response to the Private Rented Sector Scrutiny Inquiry; the proposal for an Additional HMO Licensing Scheme; the proposal for a Private Sector Leasing Scheme and the decision taken at the meeting of Cabinet in October relating to the Council Right to Buy Receipt Proposals.

The Committee raised the following issues with the Cabinet Member and officers in attendance:

- The lack of ambition with regards to improving outcomes in the private rented sector evidenced in the response to the scrutiny inquiry.
- The Inquiry Panel recommendations are noted as being accepted but the commentary against a number of the recommendations contradicts this commitment and identifies that they will not be delivered.
- The Council's commitment to delivering affordable homes in the city.
- The requirement to undertake a stock conditions survey to evidence the need for future initiatives to improve conditions in the private rented sector.
- The capacity to enforce standards in the private rented sector.
- The University of Southampton and Southampton Tenants Union willingness to contribute to the development of a database of market rent levels in Southampton.
- How discounts for the proposed Additional HMO Licensing scheme could be linked to meeting higher standards in the quality of accommodation provided.
- The limited, but welcome impact the plans to purchase and lease properties in the private sector to accommodate people at risk of homelessness will have on the scale of the problem experienced in Southampton.

RESOLVED that,

- i) Reflecting the limited value being garnered by the current version, the next iteration of the Council's Housing Strategy is developed and published as soon as resources allow.
- ii) Cabinet reviews the Council's ambition, objectives and approach to the private rented sector, and draws on good practice elsewhere to fundamentally improve outcomes for tenants in the city.

- iii) In recognition of its importance with regards to targeting future activity, Cabinet explores all available opportunities to fund and procure a stock condition survey as soon as possible.
- iv) Cabinet commits to the target of delivering 8,000 additional affordable homes in Southampton by 2040 as outlined by the Council following the approval of the first Affordable Housing Framework sites in December 2022.
- v) The Executive contact the University of Southampton and Southampton Tenants Union to explore their willingness to be involved in developing and updating a database of market rent levels for Southampton.
- vi) Whilst recognising that there is a formal process to follow to adopt a new Additional HMO licensing scheme, if this scheme is approved the Council reviews the fee structure, including discounts available, to support the improvement of housing conditions and the management of HMOs in Southampton.

35. **MONITORING SCRUTINY RECOMMENDATIONS TO THE EXECUTIVE**

The Committee considered and discussed the responses from the Executive to recommendations from previous meetings.

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Agenda Item 7

DECISION-MAKER:	OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE
SUBJECT:	CALL-IN OF EXECUTIVE DECISION CAB 24/25 46237 – STARTPOINT SHOLING DAY NURSERY
DATE OF DECISION:	12 DECEMBER 2024
REPORT OF:	SCRUTINY MANAGER

<u>CONTACT DETAILS</u>			
Executive Director	Title	Executive Director – Enabling Services	
	Name:	Mel Creighton	Tel: 023 8083 3528
	E-mail	Mel.creighton@southampton.gov.uk	
Author:	Title	Scrutiny Manager	
	Name:	Mark Pirnie	Tel: 023 8083 3886
	E-mail	Mark.pirnie@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

None

BRIEF SUMMARY

A Call-In notice has been received signed by two members of the Overview and Scrutiny Management Committee (OSMC) in respect of the following decision made by Cabinet on 26 November 2024:

- Startpoint Sholing Day Nursery

RECOMMENDATIONS:

Following consideration of the attached Cabinet report, related appendices and Decision Notice, the Committee is recommended either:-

	(i)	To recommend that the Decision Maker re-consider the called-in decision at the next decision meeting; or
	(ii)	To advise the Decision Maker that the Scrutiny Committee does not recommend that the decision be reconsidered and that it can therefore be implemented without delay.

REASONS FOR REPORT RECOMMENDATIONS

1.	The recommendations reflect the options available to the Overview and Scrutiny Management Committee through the implementation of the agreed Call-In process.
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ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2.	Not applicable.
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DETAIL (Including consultation carried out)

3.	A Call-In notice signed by Cllr Powell-Vaughan and Cllr Stead has been received in accordance with Paragraph 12 of the Overview and Scrutiny Procedure Rules set out in Part 4 of the Council's Constitution. The Call-In notice relates to the following decision made by Cabinet on 26 November 2024: <ul style="list-style-type: none"> • Startpoint Sholing Day Nursery
4.	Paragraph 12 of the Overview and Scrutiny Procedure Rules provides a mechanism for members of the OSMC to challenge executive decisions that have been made but not implemented. The documents attached to this report relate to the decision that has been called in under this procedure and include: <ul style="list-style-type: none"> • The Call-In Notice: Detailing who called-in the decision and why • The Decision Notice: Detailing the decision taken and the reasons for the decision • The Decision Report: The report on which the decision was based.
5.	It is for the OSMC to discuss the subject of the Call-In with the decision maker to determine whether it wishes the decision maker to re-consider the previous decision, or to clear the proposals for implementation without further re-consideration.

RESOURCE IMPLICATIONS

Capital/Revenue

6. The relevant details are set out in Appendix 3.

Property/Other

7. The relevant details are set out in Appendix 3.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

8. The relevant details are set out in Appendix 3.

9. The duty to undertake overview and scrutiny is set out in Part 1A Section 9 of the Local Government Act 2000.

Other Legal Implications:

10. The relevant details are set out in Appendix 3.

RISK MANAGEMENT IMPLICATIONS

11. The relevant details are set out in Appendix 3.

POLICY FRAMEWORK IMPLICATIONS

12. The relevant details are set out in Appendix 3.

KEY DECISION?

No

WARDS/COMMUNITIES AFFECTED:

None directly as a result of this report

SUPPORTING DOCUMENTATION

Appendices

1.	Call In Notice
2.	Decision Notice – Startpoint Sholing Day Nursery
3.	Decision Report – Startpoint Sholing Day Nursery
4.	Appendix 1 to Decision Report
5.	Appendix 2 to Decision Report
6.	Appendix 3 to Decision Report
7.	Appendix 4 to Decision Report

Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out?	Identified in Appendix 3
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Data Protection Impact Assessment

Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out?	Identified in Appendix 3
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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

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NOTICE OF CALL-IN

In accordance with rule 12 of the Overview & Scrutiny procedure rules of the Council's Constitution, a request is hereby made that the Scrutiny Manager exercise the call-in of the decision identified below for consideration by Overview and Scrutiny Management Committee.

Decision Number: CAB 24/25 46237 - Startpoint Sholing Day Nursery
Decision Taker: Cabinet
Date of Decision: 26/11/24

Reason(s) for Requisition of Call-In of Decision:

- Concern that the decision does not reflect the current and future demand for nursery places in Southampton as the population of the city continues to grow.
- The decision ignores the overwhelming opposition to the proposed closure identified in the consultation.
- There has been inadequate consideration of the rescue plan put forward to restructure the financial position of Startpoint Sholing Day Nursery.

Call-In Requested by:

Name	Signature	Date
Cllr Sarah Powell-Vaughan	S.M. Powell-Vaughan	02/12/24
Cllr Rob Stead	Rob Stead	02/12/24

All Members requesting that a Decision be Called-In must sign this Call-In Notice. A decision may be called in by:

- The Chair of Overview and Scrutiny Management Committee
- Any 2 Members of Overview and Scrutiny Management Committee
- In respect of a Decision relating to Education, any 2 Parent Governor or Church Representatives

Please submit to the Scrutiny Manager within 5 clear days of the publication of the relevant decision.

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RECORD OF EXECUTIVE DECISION

Tuesday, 26 November 2024

Decision No: (CAB 24/25 46237)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	Cabinet Member for Children and Learning
SUBJECT:	Startpoint Sholing Day Nursery
AUTHOR:	Darrin Hunter

THE DECISION

- (i) To approve the closure of Startpoint Sholing Childcare Nursery with immediate effect.
- (ii) To delegate authority to the Executive Director of Community Wellbeing, Children and Learning, following consultation with the Executive Director of Enabling Services, to take any action necessary to give effect to recommendation 1 including but not limited to undertaking any relevant HR and contractual processes.

REASONS FOR THE DECISION

1. Any deficit in the nursery budget has not been included and therefore alternative budget savings would need to be found within the wider Early Years Service. This can only be achieved through further staff redundancies every year. The remaining staff employed within the Early Years Service are undertaking key statutory roles and any reductions would have an adverse effect on Southampton City Council's ability to fully discharge its statutory childcare duties placed upon them under the Childcare Act 2006 and Childcare Act 2016.
2. Our statutory duty to ensure childcare sufficiency is already being met through the wide range of other childcare providers throughout the city and within the local area. These include alternative Day Nurseries, Pre-schools, Childminders and School/Academy run nurseries.
3. All previously registered children attending the nursery have since transitioned into school in September 2024. There are currently no children on roll. Any new requests from parents have been delayed until the outcome of a decision by Cabinet. This decision was based on the best interests of the children and their development from being adversely impacted by any possible closure so soon after starting having developed relationships with other children and staff and establishing routines etc.
4. Quality of childcare provision – Startpoint Sholing was judged as 'Good' at their last Ofsted Inspection. Southampton's Childcare sector has higher

than the national average number of childcare providers ranked 'Good' or 'Outstanding' by Ofsted at their most recent inspection. Out of the 300+ Ofsted registered childcare providers within the city, only one provider is currently judged less than good by Ofsted. In fact, Southampton also has above the national average of providers judged as 'Outstanding' by Ofsted. Therefore, parents/carers do have a choice on a range of high-quality early years and childcare places that are available throughout the city in every ward.

5. Levels of support for children with Special Educational Needs and Disabilities (SEND) – Startpoint Sholing Childcare Nursery is not a specialist nursery, although the stakeholder consultation identifies that they do offer good support to families for children with SEND.

The Council does have a service contract in place with another established provider, recognised for their work with children with complex needs. It also includes a Family Support Worker who provides extended support to the family. They have expanded their outreach offer within the city which has enabled them to support many more children. In addition, the Early Years and Childcare Service has available the following accredited training for providers to support children with SEND:

- Level 3 – SEND Co-ordinator (over 85% of the city's early years settings now have at least one SENDCo trained at level 3).
- Level 2 – SEND Practitioner (we want all practitioners who work with children in early years to be a SEND practitioner).
- Level 1 – Dingley's free on-line Training for staff and parents to have a better understanding and awareness in supporting children with SEND.
- Bespoke Training Programme to support quality improvement and SEND support.

Lastly, for any parent/carer of any child who is struggling to find a childcare place that meets their needs, then the Early Years Service offers a free 'Childcare Brokerage Service' to families where we will work with them to identify suitable childcare that meets their needs.

DETAILS OF ANY ALTERNATIVE OPTIONS

1. Do Nothing – For this option to be considered it would need the ongoing annual investment of more than £300k each year from the Council to cover the ongoing operational deficit.
2. Re-structure – A task and finish group was set up, comprising of membership from HR, Finance, Early Years colleagues, SEND, Nursery Management, Southampton's nursery sector and representatives from the DfE Early Years Experts and Mentors programme who between them have investigated countless re-structuring models. Unfortunately, none of these have proved to be sustainable without significant ongoing subsidy from the Council. A further remodelling scenario was considered as a specialist inclusive nursery. However, this option forecasts an even higher deficit for the nursery.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

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CONFLICTS OF INTEREST
None.

CONFIRMED AS A TRUE RECORD	
We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.	
Date:	Decision Maker:
_____	The Cabinet
_____	_____
_____	Proper Officer:
_____	Claire Heather / Judy Cordell

SCRUTINY
Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.
Call-In Period expires on

Date of Call-in <i>(if applicable) (this suspends implementation)</i>

Call-in Procedure completed <i>(if applicable)</i>

Call-in heard by <i>(if applicable)</i>

Results of Call-in <i>(if applicable)</i>

Decision No:

Decision No:

Forward Plan No:
This record relates to on the agenda for the Decision-Making

Agenda Item 7

Appendix 3

DECISION-MAKER:	CABINET
SUBJECT:	CLOSURE OF STARTPOINT SHOLING DAY NURSERY
DATE OF DECISION:	26th November 2024
REPORT OF:	COUNCILLOR WINNING CABINET MEMBER FOR CHILDREN AND LEARNING

<u>CONTACT DETAILS</u>			
Executive Director	Title	Community Wellbeing, Children and Learning	
	Name:	Robert Henderson	Tel: 023 8083 4899
	E-mail	Robert.henderson@southampton.gov.uk	
Author:	Title	Service Manager – Early Years	
	Name:	Darrin Hunter	Tel: 023 8083 2112
	E-mail	Darrin.hunter@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
NOT APPLICABLE
BRIEF SUMMARY
<p>This report seeks a decision from Cabinet to approve the recommendation of the Cabinet Member for Children and Learning and the Executive Director for Community and Wellbeing, Children and Learning for the permanent closure of the Startpoint Sholing Nursery with immediate effect. Further, the report seeks approval for the commencement of the process for making staff redundancies in line with SCC policy and procedures. The proposed closure of the centre is as a result of the significant ongoing unauthorised operational deficit the nursery requires to continue operating.</p> <p>Southampton City Council has a statutory duty to ensure that there is a sufficient supply of good quality, flexible childcare choices available, in response to parental demand. Statutory guidance does not specify who should provide these places. Currently 91% of Southampton’s childcare sector is provided by the Private, Voluntary and Independent sectors (PVI). The Council’s role is to act as a ‘market facilitator’ and ‘enabler’ to the sector.</p> <p>The government have introduced a new extended childcare offer for qualifying children from the age of 9 months. Southampton has responded in collaboration with the sector by exceeding our Department for Education (DfE) target of 44 new early years childcare places, by creating an additional 170 new places up to September 2024. This does not include the additional 220 places planned for 2025. This, along with our Autumn Term provider sufficiency survey, demonstrates that Southampton has more than sufficient places available to meet parental demand. The additional surplus also provides a healthy contingency for multiple unexpected closures.</p>

Summary of Impact and Issues

Startpoint Sholing Childcare Nursery is a council run childcare nursery registered by Ofsted to care for up to 26 children. All current children have transitioned to school in September 2024. The nursery currently employs 10.22 FTE staff, the majority are female and predominantly part time. The nursery occupies one of the classrooms and associated staff areas within the Startpoint Sholing Early Years Centre.

Since the nursery opened, it has continued to incur a financial deficit year on year and relied on SCC subsidies to break even.

- 2021/22 - £379k deficit
- 2022/23 - £367k deficit
- 2023/24 - £358k deficit

A task and finish group was set up with colleagues within Finance, HR, the Nursery Manager, members of the Early Years/Childcare Service, with input from Legal and representatives from the DfE Experts and Mentors Programme to try and identify a viable model that was sustainable. This resulted in several measures being introduced in 2024, which have been successful in reducing the deficit from £358k to a forecast £202k for 2024/25. However, it has still not been possible to identify a financially viable structure for the nursery that would enable them to break even.

The Early Years funding that is provided by the DfE, does not cover the costs of sustaining this nursery without the need for significant on-going subsidies from the Council to cover the ongoing operational deficit.

RECOMMENDATIONS:

	(i)	To approve the closure of Startpoint Sholing Childcare Nursery with immediate effect.
	(ii)	To delegate authority to the Executive Director of Community Wellbeing, Children and Learning, following consultation with the Executive Director of Enabling Services, to take any action necessary to give effect to recommendation 1 including but not limited to undertaking any relevant HR and contractual processes.

REASONS FOR REPORT RECOMMENDATIONS

1.	Any deficit in the nursery budget has not been included and therefore alternative budget savings would need to be found within the wider Early Years Service. This can only be achieved through further staff redundancies every year. The remaining staff employed within the Early Years Service are undertaking key statutory roles and any reductions would have an adverse effect on Southampton City Council's ability to fully discharge its statutory childcare duties placed upon them under the Childcare Act 2006 and Childcare Act 2016.
2.	Our statutory duty to ensure childcare sufficiency is already being met through the wide range of other childcare providers throughout the city and within the local area. These include alternative Day Nurseries, Pre-schools, Childminders and School/Academy run nurseries.
3.	All previously registered children attending the nursery have since transitioned into school in September 2024. There are currently no children on roll. Any new requests from parents have been delayed until the outcome of a

	<p>decision by Cabinet. This decision was based on the best interests of the children and their development from being adversely impacted by any possible closure so soon after starting having developed relationships with other children and staff and establishing routines etc.</p>
4.	<p>Quality of childcare provision – Startpoint Sholing was judged as ‘Good’ at their last Ofsted Inspection. Southampton’s Childcare sector has higher than the national average number of childcare providers ranked ‘Good’ or ‘Outstanding’ by Ofsted at their most recent inspection. Out of the 300+ Ofsted registered childcare providers within the city, only one provider is currently judged less than good by Ofsted. In fact, Southampton also has above the national average of providers judged as ‘Outstanding’ by Ofsted. Therefore, parents/carers do have a choice on a range of high-quality early years and childcare places that are available throughout the city in every ward.</p>
5.	<p>Levels of support for children with Special Educational Needs and Disabilities (SEND) – Startpoint Sholing Childcare Nursery is not a specialist nursery, although the stakeholder consultation identifies that they do offer good support to families for children with SEND.</p> <p>The Council does have a service contract in place with another established provider, recognised for their work with children with complex needs. It also includes a Family Support Worker who provides extended support to the family. They have expanded their outreach offer within the city which has enabled them to support many more children. In addition, the Early Years and Childcare Service has available the following accredited training for providers to support children with SEND:</p> <ul style="list-style-type: none"> • Level 3 - SEND Co-ordinator (<i>over 85% of the city’s early years settings now have at least one SENDCo trained at level 3</i>). • Level 2 - SEND Practitioner (<i>we want all practitioners who work with children in early years to be a SEND practitioner</i>). • Level 1 - Dingley’s free on-line Training for staff and parents to have a better understanding and awareness in supporting children with SEND. • Bespoke Training Programme to support quality improvement and SEND support. <p>Lastly, for any parent/carer of any child who is struggling to find a childcare place that meets their needs, then the Early Years Service offers a free ‘Childcare Brokerage Service’ to families where we will work with them to identify suitable childcare that meets their needs.</p>
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
1.	<p>Do Nothing – For this option to be considered it would need the ongoing annual investment of more than £300k each year from the Council to cover the ongoing operational deficit.</p>
2.	<p>Re-structure – A task and finish group was set up, comprising of membership from HR, Finance, Early Years colleagues, SEND, Nursery Management, Southampton’s nursery sector and representatives from the</p>

	<p>DfE Early Years Experts and Mentors programme who between them have investigated countless re-structuring models. Unfortunately, none of these have proved to be sustainable without significant ongoing subsidy from the Council. A further remodelling scenario was considered as a specialist inclusive nursery. However, this option forecasts an even higher deficit for the nursery.</p>
<p>DETAIL (Including consultation carried out)</p>	
<p>1.</p>	<p>Formal staff consultation with those affected and Unions commenced on 2nd September and closed on 16th October 2024. A letter summarising the outcomes from the staff consultation is included within Appendix 2.</p> <p>An alternative proposal was received by Unison (Appendix 1) as part of the formal staff consultations which shows an ongoing deficit of £44k. However, when analysing their proposal in more detail and including some key omissions such as Professional fees/subscriptions, early years mandatory staff training, cleaning and cleaning materials etc. Together with inaccurate assumptions in income and taking into account higher staff ratios for children with SEND; their proposal is estimated to be £150k in deficit. Furthermore, any delay or decision to restructure the nursery as put forward in the Unison proposal, will be subject to further ongoing formal consultations and this delay will increase this deficit further</p>
<p>2.</p>	<p>Stakeholder consultation was also undertaken which received a total of 407 responses. A copy of the responses is included as Appendix 3.</p> <p>Highlights</p> <p>A total of 407 responses were received.</p> <p>62% of respondents were residents of Southampton</p> <p>30% of respondents were a parent or carer of a nursery aged child locally</p> <p>17% were someone that works, visits or studies in Southampton</p> <p>A total of 95% of respondents disagreed with the proposal.</p> <p>The following impacts have been considered and where possible appropriate mitigations are either in place or being proposed.</p> <p>1. Impact on children/parents – The Council as part of its commitment to families have honoured the nursery contract that was in place with parents, culminating in all children transitioning to start school in September 2024. Due to the uncertainty about the nursery’s future, no new children were offered a place for September as any major disruption to a child’s early development can have a negative impact on their progress (e.g. creating relationships, establishing routines and securing attachments to staff and the environment etc). In addition, any requests we have received from prospective parents for a space in September, have been written to, informing them that the future of the nursery is being reviewed and that until a decision has been made (<i>November 2024</i>), we are unable to provide their child a place. We also advised parents that whilst we are happy to retain their details on a waiting list, if they needed a guaranteed space for their child</p>

	<p>(e.g. to enable them to work, undertake training etc), they may wish to explore vacancies with alternative local childcare providers who do have vacancies.</p> <p>The development of new childcare places across the city and within the local area adequately insures the availability of places for parents/carers within the local area.</p> <p>2. Impact on other providers, including schools – Closure of the Sholing nursery will not have a detrimental impact on neighbouring Ofsted registered providers or schools. The fact is, for most providers it will help to increase their future occupancy levels and improve their long-term sustainability. The increase in new provision within the local area, some of which are within schools is further supported by the governments recently announced policy to develop new childcare nurseries throughout schools in England.</p> <p>3. Impact on staff – the uncertainty on the future of the nursery has resulted in many staff securing alternative employment, some of which with neighbouring childcare providers. There are also redeployment opportunities that would be available to staff both within the service, and potentially across the wider Council. Due to the ongoing staffing shortages that currently exist within Southampton’s childcare sector (<i>102 job vacancies as of October 2024</i>) the early years’ service can help to facilitate and broker, new external employment opportunities for anyone wishing to continue to work within childcare.</p>
--	---

RESOURCE IMPLICATIONS

Capital/Revenue

1.	There is expected to be an overspend in the nursery budget as reported to Finance in Q1, if a decision to close the nursery is approved by Cabinet. This is primarily due to notice payments and redundancy pay awards. Any other decision will result in further significant overspend.									
2.	<p>Costs Summary</p> <table border="1" style="width: 100%;"> <tr> <td>Total Notice Pay</td> <td style="text-align: right;">£52,696</td> </tr> <tr> <td>Total Redundancy Costs</td> <td style="text-align: right;">£74,982</td> </tr> <tr> <td>Nursery forecast budget deficit for 24/25 (If decision to close is approved)</td> <td style="text-align: right;">£202,062</td> </tr> <tr> <td>Total forecast Liability</td> <td style="text-align: right;">£329,740</td> </tr> </table>		Total Notice Pay	£52,696	Total Redundancy Costs	£74,982	Nursery forecast budget deficit for 24/25 (If decision to close is approved)	£202,062	Total forecast Liability	£329,740
Total Notice Pay	£52,696									
Total Redundancy Costs	£74,982									
Nursery forecast budget deficit for 24/25 (If decision to close is approved)	£202,062									
Total forecast Liability	£329,740									
3.	<p>The costs arising from the Notice Pay and the in-year deficit totalling £254,758 will be met from the Dedicated Schools Grant.</p> <p>The redundancy costs of £74,982 will be met by the Central Contingency within the Council’s General Fund.</p> <p>It should be noted that the closure of the nursery will prevent further increases to the accumulated deficit in future years.</p>									

Property/Other

1.	If the proposal is approved, the vacated space occupied by the nursery will be used to deliver other key priority early years services.
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LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

1.	The proposed closure of the nursery is subject to formal staff consultation which commenced on 2 nd September 2024 and concluded on 16 th October 2024. A letter to staff and Unions following the outcome of the staff consultation is included as Appendix 2
2.	The proposed closure of the nursery is subject to non-statutory, formal stakeholder and public consultations under the Councils consultation guidance . This stakeholder consultation commenced on 2 nd September 2024 and concluded on 18 th October 2024. A copy of the report is available under Appendix 3
3.	The Council is under no legal duty to operate the centre in its current form, but as a discretionary service, the Council must satisfy itself it has considered all material considerations around sufficiency of early years places, demand and resourcing implications when reaching a decision to reduce or remove discretionary services of this nature.

Other Legal Implications:

1.	The proposals have been subject to an Equalities Impact Assessment under s.149 Equalities Act 2010 and the Assessment is set out for Members consideration in reaching their decision at appendix 4 of this report
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RISK MANAGEMENT IMPLICATIONS

1.	None
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POLICY FRAMEWORK IMPLICATIONS

1.	The Early Years and Childcare Strategy 2022 -2027
2	Early Years and Childcare Statutory Guidance for Local Authorities

KEY DECISION?	Yes
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WARDS/COMMUNITIES AFFECTED:	Sholing and Thornhill Wards
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SUPPORTING DOCUMENTATION

Appendices

1.	Staff/Unions proposal - Alternative restructure Proposal - Startpoint Sholing Nursery Proposal
2.	End of Consultation Outcome letter to staff
3.	Stakeholder Consultation Summary
4.	Equality 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	

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Startpoint Sholing Nursery

Proposal 2024

Page 23

Agenda Item 7
Appendix 4

Contents

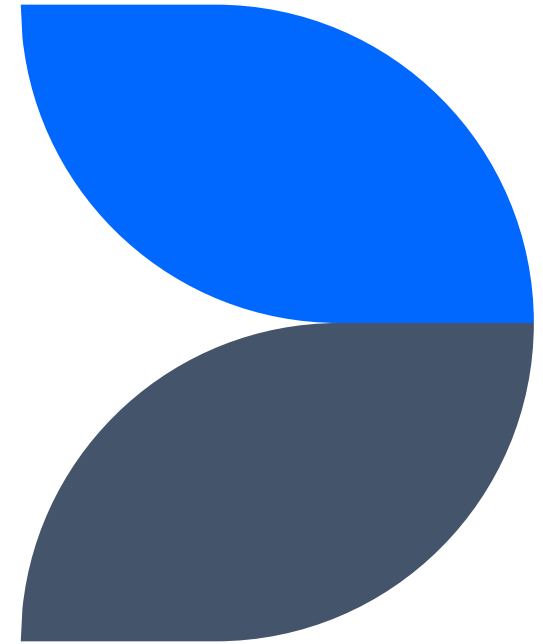
- Introduction
- Primary goals
- Employee costs
- Staffing structures
- Comparisons
- How we get there
- Why?
- Summary

Introduction

Startpoint Sholing entered a consultation phase in September 2024. The proposal was for the nursery to close due to our on-going deficit. We have been working together as a team alongside our Unison reps to propose a new proposal for consideration regarding how we can reduce the nursery deficit and continue to run providing a much-needed service to the local community as well as securing peoples' careers.

Primary goals

- Raise awareness of current employee costs for Sept 2024
- Suggest restructure potential
- Propose future revenue suggestions



September 2024 current staffing

Labour Structure	Total Weekly Hours	Hourly Rate	Total Weekly Rate	Salary	N.I	Pension & Life Assurance
	37.00	£12.46	£ 461.02	£20,746	£ 1,607	£ 985
	37.00	£14.91	£ 551.67	£28,687	£ 2,703	£ 1,363
	19.00	£12.46	£ 236.74	£10,653	£ 214	£ 506
	22.50	£17.59	£ 395.78	£20,580	£ 1,584	£ 978
	22.50	£17.59	£ 395.78	£17,810	£ 1,202	£ 846
	20.00	£12.46	£ 249.20	£11,214	£ 292	£ 533
	22.50	£14.91	£ 335.48	£17,445	£ 1,152	£ 829
	28.00	£14.91	£ 417.48	£21,709	£ 1,740	£ 1,031
	26.00	£12.46	£ 323.96	£14,578	£ 756	£ 692
	22.50	£12.46	£ 280.35	£14,578	£ 756	£ 692
	22.50	£17.59	£ 395.78	£17,810	£ 1,202	£ 846
	37.00	£25.13	£ 929.81	£48,350	£ 5,417	£ 2,297
	16.00	£12.46	£ 199.36	£8,971	-	£ 426
	20.00	£12.46	£ 249.20	£11,214	£ 292	£ 533
	19.00	£12.46	£ 236.74	£10,653	£ 214	£ 506
	22.50	£19.81	£ 445.73	£23,178	£ 1,943	£ 1,101
	14.00	£14.91	£ 208.74	£9,393	£ 40	£ 446
Net Cost	408.00	257.03	6,312.80	307,569.77	21,113.80	14,609.56
Employer's National Insurance				£ 21,114		
Pension 3% and Assurance 1.75%				£ 14,610		
Total Cost				£ 343,293		

This is how our current staffing structure looks for month 6. Our employee costs have dramatically changed since the last finance information of 2023/2024

Restructure

Labour Structure	Total Weekly Hours	Hourly Rate	Total Weekly Rate	Salary	N.I	Pension & Life Assurance
Nursery Manager	37.00	£19.81	£ 732.97	£32,984	£ 3,296	£ 1,567
Deputy/Senco	37.00	£17.59	£ 650.83	£29,287	£ 2,786	£ 1,391
Room Lead	37.00	£14.91	£ 551.67	£24,825	£ 2,170	£ 1,179
Nursery Assistant	37.00	£12.46	£ 461.02	£20,746	£ 1,607	£ 985
Nursery Assistant	37.00	£12.46	£ 461.02	£20,746	£ 1,607	£ 985
Nursery Assistant	37.00	£12.46	£ 461.02	£20,746	£ 1,607	£ 985
Nursery Assistant	37.00	£12.46	£ 461.02	£20,746	£ 1,607	£ 985
Lunch Assistant	25.00	£11.98	£ 299.50	£13,478	£ 604	£ 640
Position	0.00		£ -	£0	£ -	-
Position	0.00		£ -	£0	£ -	-
Net Cost	284.00	114.13	4,079.05	183,557.25	15,284.50	8,718.97
Employer's National Insurance				£ 15,285		
Pension 3% and Assurance 1.75%				£ 8,719		
Total Cost				£ 207,561		

Our proposed restructure:

- 1x Manager
- 1x Deputy/Senco
- 1x Grade 6 (room leader)
- 4x Grade 4
- 1x Grade 3



Comparison

Start Point	2023 / 2024		Restructure		
Overheads					
Premises	£	95,147.00	£	95,147.00	We would like to unpick our premises cost as we use far less of the building than previous. Is this something that could be looked at to reduce?
Suppliers and services	£	9,052.24	£	9,052.24	
	£	-	£	-	
Total	£	104,199.24	£	104,199.24	
Labour					
Labour Costs	£	521,962.66	£	207,560.72	There is a huge difference in labour costs £ 314,401.94
Employment Labour total	£	521,962.66	£	207,560.72	
Other Costs					
Income	-£	267,641.32	-£	267,641.32	We havent had any new children on role since these figures came therefore it isnt a true reflection of what our income could be.
Consumables					
Uplift					
Total Other Costs	-£	267,641.32	-£	267,641.32	
Cost	£	358,520.58	£	44,118.64	This deficit could be reduced again by adding in uplifts!
Average Monthly	£	29,876.72	£	3,676.55	

How we get there – Collaborative work

Page 30

Working in partnership with teams within SCC to improve operations for Startpoint Sholing.

Pursue scalable service through sustainable strategies including uplifting EY hourly rates.

Modify our offer to term time only.

Introduce marketing to include the working parental requiring term time only childcare.

Offer childcare spaces for under 2yr olds (brings in more funding per hour).

Outsource the building/room during school holidays.

Offering stay and play groups (childminder etc)

Restructure of standard pricing tariff for additional hours.

Restructure of session times utilising opening hours.

Clear financial budget for premises overheads.

Why Startpoint?

We are more than your normal nursery and we are all very passionate about Start Point and helping our local families.

We also support college students and student teachers from our local school and attend inclusion meetings regularly.

Our current staff team have a wealth of knowledge, qualifications including Makaton training, forest schools education, Healthy early years, inclusion, special educational needs. All our staff also have a extent number of years in childcare education.

Parents We need our new government to ensure our local authority nurseries do not close through lack of money as there is definitely a need for us.

We have supported children with autism, ADHD, speech & language needs, hearing impairment, physical impairments, cerebral palsy, chromosomal disorders, seizures, global delay – we will help any family in getting the right care for their child.

We consistently mould our practice to meet the demands of our families we are supporting.

We have a consistent wait list for places at our setting

We signpost families to other services they may need such as food banks, housing, doctors.

We have a variety of outside agencies that we work with including Early Year's Advisory Teacher/Area SENDCo, Speech & language therapists, Physical therapists, Educational psychologists, Occupational therapists, Portage workers, Community paediatrician, Health visitors, Development workers, Specialist advisory teachers, Social workers & Assessment coordinators.

Labours plans:

Childcare will support our children to achieve and thrive

- *Labour will deliver half a million more children hitting the Early Learning Goals by 2030.*
- *Labour will bring a new focus on supporting language skills and maths learning right from the start.*
- *Labour will support staff working in childcare & early education so they are recognised for the skilled and important work they are doing.*
- *Labour is determined to deliver not just more childcare, but better childcare and early education – for the best start to every life.*

“

Early years are important because they lay the foundations for a child's development. Startpoint has become part of our family and it is heartbreaking to see the potential closure. They are not just a childcare setting.

Parent, August 2024

”

Summary

As part of the staffing team at Start Point Sholing we have reviewed the finances and information that was made available to us. We believe we have the basis of a sustainable model going forward.

Page 34
These finances that are being shared are from April 2023 - March 2024. We are 5.5FTE members less and this does not show in staffing cost.

If Startpoint were able to have enrolled children in the past year that would have been more income and less of a deficit on top of employee reduction.

We completely understand that our deficit is a substantial amount of money, however this presentation is to highlight the current finances that the consultation is being based on are not true reflection of the current situation. Unfortunately, they are vague and have made our restructure proposal difficult for precise numbers.

We want to show there is potential to save money and continue our service which is key for our local area.

Thank you



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Direct dial: 023 8083 2112
Email: darrin.hunter@southampton.gov.uk
Please ask for: Darrin Hunter Ext Number 2112
Our ref: ENDCONS

PERSONAL AND CONFIDENTIAL

8th November 2024

Start Point Sholing Day Nursery – End of Formal Consultation

I am writing to confirm the outcome following the formal 45-day consultation period which commenced on 2nd September 2024 and ended on 16th October 2024. All staff in scope were invited to a consultation meeting held on 13th September 2024 which outlined the proposals for the closure of the Day Nursery and allowed questions and feedback to be raised. A copy of the proposal and consultation documents were placed on the Live Restructures webpage on the staff intranet along with all other supporting documents.

Consultation Feedback:

One-to-one consultation meetings with myself were offered to affected staff to give the opportunity to have a further confidential discussion on the potential impact on your role. During these meetings any questions raised, and the subsequent feedback were included as areas for discussion within wider staff meetings and are summarised below:

- More information on applying for internal positions and requests for being placed on the redeployment register early. - Staff were provided with a copy of the policy and any member of staff who requested to be placed upon the redeployment register were actioned immediately.
- Interest in finding out more about Springwell positions – Contact was made with Springwell School who recommended informal discussions with Springwell HR Staffing Lead who arranged work experience days for nursery staff.
- Confirmation on notice periods and whether in certain circumstances this could be reduced – subject to the specific circumstances, the answer was yes subject to managers discretion.
- Clarification around redeployment within a school post which is solely funded through SCC – Contact with HR colleagues who provided advice and support to the individual.
- Clarification around whether employment through the Temporary Employment Agency (TEA) would be count as continuous service – HR undertook extensive analysis of the records and the individual outcomes for each staff member affected has been fed back.

Work Experience, Redeployment & Training/Support:

Following one-to-one discussions, staff who have opted in to the redeployment process have been placed on the redeployment register. Staff will continue to be supported to find and apply for suitable alternative employment where such opportunities exist.

Work experience opportunities across Children's Services & Learning for existing nursery staff to train and upskill have been communicated with staff and these include offers from the following services:

- **Educational Welfare Service** – Job shadowing and additional training including Safeguarding
- **SEND Service** – Job shadowing, SEND systems and IT
- **Family Hubs** – Signposting parents, Universal group support
- **Libraries** – Supporting existing library staff during structured family sessions e.g Rhyme Time, and craft sessions etc.
- **HR Recruitment Team** – provided training around CV building, Redeployment process and skills mapping and support around completing application forms etc.
- **Job Club** – Proposed training is arranged over coming weeks focusing on IT skills and further support for CV writing and preparation for interviews.
- **Further opportunities to extend skills have been provided** – Springwell shadowing, archiving, access to online training including early years development training course, L2 Understanding children's mental health, Dingley's SEND training, my learning modules and Language and Communication training.
- **Educational Psychologists support** – safe space to talk and debrief (to support staff Wellbeing)

During consultation staff requested additional support to improve their computer/digital skills, application, CV writing and interview skills. Training sessions were organised through various routes including:

- Application, CV writing and interview skills with the Councils Recruitment Team
- Computer Skills Course in partnership with SCC Libraries
- Online training courses

Also arranged to take place is an IT skills, job application, CV and interview skills session in partnership with the Employment Skills Team. This session for affected staff is scheduled to take place on 14th November, 10.00am to 1.00pm at Startpoint Sholing.

The Council's recognised trade unions have been kept up to date during consultation and will continue to be available to support staff. Please contact your TU rep directly should you wish to arrange a discussion with them. Unison members were provided with a verbal response at today's End of Consultation Meeting at Startpoint Sholing. A formal written response will be provided to Unison next week.

A number of questions were raised during the End of Consultation meeting (08/11/2024) and the responses can be found below;

If the decision is made to close the setting on 26th November...

- What will be our official last working day, and how does pay work (November / December pay, notice periods, holiday, when would redundancy or last pay be)? *The last working day for staff will be dependent on when notice is given and what the timescale is for the official closure date of the nursery. There is an option for staff to have an informal meeting with Darrin, or a formal dismissal hearing can be arranged which would be chaired by a Head of Service. Whether you opt to have an informal meeting or formal hearing your last working day will be agreed, pay in lieu of notice, outstanding AL entitlement and redundancy payment will be confirmed at that time and paid to you on the 23rd of the month following the last working day.*
- If you then want to go on the redeployment list at this point is it possible to join? *Staff were given the opportunity to go onto the register at the start of the consultation process in September 2024. Staff will be able to go onto the redeployment register up until the decision is made by Cabinet and an official closure date confirmed.*
- What happens if you have been on redeployment and not found anything suitable (do you have the same rights to notice periods/ redundancy) and how long can you remain on the redeployment list? *All staff with over 2 years continuous service have the same rights to notice periods and redundancy payments regardless of whether they have opted in or out of the redeployment process. If staff have been unsuccessful in finding alternative employment within the Council, last working day will be agreed, and they will leave the Councils employment with their final salary payment, pay in lieu of notice, outstanding annual leave and redundancy payment.*
- If you can stay on the redeployment list throughout the notice period what will work look like during this time? *If the decision is made to close the nursery and an official closure date agreed, staff can remain on the redeployment register up until their last day in service. Pay in lieu of notice would be given should the decision be made to close the nursery.*
- What happens if I am in the middle of a redeployment process? *If you have been offered a trial period in another job role, this would continue until then end of the agreed trial period. If the trial period is unsuccessful, you will leave with a redundancy payment.*
- What will happen with outstanding sorting of equipment including archiving for the nursery? *Alternative arrangements will be put into place*

If the decision is to restructure... This will depend on the Cabinet decision

- What is the restructure process? *A further separate consultation process will be required on the proposal.*
- Will those who want to take redundancy need to wait until the end of a restructure process? *This would be dependent on the Cabinet decision and any restructure proposal put forward.*

In addition, the draft Stakeholder Consultation summary is being analysed and should be ready for uploading onto the website next week.

It is important to highlight that although staff and stakeholder consultation has now closed, a decision will not be made on the future of the Day Nursery until Cabinet meet on 26 November 2024. During this time staff will continue to be supported and further confidential one to one meetings can be requested as and when you require them. Once Cabinet have confirmed their decision on the proposals, you will be notified of this at the earliest opportunity and what this means for you individually.

I would like to take this opportunity to remind staff that the Employee Assistance Programme (EAP) can be accessed 24 hours a day, 365 days a year. The EAP is a confidential and free service for Council employees who require support or advice on a range of subjects. The service can be accessed via the confidential helpline on **0330 380 0658** or you can visit the website: <https://vivup.yourcareeap.co.uk?CODE=110263>.

Should you have any queries in relation to the content of this letter please do not hesitate to contact me.

Yours sincerely

D Hunter

Darrin Hunter

Early Years Service Manager

Cc Trade Unions – Mark Roberts (Unison), John Early, Carol Wilson (Unite), Ali Haydor (GMB)

Draft Startpoint Sholing Day Nursery Consultation

Full results summary



- [Introduction](#)
- [Methodology](#)
- [Respondents](#)
- [Proposal feedback](#)
- [Free text comments](#)



Southampton City Council undertook a public consultation on **Startpoint Sholing Day Nursery**.

This consultation took place between **02/09/24** and **18/10/24**.

The aim of this consultation was to:

- Communicate clearly to residents and stakeholders the proposal for Startpoint Sholing Day Nursery.
- 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 objective in a different way.

The primary method of gathering feedback for this consultation was via online questionnaire. Physical paper versions of the questionnaire were also made available, and respondents could also email yourcity.yoursay@southampton.gov.uk with their feedback, as well as respond by post.



Southampton City Council is committed to consultations of the highest standard and which are meaningful and comply with the *Gunning Principles*, considered to be the legal standard for consultations:

1. Proposals are still at a formative stage (a final decision has not yet been made);
2. There is sufficient information put forward in the proposals to allow ‘intelligent consideration’;
3. There is adequate time for consideration and response, and;
4. Conscientious consideration must be given to the consultation responses before a decision is made.



New Conversations 2.0
LGA guide to engagement



Rules: The Gunning Principles

They were coined by Stephen Sedley QC in a court case in 1985 relating to a school closure consultation (R v London Borough of Brent ex parte Gunning). Prior to this, very little consideration had been given to the laws of consultation. Sedley defined that a consultation is only legitimate when these four principles are met:

1. **proposals are still at a formative stage**
A final decision has not yet been made, or predetermined, by the decision makers
2. **there is sufficient information to give ‘intelligent consideration’**
The information provided must relate to the consultation and must be available, accessible, and easily interpretable for consultees to provide an informed response
3. **there is adequate time for consideration and response**
There must be sufficient opportunity for consultees to participate in the consultation. There is no set timeframe for consultation,¹ despite the widely accepted twelve-week consultation period, as the length of time given for consultee to respond can vary depending on the subject and extent of impact of the consultation
4. **‘conscientious consideration’ must be given to the consultation responses before a decision is made**
Decision-makers should be able to provide evidence that they took consultation responses into account

These principles were reinforced in 2001 in the ‘Coughlan Case (R v North and East Devon Health Authority ex parte Coughlan²), which involved a health authority closure and confirmed that they applied to all consultations, and then in a Supreme Court case in 2014 (R ex parte Moseley v LB Haringey³), which endorsed the legal standing of the four principles. Since then, the Gunning Principles have formed a strong legal foundation from which the legitimacy of public consultations is assessed, and are frequently referred to as a legal basis for judicial review decisions.⁴

¹ In some local authorities, their local voluntary Compact agreement with the third sector may specify the length of time they are required to consult for. However, in many cases, the Compact is either inactive or has been cancelled so the consultation timeframe is open to debate

² BAILII, England and Wales Court of Appeal (Civil Division) Decisions, Accessed: 13 December 2016.

³ BAILII, United Kingdom Supreme Court, Accessed: 13 December 2016

⁴ The information used to produce this document has been taken from the Law of Consultation training course provided by The Consultation Institute



The agreed approach for this consultation was to use an online questionnaire & paper questionnaire as the main route for feedback; questionnaires enable an appropriate amount of explanatory and supporting information to be included in a structured way, helping to ensure respondents are aware of the background and detail of the proposals.

Respondents could also write letters or emails to provide feedback on the proposals: emails or letters that contained consultation feedback were collated and analysed as a part of the overall consultation.

The consultation was promoted in the following ways:

Page 45

- Promoted to existing service users
- Posters on site (internal and external doors)
- Promoted to potential future service users
- Letters/emails to parents and carers on waiting list
- Promoted to wider City Residents
- Posters for local schools, early years settings and Family Hubs in locality
- Southampton City Council website
- Social media (Nextdoor for Sholing area only)

All questionnaire results have been analysed and presented in graphs within this report. Respondents were also given opportunities throughout the questionnaire to provide written feedback on the proposals. All written responses and questionnaire comments have been read and then assigned to categories based upon sentiment or theme.

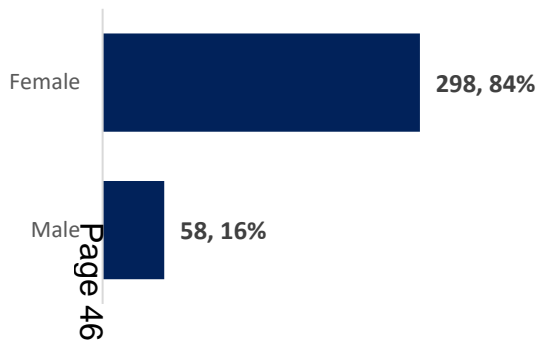


Total responses

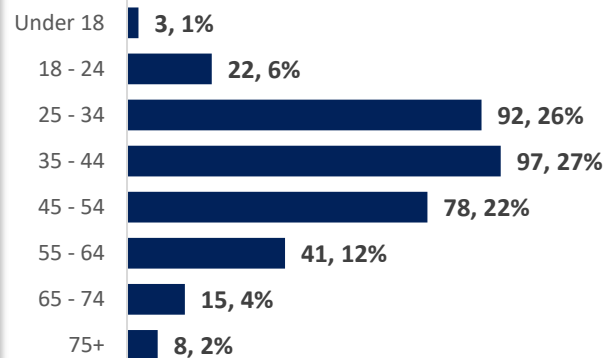
398 survey responses
9 email responses
407 Total

Graphs on this page are labelled as percentage (count).

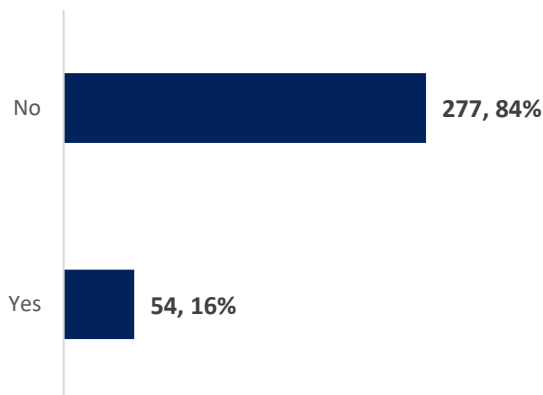
Sex



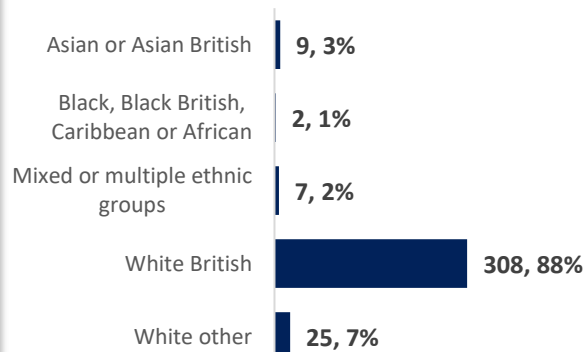
Age



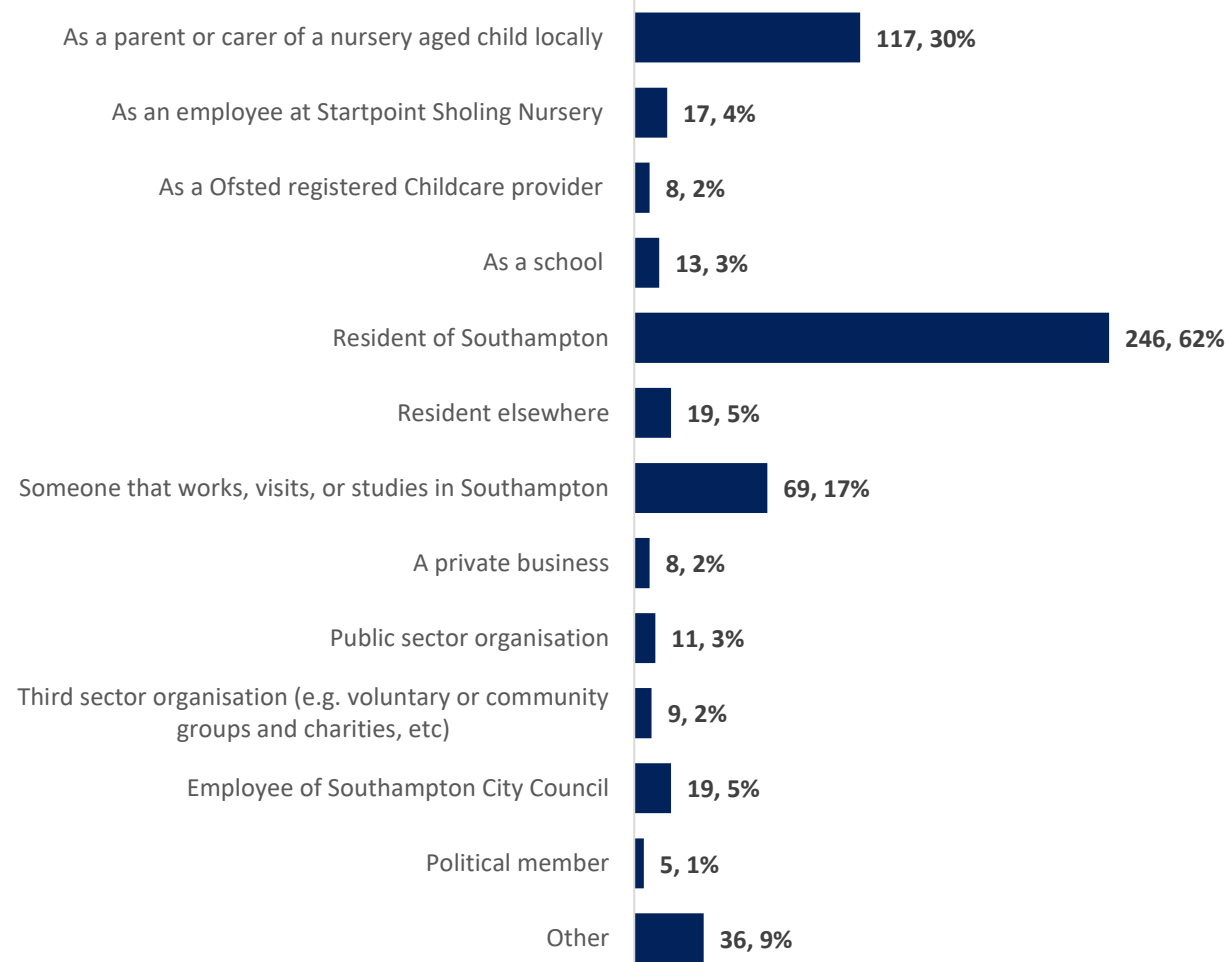
Disability



Ethnicity



Interest in the consultation





Consultation feedback



Startpoint Sholing is a Council-run, Ofsted-registered childcare nursery based at Startpoint Sholing Early Years Centre on Wood Close. The nursery has been in operation for over 20 years and offers 26 spaces for children.

The Early Years funding that is provided by central government does not cover the costs of sustaining this nursery without the need for significant on-going council subsidies. This is costing the council more and more each year and it has not been possible to identify a financially viable solution for the nursery.

Due to the significant creation of new childcare places recently opened locally and further planned expansions for 2025, we believe there is a sufficient supply of good quality, inclusive, affordable and flexible childcare choices available in Southampton. Therefore, we are proposing to close the Startpoint Sholing Childcare Nursery.

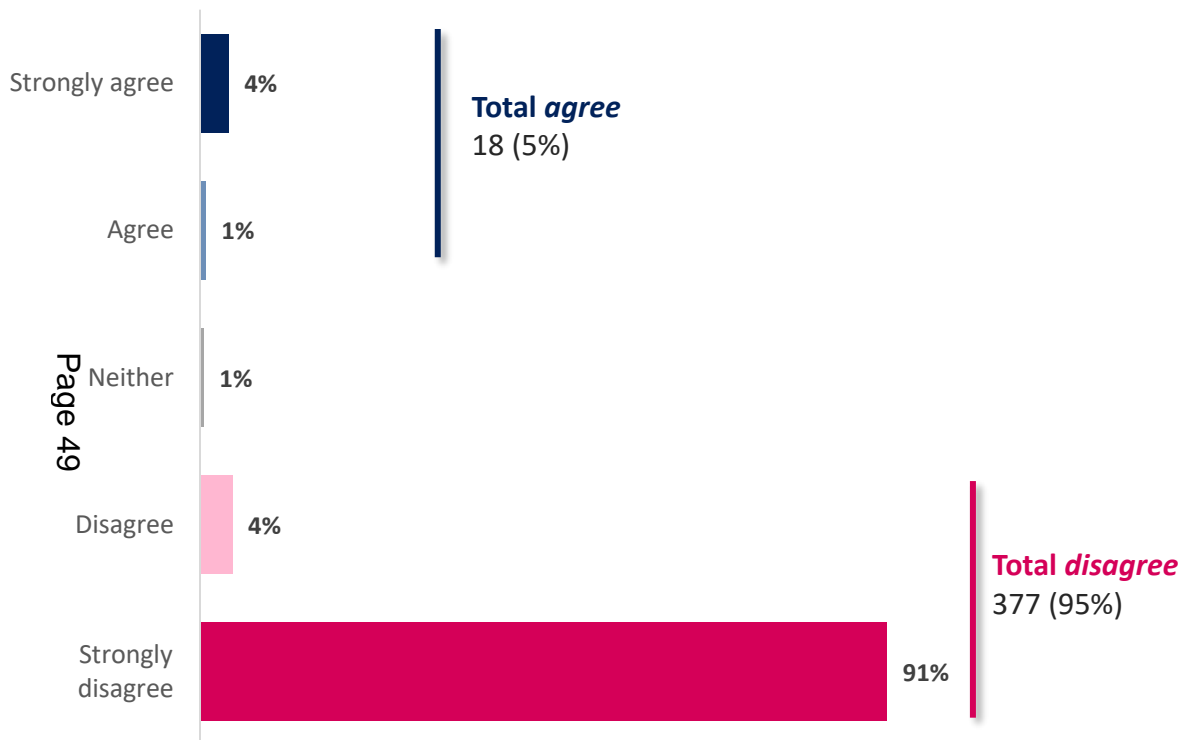
Due to the uncertainty about the nursery's future, no new children have currently been offered a place for September to avoid any major disruption to a child's early development.



Proposal to close Startpoint Sholing Day Nursery

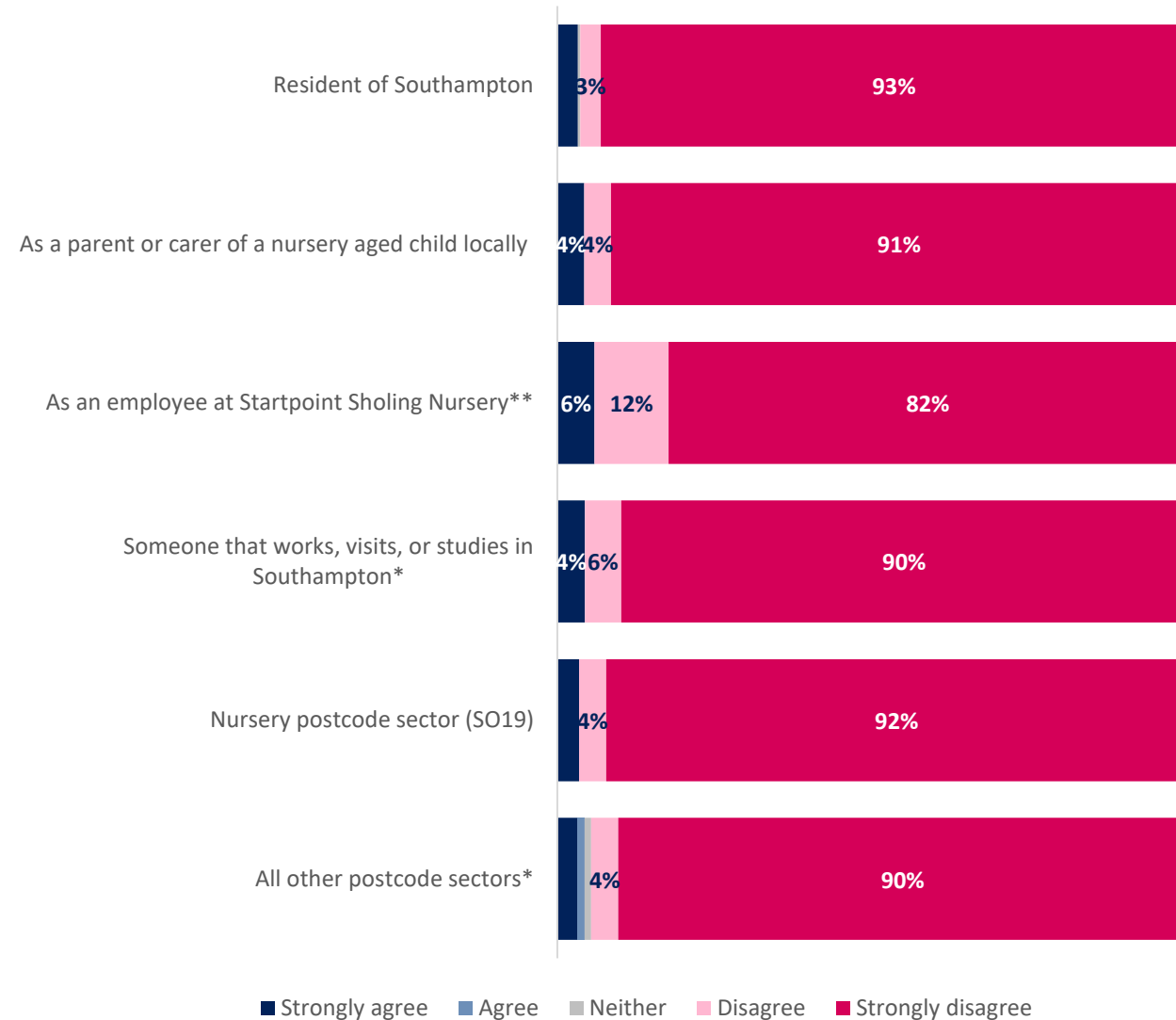
Question 1 | To what extent do you agree or disagree with the proposal to close Startpoint Sholing Day Nursery?

Total responses | 397



Page 49

Breakdowns



**Small sample size – less than 50, *Small sample size – less than 100

Key findings

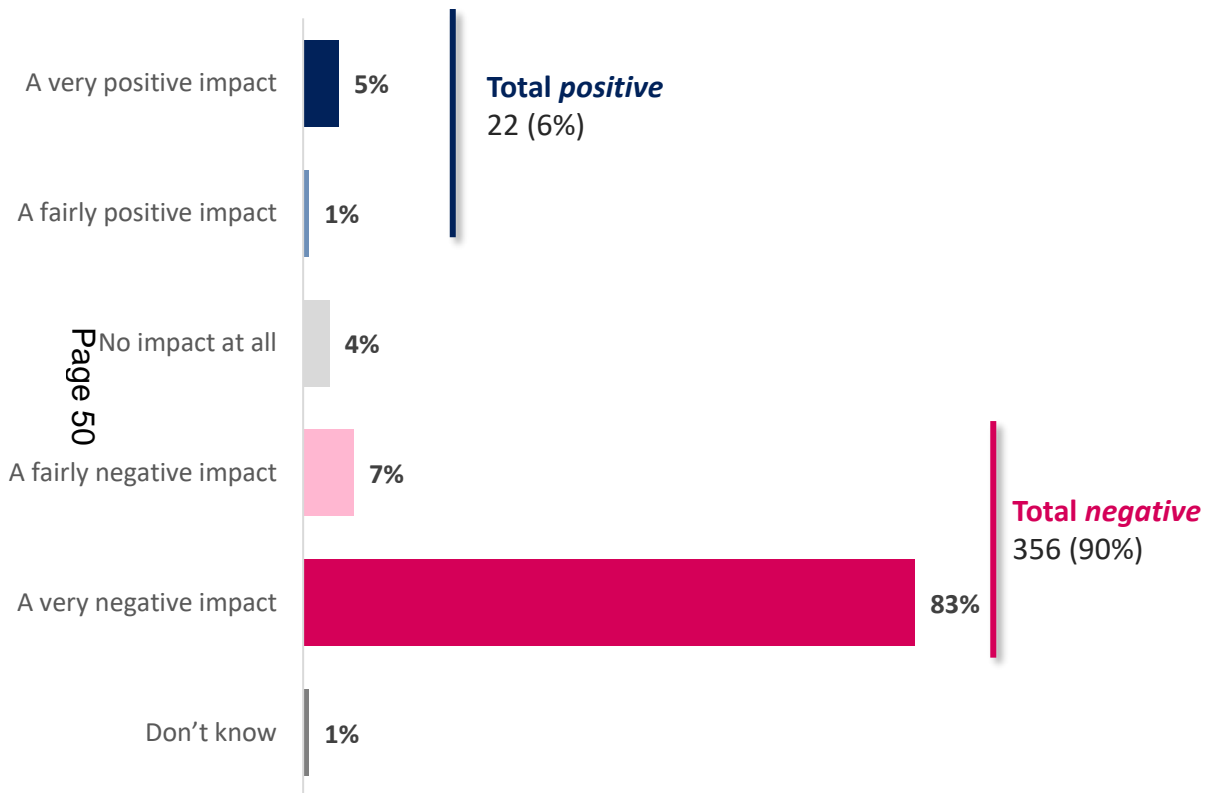
- 95% of respondents **disagree** with the proposal to close Startpoint Sholing Day Nursery.
- 91% of respondents with a **nursery aged child locally strongly disagree** to the proposal.



Proposal to close Startpoint Sholing Day Nursery

Question 2 | What impact do you feel this may have on you, your business or the wider community?

Total responses | 395



Page 50

Key findings

- 90% of respondents said the proposal to close Startpoint Sholing Day Nursery would have a **negative impact**.
- 91% of respondents with a **nursery aged child locally** & 94% of employees at Startpoint Sholing Nursery said this proposal would have a **very negative impact**.

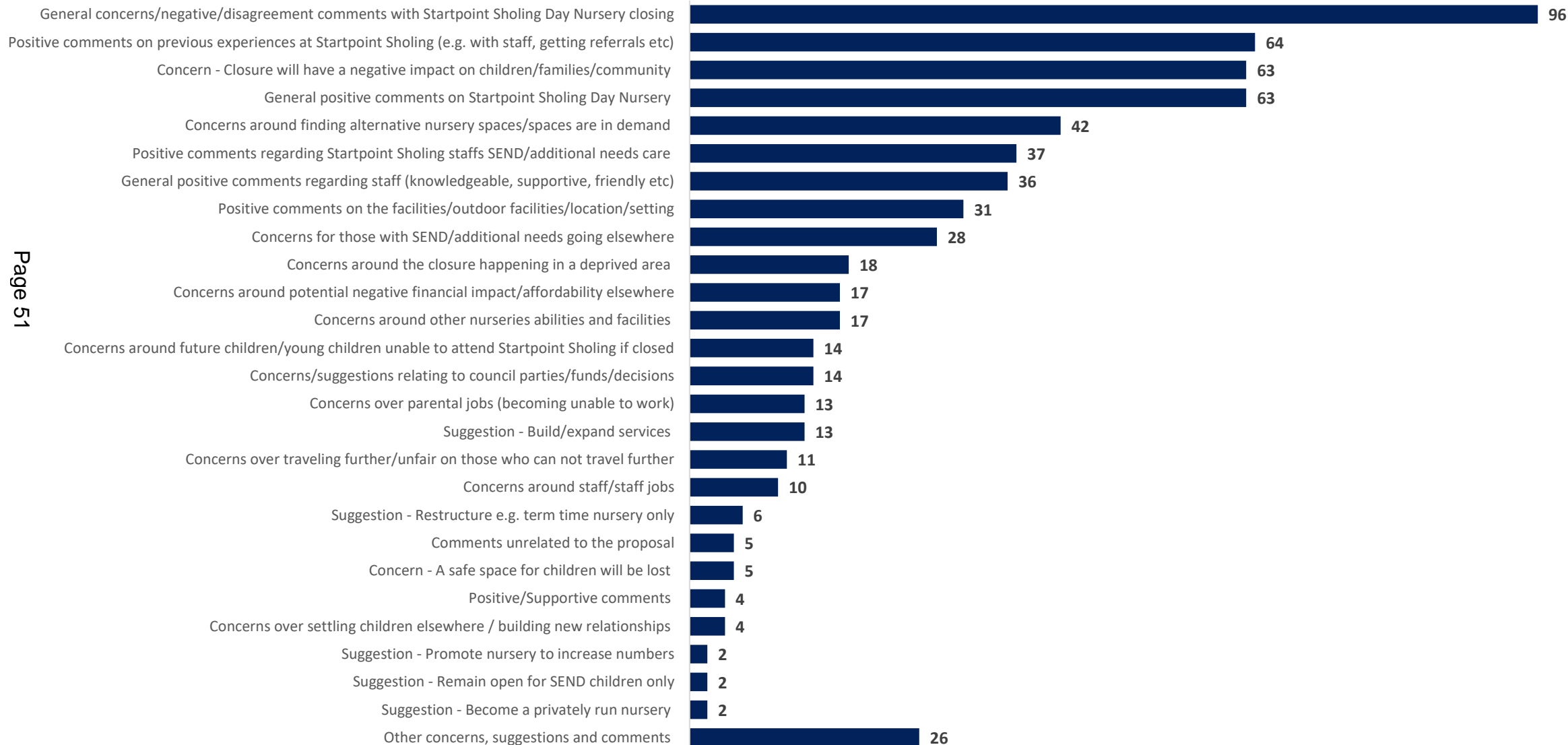
Breakdowns



**Small sample size – less than 50, *Small sample size – less than 100



Total Comments | 265



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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	Decision on the future of Startpoint Sholing Childcare Nursery
Brief Service Profile (including number of customers)	
Startpoint Sholing Childcare Nursery is a council run childcare nursery registered by Ofsted to care for up to 26 children. All current children transitioned to school in September 2024. The nursery currently employs 10.22 FTE staff, the majority are female and predominantly part time. The nursery occupies one classroom and associated staff areas within Startpoint Sholing Early Years Centre.	
Summary of Impact and Issues	
Since the nursery opened, it has continued to incur a financial deficit year on year and relied on SCC subsidies to break even. This deficit has continued to steadily increase year on year. A task and finish group were set up with colleagues within Finance and HR, Early Years and the Nursery Manager with input from Legal to address this. This resulted in several measures that were introduced in 2024, which were successful in partly reducing the deficit down from £358k, down to a forecast of £202k for 2024/25. However, despite implementing these changes, it has not been possible to identify a financially viable structure for the nursery that would enable them to break even. The Early Years funding that is provided by central government, does not cover the costs of sustaining this nursery without the need for significant on-going subsidies from the Council to cover the ongoing operational deficit.	
Potential Positive Impacts	
<ul style="list-style-type: none"> • Closure of the nursery would help to sustain neighbouring childcare provision, within the local area. • The potential for redeployment of skilled staff to other areas of the council with staffing shortages would support further retention of skilled staff. 	

<ul style="list-style-type: none"> Further efficiency savings may be possible by utilizing the classroom currently occupied by the nursery for other key statutory services, thus providing a further capital and revenue saving to the Council. 	
Responsible Service Manager	Darrin Hunter – Service Manager Early Years & Childcare
Date	8 th August 2024
Approved by Senior Manager	Robert Henderson – Executive Director, Wellbeing (Children & Learning)
Date	29 th August 2024

Potential Impact

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
Age	Closure of the nursery could have an impact on future children aged. (2-, 3- and 4-year-olds) who may wish to access their early years education entitlement at the centre.	There has already been a significant expansion of childcare places being provided within the local area, with plans in place for further expansions by private and voluntary childcare service providers over the coming months. These ensure the sufficient availability of childcare places within the local area in response to the increasing demands from parents/carers who rely on childcare to enable them to work.
Disability	Nationally, there is a growing issue of some parents of children with SEND, struggling to find availability of childcare places.	Any parents struggling to find suitable childcare would be supported as part of the Council's Childcare Brokerage Service. This free service operated by the Council's Early Years and Childcare service acts to help support parents/carers in finding

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
		appropriate suitable childcare for their children.
Gender Reassignment	There is no evidence we are aware of, which negatively impacts on this area for consideration	N/A
Care Experienced	There is no evidence we are aware of, which negatively impacts on this area for consideration	N/A
Marriage and Civil Partnership	There is no evidence we are aware of, which negatively impacts on this area for consideration	N/A
Pregnancy and Maternity	There is no evidence we are aware of, which negatively impacts on this area for consideration	N/A
Race	There is no evidence we are aware of, which negatively impacts on this area for consideration	N/A
Religion or Belief	There is no evidence we are aware of, which negatively impacts on this area for consideration	N/A
Sex	The majority of employees who work within the nursery are female, working part-time, some have additional family caring responsibilities.	<p>Where appropriate alternative redeployment opportunities may be available across other service areas, where vacancies exist.</p> <p>Currently within the childcare sector nationally there is a significant shortage of staff. In June 2024 Southampton's childcare sector had 128 job vacancies at all levels across the city. The early years' service can help to facilitate and broker, new external employment</p>

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
		opportunities for anyone wishing to continue to work within childcare.
Sexual Orientation	There is no evidence we are aware of, which negatively impacts on this area for consideration	N/A
Community Safety	There is no evidence we are aware of, which negatively impacts on this area for consideration	N/A
Poverty	Childcare along with adult social care are considered to be the two of the lowest paid occupations. Many of those employed within these sectors are part time, many of which are also on universal credit.	<p>Due to the critical staffing shortages within the childcare sector, all affected staff would be supported by the early years' service to facilitate and broker, new external employment opportunities for anyone wishing to continue to work within childcare.</p> <p>Alternatively, all affected staff will be eligible for alternative redeployment opportunities within the Council, should they be available.</p>
Health & Wellbeing	Some members of staff currently employed within the nursery are being supported due to mental health or disability needs.	Ongoing support would continue alongside any redeployment opportunities. Failing that then employee assistance would be available as part of any redundancy considerations.
Other Significant Impacts	Statutory Childcare Sufficiency Duty - under the Childcare Act 2006 and Childcare Act 2016 all Local Authorities have a statutory duty to ensure that there is a sufficient supply of good quality, affordable, flexible, and inclusive childcare choices available in response to	The Early Years and Childcare Service had a statutory duty set by the DfE to develop an additional 44 places by September 2024 to meet the demand for new childcare. The Councils Early Years Service has

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
	changes in parental demands for childcare.	been working in collaboration with the sector that saw the creation of 170 additional new early years places opened by September 2024. With a further 220 new childcare places planned for opening by September 2025 in response to the changes in childcare entitlements.
Affected Nursery Premises	The loss of income from the nursery could add additional premises costs to remaining Startpoint Sholing services, if the nursery was closed.	There are a number of alternative key services that could relocate and utilize the nursery space thus mitigating such financial pressures as well as potential efficiency savings through the relocation of services.
Legal Consultations	There is a requirement for a 45-day staff consultation and consultation with stakeholders and the public on the proposed closure of a council service.	<p>The 45-day staff consultation process opens on 2nd September 2024 and closes on 16th October 2024.</p> <p>The consultation with stakeholders and public will commence from 2nd September for a period of 6 weeks and closes on 18th October 2024.</p>

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DECISION-MAKER:	OVERVIEW & SCRUTINY MANAGEMENT COMMITTEE
SUBJECT:	SOUTHAMPTON CITY COUNCIL'S HOUSING IMPROVEMENT PLAN
DATE OF DECISION:	12 DECEMBER 2024
REPORT OF:	COUNCILLOR FRAMPTON CABINET MEMBER FOR HOUSING

<u>CONTACT DETAILS</u>			
Executive Director	Title	Executive Director - Resident Services	
	Name:	Debbie Ward	Tel: 023 8083 3351
	E-mail	Debbie.Ward@southampton.gov.uk	
Author:	Title	Executive Director - Resident Services	
	Name:	Debbie Ward	Tel: 023 8083 3351
	E-mail	Debbie.ward@Southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

BRIEF SUMMARY

This report sets out the improvement plan for Southampton City Council Landlord Services to ensure management action is focused on those areas where service standards have fallen below the ambition in the current Housing Strategy 2016/25, to drive up quality and outcomes for tenants and leaseholders.

The improvement plan identifies the areas that require significant action to respond to the findings of the new national Housing Regulator which completed an inspection of Southampton City Council's landlord services in August 2024 with the inspection report, attached as Appendix 1, published on 27th November 2024.

The improvement plan, attached as Appendix 2, is acknowledged in the inspection report as a key element to driving service performance from bottom quartile to top quartile performance in the coming 3 years for services performance and 5 years for decent homes standard.

The improvement plan is focused on the Housing Landlord function, puts tenants and leaseholders at the heart of its future development, and requires all parts of Southampton City Council that have a substantial role to deliver a quality landlord function to take an active, visible and collaborative part in delivery of the improvements.

RECOMMENDATIONS:

	(i)	That the Committee consider the Landlord Services Improvement plan with full reference to the Report of the Housing Regulator published on 27 November 2024.
	(ii)	That the Committee consider the option to request a progress report on the progress and impact of the Improvement Plan on a 12-month cycle until top quartile performance is achieved.

REASONS FOR REPORT RECOMMENDATIONS	
1.	<p>To ensure the housing landlord service puts tenants and leaseholders at the heart of its future development and that performance is known and understood by Southampton City Council.</p> <p>That the performance in delivery of service to tenants and leaseholders is acknowledged as requiring significant change in the reporting of standards, clarity of performance outcomes and the investment decisions from the Housing Strategy, through the Housing Asset Investment Strategy, Housing Revenue Account management and delivery of services in Finance, Asset Management, Housing Management and Housing Operations.</p>
2.	<p>To ensure the City Council through the Housing Landlord Service is making the improvements required by the Housing Regulator and achieving the performance improvements set out in the Plan.</p>
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
3.	None
DETAIL (Including consultation carried out)	
4.	<p>Southampton City Council is the housing authority for the city and is responsible for fulfilling a range of duties to ensure that residents have access to safe, affordable and suitable housing options within its communities.</p>
5.	<p>The Corporate Plan states the commitment to deliver “Safe and Stable Home Environments” and to “focus on helping individuals to remain in a safe home, by providing quality housing across the city and access to support when needed.”</p>
6.	<p>SCC also has a Housing strategy (2016-2025) which sets out the aspirations for how it meets the housing responsibilities across the City and has prioritised housing in its corporate plan recognising that housing is a foundation for “individuals and families to achieve a high quality of life”.</p>
7.	<p>The Housing Asset Management Strategy 2022-2026 sets out the approach to managing, maintaining, and improving homes to a good standard, including energy efficiency and net zero targets.</p>
8.	<p>The delivery of services has not met the aspiration set out, performance levels have fallen below reasonable standards and do not consistently meet the requirements of the recently established Regulator of Social Housing, or the expectations of tenants and leaseholders. The deterioration of the service has taken place over a number of years. The current position shows that the landlord service is not operating to a reasonable level.</p>
9.	<p>The investment in the housing stock decent homes standards has been poor with priority given to fire safety investment on the capital programme. Over the last 5 years the number of non-decent homes has increased from 6.7% of the stock to 47.7%.</p>
10.	<p>The percentage of homes that meets the decent homes standard is one of the Key Performance Indicators set out in the Corporate Plan. The failure to meet the standards and the steep decline was recognised by the inclusion on the Corporate Risk Register in April 2024.</p>

11.	The Landlord services was subject to inspection by the Regulator of Social Housing in August 2024. The Regulator inspection regime was established from 1 April 2024. This inspection looked at the range of services, tenant relations, engagement, and the current performance levels. Assessment is made against a defined framework including value for money, material risks to the future financial viability of the stock. The service receives a rating of C1, 2, 3 or 4, with C1 being the most positive. The Regulator has a range of powers including intervention and fines.
12.	Following the inspection the final report was received on the 27 November 2024 and the overall rating was of C3. Our earlier self-assessment had determined that this rating was likely, and the work to improve standards and develop a comprehensive improvement plan was already in development and contained in the Transformation Programme as the Good Landlord project. The self-awareness and the development of the plan was recognised by the inspectors and the full report is attached at Appendix 1.
13.	The delivery of Southampton City Council housing responsibility is across the departmental structure of the Council and decisions made through the formal decision-making Governance which has led to the proper consideration of housing landlord matters and the HRA in silos, lacking the single focus on outcomes for tenants and leaseholders.
14.	The separation of responsibilities and accountabilities has developed the tendency to work in silos despite reasonable co-operation between officers and decision makers. This is most evident between the landlord management function and the asset management functions. The professional priorities of the services are not consistent, and the main functions and plans and projects need a better joint focus between the demands of homes for people and the asset management of the Council.
15.	The Good Landlord Transformation project has directly addressed the siloed approach, and the improvement plan runs from the development of a new Housing Strategy, asset management and planning and the specific landlord activities with the focus on outcomes for tenants. The Improvement plan outline and detail are attached at Appendix 2.

RESOURCE IMPLICATIONS

Capital/Revenue

16.	None in this report. There are a range of significant decisions that will require capital and investment decisions, they will be the subject of specific reports at the point of decision.
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Property/Other

17.	None in this report. There are a range of significant decisions that will require capital and investment decisions, they will be the subject of specific reports at the point of decision.
-----	--

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

18.	The duty to undertake overview and scrutiny is set out in Part 1A Section 9 of the Local Government Act 2000.
-----	---

Other Legal Implications:

19.	N/A
RISK MANAGEMENT IMPLICATIONS	
20.	The low level of Decent Homes Standards currently being met in the property in the Housing Revenue Account is registered on the Corporate Risk register and oversight will be managed there, with the improvement plan having a programme delivery framework that will have a risk log constantly reviewed.
POLICY FRAMEWORK IMPLICATIONS	
21.	Link to Council policy objectives outlined in paragraphs 5-7.

KEY DECISION?	Yes
WARDS/COMMUNITIES AFFECTED:	All
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Report of the Regulator of Social Housing
2.	Housing Improvement Plan - Highlights

Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out?	No
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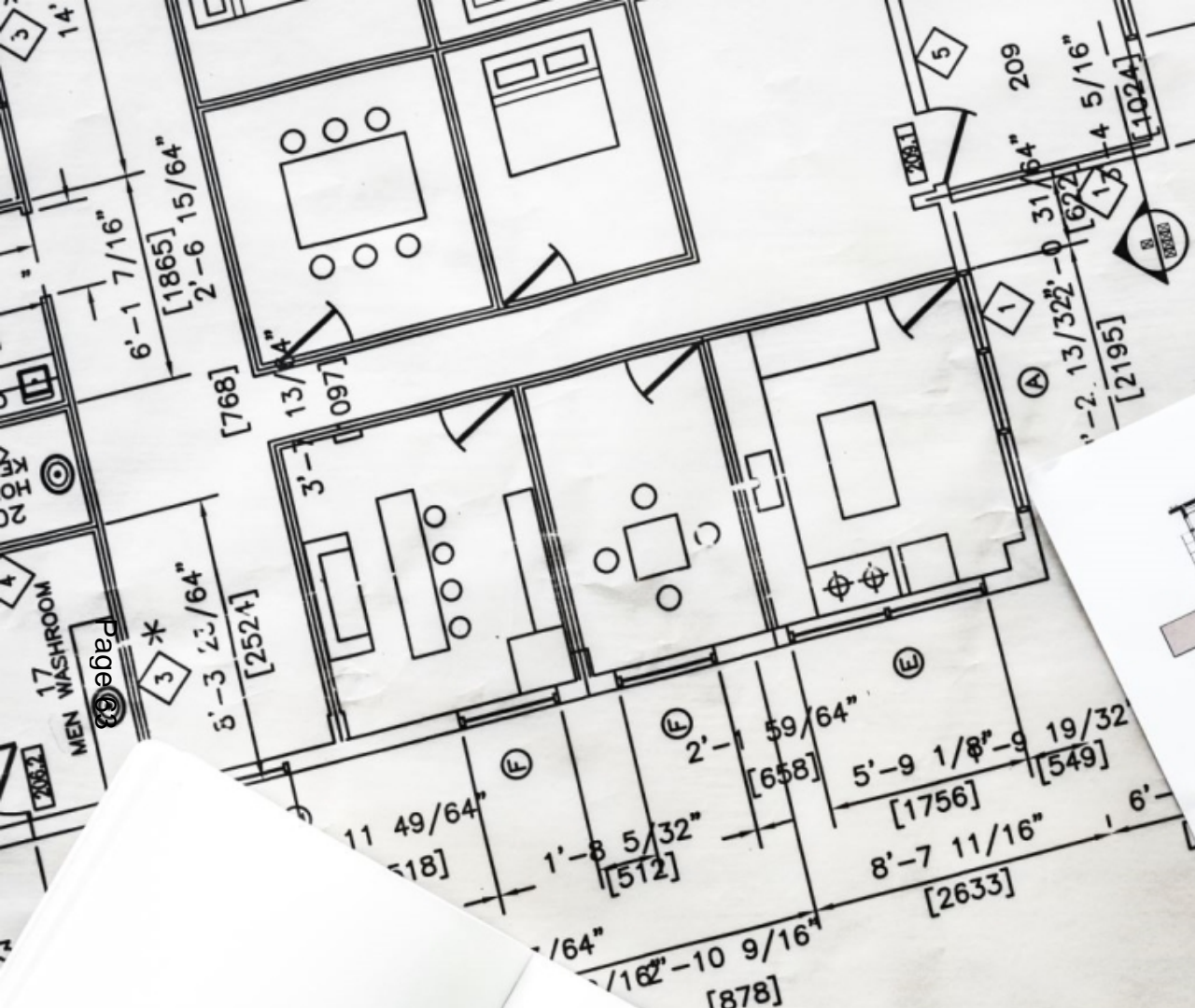
Data Protection Impact Assessment

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



- Craftsman tools
- Screwdriver
 - Saw
 - Hammer
 - Cable cutter
 - Sandpaper
 - Diagonal p
 - Linesman
 - Long
 - Me
 - +
 - *

- Furniture lists
- | | | |
|---|--|--|
| <ul style="list-style-type: none"> <input checked="" type="checkbox"/> King size bed <input checked="" type="checkbox"/> Headboard <input checked="" type="checkbox"/> Drawer <input type="checkbox"/> Mattress <input type="checkbox"/> Lamps x 2 | <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Dining table <input checked="" type="checkbox"/> Sofa <input checked="" type="checkbox"/> Coffee table <input type="checkbox"/> Television set <input type="checkbox"/> Stools x 4 <input type="checkbox"/> Bed | <ul style="list-style-type: none"> <input type="checkbox"/> Dining table <input type="checkbox"/> Chairs x 4 <input type="checkbox"/> Capboard <input type="checkbox"/> Kitcher island <input type="checkbox"/> Food pantry <input type="checkbox"/> Stove <input type="checkbox"/> Sinks <input type="checkbox"/> Ref |
|---|--|--|
- Will be delivered on 6th Apr
- Bedroom 1
- Room p
- 1st fl

Housing Improvement Plan

Executive Summary

Southampton City Council is the landlord for nearly 18,000 homes across the city and its performance has fallen well below the that required by national standards and its own housing strategy.

The Council committed to improving its operation, putting tenants and leaseholders at its heart and to achieving top quartile for Decent Homes in 5 years and in 3 years for other management services.

Following the audit of the service by the national regulator in August 2024, they acknowledged the commitment and plans to improve and rated the Landlord at C3 (embargoed until 27 November 2024).

SCC is addressing the areas identified by the regulator and incorporating them within the Housing Improvement Plan.



Governance



Formal SCC Governance – with HRA having focused reporting.



Councillors: Leader/Regeneration, Housing Operations
Housing Advisory Board



Housing Strategy

Overall Housing Strategy development beyond 2025



Asset Investment Strategy

Regeneration of estates
Investment in decent homes standards
Development of Housing Revenue Account
Securing a sustainable housing investment plan



Landlord Strategy

People and Culture
Repairs and voids management
Tenant engagement
Debt recovery and Improvement.

Housing Strategy

- Development of Corporate Housing Strategy
 - Drive effective approach to housing supply, standards, and use
 - Engagement across all council services to create corporate strategy, implementation plan and monitoring.
 - Engagement with external stakeholders.
- Milestones for Strategy Development
 - Draft by April 2025
 - Final adoption by July 2025
- Action: Corporate Policy Lead Confirmed
 - Commitment and engagement from Public Health, Planning, Data, Finance, etc.
 - Housing Strategy Board – Exec Directors confirmed and ToFR defined
- Communication and Engagement Plan
 - Resourced and active December 2024
- Strategy Sharing and Resource Scoping December 2024
- Implementation plan May 2025



Asset Investment Strategy (High Level theme objective)

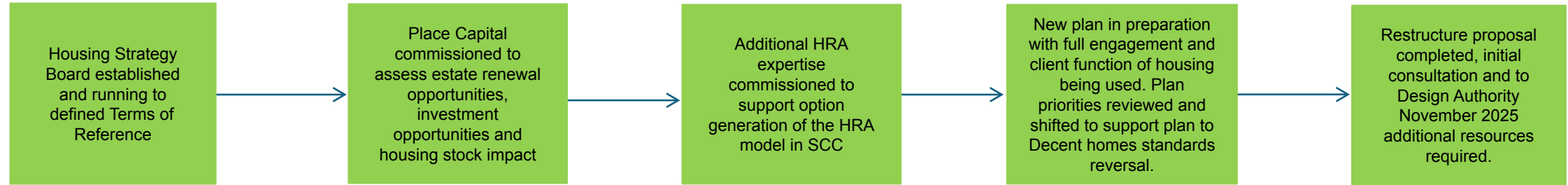
<p>Housing Stock: Assess estate renewal opportunities. Review of housing stock to become affordable and viable HRA Regeneration opportunities and partnership investment plans established</p>	<p>HRA Viability: HRA model developed for investment potential and flexibility to maximise housing stock investment Potential and secure stock business plan</p>	<p>Asset Management Plan: plan prepared with housing client function and tenant involvement as visible and rolling programme over 5 years, delivery and quality assurance delivered</p>	<p>Asset Management Function: Structure reviewed and client and operational functions established in Housing landlord structure.</p>	<p>Investment Strategy: Decision making on capital investment to driven by housing client recommendations, decision forum through Housing Strategy Board to formal decision driven by housing investment requirements and confirmed priorities, driving planned investment to reduce reactive response</p>
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Technology, Digital and Data enablement: ensuring technology and data enables our services to improve

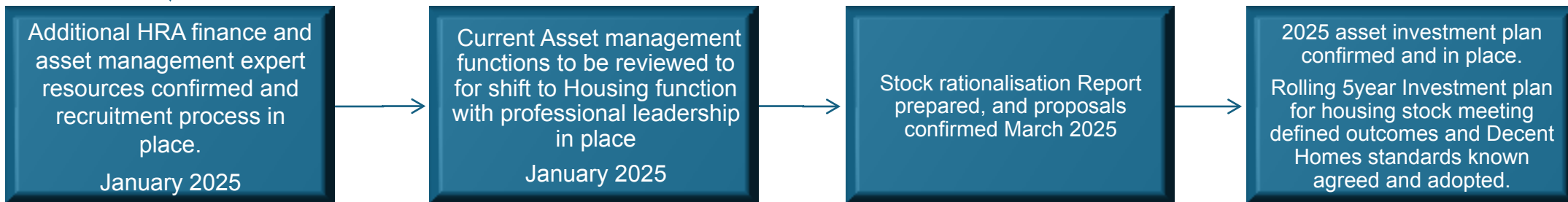
Financial and Legal enablement: HRA funding, cost evaluation and VFM, Legal and environmental analysis

Programme enablement: Programme governance and cross- directorate and organisational collaboration.

Asset Management Plan



Page 68



Landlord Services (High level theme objective)

Voids: Streamline the voids management process and review the utilisation of our housing stock to make better use of resources and maximise income.

Repairs: The reactive maintenance of our assets to meet and exceed our obligations to the Home Standard, ensuring supply of homes is optimized for customers and income.

People and Culture:
An equipped, empowered and engaged workforce with the right skills, the right leaders and high-performance culture to serve the customer well and deliver excellence to our customers.

Debt Recovery and Prevention: Prevent debts through early intervention and contain/ reduce levels of debt through application of firm, fair consistent and effective policies and procedures.

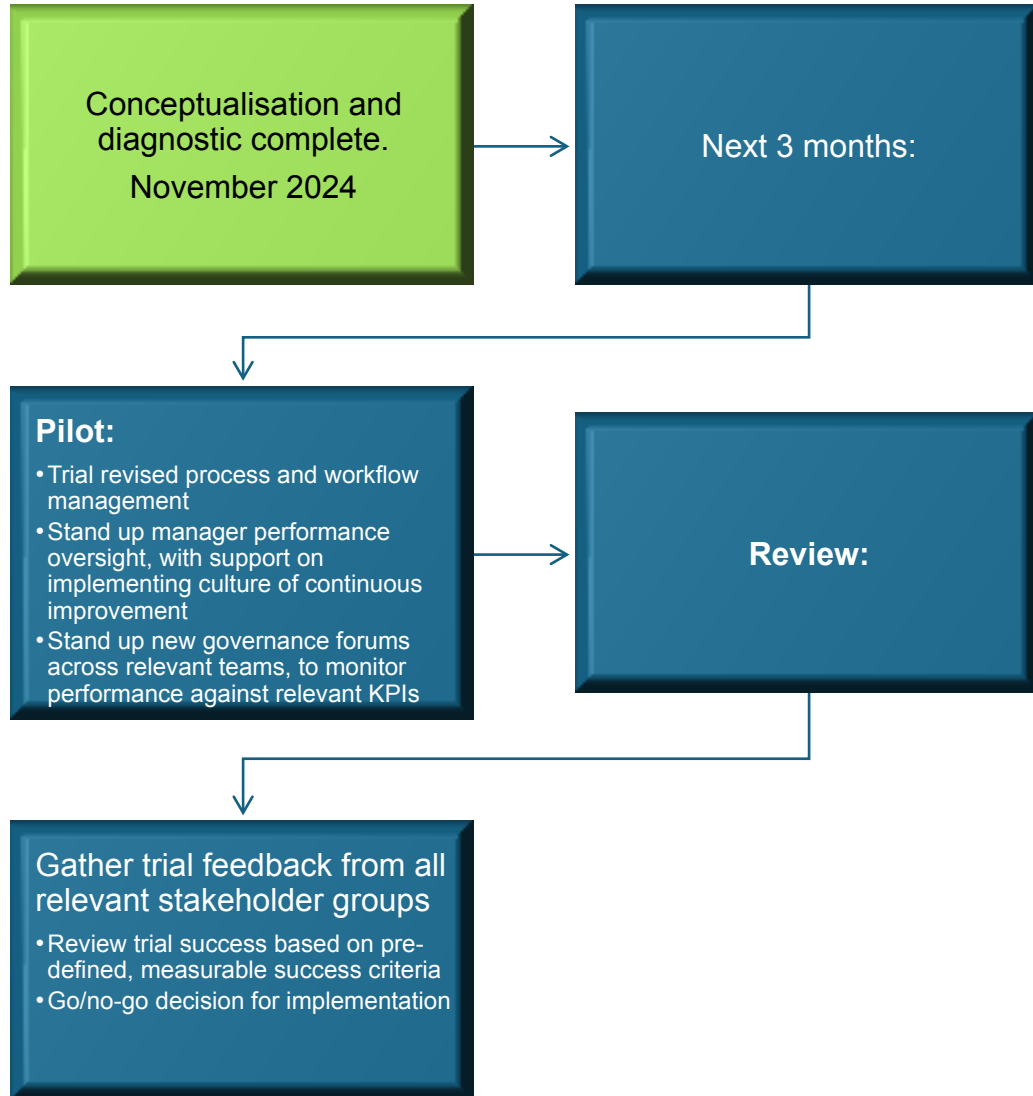
Tenants: Strengthen the Council's capacity, competence, and commitment to tenant involvement, ensuring that residents are fully engaged with and help to shape the improvement of the housing service.

Technology, Digital and Data enablement: ensuring technology and data enables our services to improve

Financial and Legal enablement: HRA funding, cost evaluation and VFM, Legal and environmental analysis

Programme enablement: Programme governance and cross- directorate and organisational collaboration.

Repairs



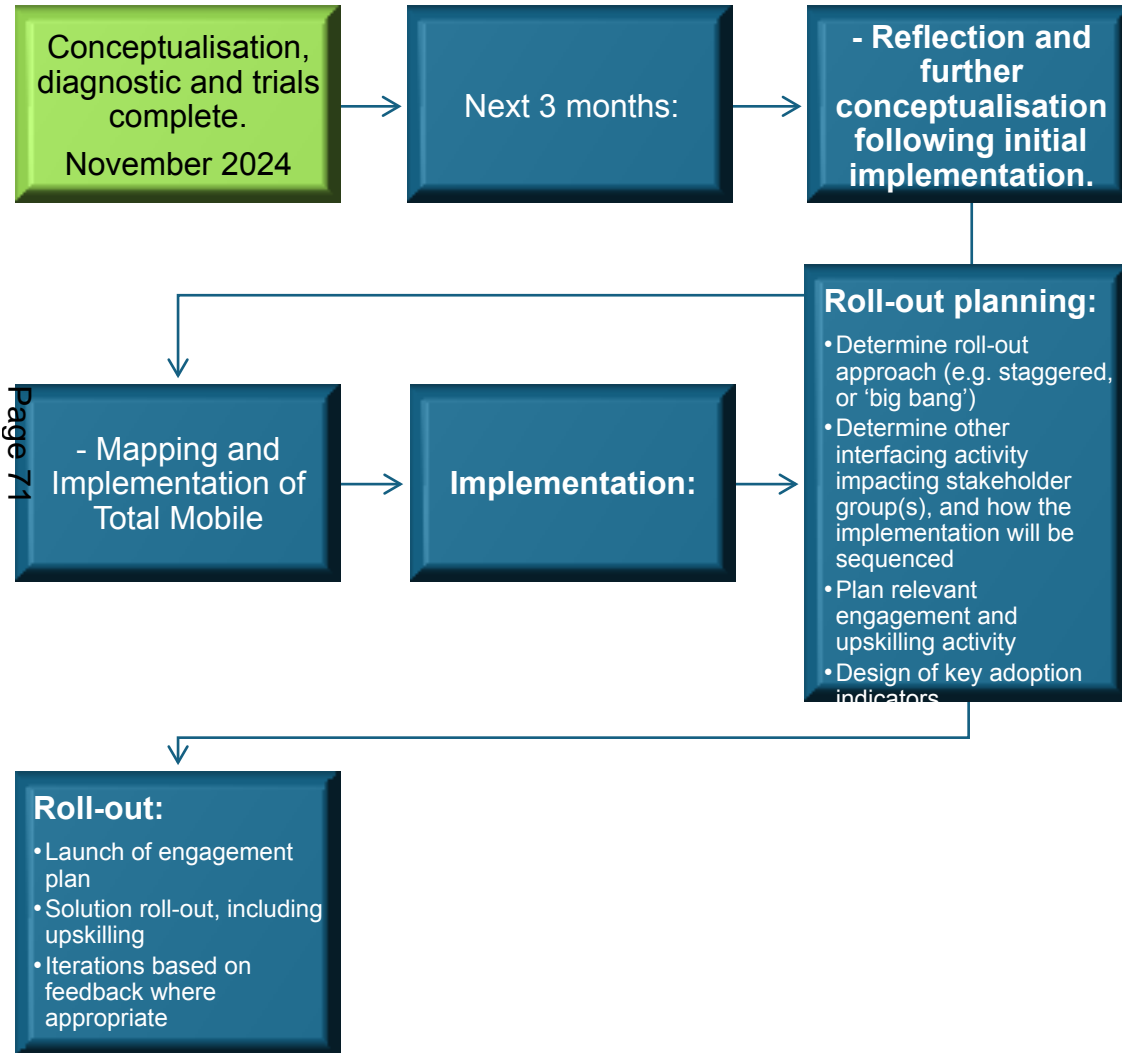
Page 70

Performance and Targets:

	End Q2	March 25	Sept 25	March 26
Jobs outstanding	3647	2600	1600	1000
Right First Time (%)	80.36	82.0	86.0	90.0
Emergency (%)	73.7	85.00	90.0	95.0
Routine (%)	57.13	75.00	85.0	95.0

Outcome: Top Quartile Performance for delivery and tenant satisfaction by end of 25/26.

Voids



Performance and Targets:

Number of Properties

	End Q2	March 25	Sept 25	March 26
Housing Ops	355	280	170	60
Allocations	36	15	15	15
Housing Mgt		10	10	10

Outcome: By the end of Q2 26/27 we will achieve top quartile performance. No: of voids will be reduced to optimum levels. (n=30) and key in to key out for routine voids will be less than 15 days.

Debt Recovery and Prevention

Performance and Targets

Current benchmark target being used:
% of rent arrears as a proportion of
the rent roll.



•**Develop and implement debt prevention plan** – Plan agreed by end of December 2024. Implementation Jan 2025.



•**Pilot project looking at a single view of the customer** – Live project-analysis to be provided December 2024



•**Cleanse existing debt (write-off where we cannot legally collect)** – End of March 2025



Ensure we implement appropriate recovery action including progressing through more formal stages – Report to be provided in January 2025



Multi skill staff across rents, FTA, and repairs (linked to NEC upgrade) – In flight- Target completion date of end of March 2025.



Outcome: Top quartile within the next 3 years. Improved Financial Stability

EOY	Quartile	Arrears Percentage
Q2 24/25	4 th	10.11
25/26	3 rd	8.31
26/27	2 nd	6.50
27/28	1 st	4.70

People and Culture

Phase 1: Restructure of senior Housing Management Team – Jan 2025

Culture & transformation discovery (Proposal expected Nov 2025 from Cadence Innova)

Changing Behaviour initiatives - New Operating model(s) - March 2025

- Phase 2: Restructure of Tenancy Management and Supported Housing based on review(s) of the ToM(s) - March 2025

Implement and embed new ToM and housing leader's programme - Qt2 2 2025

Outcome:

An equipped, empowered and engaged workforce with the right skills, the right leaders and high-performance culture to serve the customer well and deliver services effectively.

Service model designed to deliver excellent landlord services

Tenants

Outcomes: An approved Strategy which defines tenant involvement structures, strengthens engagement, participation and empowerment of tenants, enables scrutiny and improves communications and interaction.

Complaints are managed in line with the regulatory requirements and tenant satisfaction is improved.

Nov 2024 to March 2025

Improvement to **Complaints** management

System and process discovery and change

Recruitment of complaint lead

Develop a New **Tenant Engagement Strategy**

Coordinate the implementation of the strategy with the Tenant Charter- Currently in draft format.

Customer information review and analysis to shape and inform business decisions and methods by which we communicate.

Contact Centre service review

Performance Targets:

Complaints

- Baseline 23/24: 341 complaints received.- 20% escalated to stage 2.
 - X1 upheld complaint by the Ombudsman
- % of complaints completed in timescale
- Stage 1: Q2 - 77.5% were responded to within 10 working days
- TSM survey result: 25% tenants were satisfied with how we dealt with complaints.

Targets:

- Top quartile by 25/26
- 15% improvement in complaints resolution by 24/25

Customer Contact Centre - Call times:

Baseline: Q2 23/24 25mins. Quartile 4

Target: 90% of calls answered within agreed service standard Call times reduced to no more than 10 minutes.



Regulator of
Social Housing

Decision

Southampton City Council (00MS) - Regulatory Judgement: 27 November 2024

Page 75

Published 27 November 2024

Applies to England

Contents

Our Judgement

Summary of findings

Background to the judgement

Agenda Item 8
Appendix 2

Further information



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Our Judgement

	Grade/Judgement	Change	Date of assessment
Consumer	C3 Our judgement is that there are serious failings in the landlord delivering the outcomes of the consumer standards and significant improvement is needed.	First grading	November 2024

Reason for publication

We are publishing a regulatory judgement for Southampton City Council (Southampton CC) following an inspection completed in November 2024.

This regulatory judgment confirms a consumer grading of C3. This is the first time we have issued a consumer grade in relation to this landlord.

Summary of the decision

From the evidence and assurance gained during the inspection, we have concluded that there are serious failings in Southampton CC delivering the outcomes of the consumer standards and significant improvement is needed, specifically in relation to the outcomes in our Safety and Quality Standard and Transparency, Influence and Accountability Standard. Based on this assessment, we have concluded a C3 grade for Southampton CC.

How we reached our judgement

We carried out an inspection of Southampton CC to assess how well it is delivering the outcomes of the consumer standards, as part of our planned regulatory inspection programme. We considered all four of the consumer standards: Neighbourhood and Community Standard, Safety and Quality Standard, Tenancy Standard, and the Transparency, Influence and Accountability Standard.

During the inspection we observed a Southampton CC cabinet meeting, a tenant repairs meeting and a tenant scrutiny panel. We met with tenants, officers, the leader of Southampton CC and the Councillor who is the portfolio holder for housing. We also reviewed a wide range of documents provided by Southampton CC.

Our regulatory judgement is based on all the relevant information looked at during the inspection as well as analysis of information received through routine regulatory returns and other regulatory engagement activity.

Summary of findings

Consumer – C3 – November 2024

The inspection has found serious failings in how Southampton CC is delivering the outcomes of the consumer standards and evidence that this has had a significant impact on service outcomes for tenants. Our judgement is based on the scale and breadth of the issues identified during the inspection. The issues include a high proportion of homes not meeting the Decent Homes Standard (DHS), limited information on Housing Health and Safety Rating System (HHSRS) in non-decent homes, lack of clarity in performance monitoring and oversight for some aspects of health and safety, and a poor repairs performance.

The inspection also identified serious failings related to the Transparency, Influence and Accountability Standard, including little evidence that tenants' views are taken into account in decision making about landlord services

and a lack of fairness, effectiveness and timeliness in complaints handling.

The Safety and Quality Standard requires landlords to have an accurate record at an individual property level of the condition of their homes based on a physical assessment of all homes and ensure that homes meet the requirements of the DHS. We found serious failings in relation Southampton CC meeting these requirements. A significant proportion (47%) of Southampton CC's homes do not meet the DHS. Furthermore, as previous stock condition surveys did not include any assessment of HHSRS in its homes, we saw limited evidence that Southampton CC has an accurate and complete understanding of its homes. A root cause analysis into the low level of decency has taken place and Southampton CC has recently implemented a housing improvement plan to address these failings. We will continue to engage with the Southampton CC as it takes action to improve the quality of its homes.

Through our inspection, we identified that Southampton CC is also not delivering an effective, efficient and timely repairs service as required by the Safety and Quality Standard. Evidence from our on-site work and in documents provided by Southampton CC indicated this was an area of concern for tenants, with poor performance for routine repairs, long void turnaround times and long call waiting times. Southampton CC told us the poor performance was in part due to underinvestment in planned capital works over a prolonged period and has identified the repairs service as a priority area in its housing improvement plan. We will continue to engage with Southampton CC as it seeks to deliver an improved repairs service for tenants.

The Safety and Quality Standard also requires landlords to identify and meet all legal requirements that relate to the health and safety of tenants in their homes and communal areas and ensure that all required actions arising from legally required health and safety assessments are carried out within appropriate timescales. Southampton CC provided some assurance that it is achieving this requirement, but we identified weaknesses around asbestos safety. Southampton CC received a limited assurance audit for asbestos safety with a number of communal asbestos re-inspections overdue. Our engagement following the inspection will include monitoring that Southampton CC completes all required health and safety checks and is managing any risks arising from those checks.

The Neighbourhood and Community Standard states that landlords must work in partnership with appropriate local authority departments, the police and other relevant organisations to deter and tackle anti-social behaviour and hate incidents in the neighbourhoods where they provide social housing. We saw evidence

that Southampton CC deals effectively with anti-social behaviour and hate incidents in line with its policy and procedures and in partnership with relevant organisations.

In relation to the Tenancy Standard, we saw evidence that Southampton CC is offering tenancies or terms of occupation that were compatible with the purpose of its accommodation, the needs of individual households, the sustainability of the community, and the efficient use of its housing stock.

We found serious failings in relation to Southampton CC delivering the outcomes of the Transparency, Influence and Accountability Standard. This standard sets out the outcomes landlords must deliver about being open with tenants and treating them with fairness and respect so that tenants can access services, raise complaints, influence decision making and hold their landlord to account. During the inspection we observed a respectful approach to tenants, but Southampton CC does not have sufficient data to demonstrate how it understands the diverse needs of its tenants nor how its services deliver fair and equitable outcomes for tenants. Southampton CC has identified this as an area for improvement and it is included within the Council's housing improvement plan.

We also found serious failings in how Southampton CC is using tenant engagement as a mechanism to influence how it delivers its services. We saw no evidence of tenants being meaningfully involved in decision making, or able to challenge Council decisions. Southampton CC informed us it will be producing a new tenant engagement strategy and that tenants will be included on a new advisory panel. We will continue to engage with Southampton CC as it makes improvements to tenant engagement.

Through the inspection, we found Southampton CC could not demonstrate that it regularly provides a range of relevant and accessible information to tenants, including about its performance in delivering landlord services. We found most information for tenants is only readily available digitally and tenants raised poor communication as a concern. Staff and tenants do not have access to all performance information, undermining tenants' capacity to hold their landlord to account.

The Transparency, Influence and Accountability Standard also requires landlords to provide accessible information to tenants about the type of complaints received and how they have learnt from complaints to continuously improve services. Complaints reports indicate Southampton CC does not address complaints promptly, and there is very limited evidence of learning or consideration of the fairness and effectiveness of

complaints arrangements. Southampton CC acknowledges that it needs to improve its approach to complaints handling. We will continue to monitor the improvements through ongoing engagement with Southampton CC.

Southampton CC has been engaging constructively with us and has put in a place a programme to rectify these failures, including work to complete improvements to systems and processes for delivery and oversight of health and safety checks, improvements to the repairs service, better complaints handling resources and processes, and developing a tenant engagement strategy. Southampton CC is working to develop an investment plan to address non-decency and delivery of repairs, maintenance and planned improvements.

We are engaging with Southampton CC as it continues to address the issues set out in this judgement. Our engagement will be intensive, and we will seek evidence that gives us the assurance that sufficient change and progress is being made, including ongoing monitoring of how it delivers its improvement programme. Our priority will be that risks to tenants are adequately managed and mitigated. We are not proposing to use our enforcement powers at this stage but will keep this under review as Southampton CC seeks to resolve these issues.

Background to the judgement

About the landlord

Southampton CC is a unitary authority situated in Hampshire. Southampton CC owns around 18,000 homes. It provides predominately general needs accommodation, with some supported/sheltered accommodation.

Our role and regulatory approach

We regulate for a viable, efficient, and well governed social housing sector able to deliver quality homes and services for current and future tenants.

We regulate at the landlord level to drive improvement in how landlords operate. By landlord we mean a registered provider of social housing. These can either be local authorities, or private registered providers (other organisations registered with us such as non-profit housing associations, co-operatives, or profit-making organisations).

We set standards which state outcomes that landlords must deliver. The outcomes of our standards include both the required outcomes and specific expectations we set. Where we find there are significant failures in landlords which we consider to be material to the landlord's delivery of those outcomes, we hold them to account. Ultimately this provides protection for tenants' homes and services and achieves better outcomes for current and future tenants. It also contributes to a sustainable sector which can attract strong investment.

We have a different role for regulating local authorities than for other landlords. This is because we have a narrower role for local authorities and the Governance and Financial Viability Standard, and Value for Money Standard do not apply. Further detail on which standards apply to different landlords can be found on our [standards page \(https://www.gov.uk/government/collections/regulatory-standards-for-landlords\)](https://www.gov.uk/government/collections/regulatory-standards-for-landlords).

We assess the performance of landlords through inspections and by reviewing data that landlords are required to submit to us. In Depth Assessments (IDAs) were one of our previous assessment processes, which are now replaced by our new inspections programme from 1 April 2024. We also respond where there is an issue or a potential issue that may be material to a landlord's delivery of the outcomes of our standards. We publish regulatory judgements that describe our view of landlords' performance with our standards. We also publish grades for landlords with more than 1,000 social housing homes.

The Housing Ombudsman deals with individual complaints. When individual complaints are referred to us, we investigate if we consider that the issue may be material to a landlord's delivery of the outcomes of our standards.

For more information about our approach to regulation, please see [Regulating the standards \(https://www.gov.uk/government/collections/how-we-regulate\)](https://www.gov.uk/government/collections/how-we-regulate).

Further information

- [Regulating the standards \(https://www.gov.uk/government/collections/how-we-regulate\)](https://www.gov.uk/government/collections/how-we-regulate)
- [Regulatory standards for landlords \(https://www.gov.uk/government/collections/regulatory-standards-for-landlords\)](https://www.gov.uk/government/collections/regulatory-standards-for-landlords)
- [Decent Homes Standard \(https://www.gov.uk/government/publications/a-decent-home-definition-and-guidance\)](https://www.gov.uk/government/publications/a-decent-home-definition-and-guidance)



Agenda Item 9

DECISION-MAKER:	OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE
SUBJECT:	RIVER ITCHEN FLOOD ALLEVIATION SCHEME: PROJECT UPDATE
DATE OF DECISION:	12 DECEMBER 2024
REPORT OF:	COUNCILLOR KEOGH - CABINET MEMBER FOR ENVIRONMENT AND TRANSPORT

<u>CONTACT DETAILS</u>			
Executive Director	Title	Executive Director - Growth and Prosperity	
	Name:	Stephen Haynes	Tel: 023 8083 2400
	E-mail:	Stephen.haynes@southampton.gov.uk	
Author:	Title	Flood Risk Management Team Leader	
	Name:	Sam Foulds	Tel: 023 8083 2076
	E-mail:	Sam.foulds@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY	
None	
BRIEF SUMMARY	
This report provides an update on the progress of the River Itchen Flood Alleviation Scheme, following recommendations made following the Scrutiny Inquiry titled ' <i>Protecting, Preserving and Promoting the River Itchen in Southampton</i> ' concluding in April 2023. This includes an update on the scheme costs and current position.	
RECOMMENDATIONS:	
	(i) That the Committee note the update on the progress of the River Itchen Flood Alleviation Scheme (RIFAS)
REASONS FOR REPORT RECOMMENDATIONS	
1.	Understand progress on the RIFAS since the Scrutiny Inquiry titled <i>Protecting, Preserving and Promoting the River Itchen in Southampton</i> that concluded in April 2023.
2.	Note the current situation on the continued development of the RIFAS.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
3.	None – Paper for information only.
DETAIL (Including consultation carried out)	
	Summary of the Scheme
4.	The RIFAS is a major flood defence infrastructure project consisting of 3.7km flood defence on the west bank of the River Itchen between Mount Pleasant Industrial Estate north of Northam Bridge to just south of the Itchen Bridge (see Appendix A - figure 1 and figure 3). The defence is required to reduce the immediate present-day risk of flooding to over 153 existing homes

	<p>(including the Northam Estate), 288 businesses and sections of critical road and rail links. As a result of climate change and sea level rise, the area at risk and depth of flooding expected increases and will impact over 1150 homes and 900 businesses by 2120. These figures only include property constructed pre-2012 as post-2012 development is subject to strict planning policy requirements to assess, manage and mitigate flood risk. This includes sites such as Meridian Gardens and Chapel Riverside, both approved with site specific flood mitigation measures in place for short term benefit, but will become fully reliant on completion of the RIFAS to avoid flooding as tidal water will by-pass the defences. For Chapel Riverside, some external areas of the site including car parking areas, plus one non-residential ground floor block remain at risk of shallow flooding present day and experienced flooding in April 2024, and for Meridian Gardens, parts of the site will become vulnerable from 2040 onwards.</p>
5.	<p>The RIFAS is phase one of Southampton’s strategic flood defence needs. Land levels of Southampton’s waterside are low which means, over time, a continuous raised defences will be required for ~22km of coast from Woodmill, St Denys and Northam, through the city centre and on to Redbridge (see Appendix A - figure 4). The timing of flood defence infrastructure need is dependent on the level of risk and how this risk changes over time, however without the RIFAS, defending the active city centre against tidal flooding due to climate change and sea level rise will become a challenge. This is because over time flood flow routes from the Itchen Estuary and Test Estuary merge into a singular flood cell. Simply put, the RIFAS and future city centre defences are interdependent, with both sections of defence required to secure a long-term sustainable future for the city.</p>
	<p>Scheme Delivery</p>
6.	<p>The RIFAS is being delivered in partnership between the Environment Agency (as design and construction lead) and Southampton City Council (as investment lead). A Memorandum of Understanding was agreed and signed in September 2019, marking the start of the partnership agreement. The project has built upon the Council’s first attempt to deliver the flood defence needs which paused in 2017 due to lack of staff resources and funds to deliver, and has increased understanding of flood risk, ground conditions on site and stakeholder needs, all of which have substantially furthered the design development.</p>
7.	<p>A project governance structure is in place to guide the partnership and make core decisions that impact delivery or spend that are in the best interests of both organisations and those impacted by the risk of flooding. This includes representation at:</p> <ul style="list-style-type: none"> • <u>The Project Board</u> – Head of Transport and Planning with support from Finance Business Partner (SCC) and Flood and Coastal Risk Management Lead and Project Executive (EA) • <u>The Project Sponsors Group</u> – Chief Executive (or delegation to Executive Director for Growth and Prosperity) and Chief Finance Officer (SCC) and Area Flood and Coastal Risk Manager and Project Sponsor (EA).

	Scheme Costs
8.	Since the project partnership formed in 2019, the RIFAS has come up against several challenges owing to the complex nature of the Northam area and competing needs of users today vs capturing growth over time. Most notably, project costs have increased from £29.8m presented at Outline Business Case (OBC) in early 2022, to £80.5m post OBC (autumn 2022, comprised of £65.2m build cost plus £15.m future costs (e.g. maintenance)).
9.	<p>The current best estimate of cost is ~£96.7m (including uplift of OBC figures to Spring 2023 pricing including inflation). This rise is attributed to:</p> <ul style="list-style-type: none"> • Changes to the alignment, including SCC’s decision to amend the alignment at Drivers Wharf from setback (dividing the site in two west to east) to frontline to obtain benefit of regeneration potential and replacing a failing quay wall in SCC ownership. • Refinement of the design, better understanding of costs (e.g. flood gates), programme alterations to accommodate additional site investigation, and • External factors including, rising material costs, impacts of global affairs (e.g. Covid and Ukraine war) and resultant unprecedented inflation from recent economic instability.
10.	It is noted that costs are still preliminary estimates based on outline designs. A clear picture of cost will not be available until detailed design work, including innovation work packages have been completed later in 2025/26. The innovation work package seeks to identify savings through design refinement and aspects such as fully understanding the requirements of sheet piles to manage groundwater and tide interaction.
	Scheme Funding
11.	Partnership Funding rules for Flood Defence Grant in Aid (FDGiA) are set nationally by Defra, with allocations administered by the EA. At present, eligibility for funds is limited to protecting existing homes, defined as residential dwellings constructed prior to 2012 ¹ , based on their level of flood risk, and people including Indices of Multiple Deprivation and impact to mental health and wellbeing. Businesses at risk receive a much lower rate as they are covered indirectly via allowances for economic losses (damages avoided over the scheme life). Calculations have determined that the RIFAS is eligible for a maximum of £34.8m FDGiA, which will deliver £244m of damages avoided over the scheme life (100 years).
12.	Current Partnership Funding rules do not make allowances for the value that future regeneration can bring to an area post flood defence completion as are set for present day land uses centred around existing homes. For coastal cities such as Southampton where there is strong potential for economic growth and regeneration of brownfield sites once flood risk constraints are reduced, this can unfortunately mean that allocations are fairly low as achieving the required cost benefit ratio is harder to demonstrate.

¹ Homes granted planning permission and built after 2012 should be designed to include flood resilience measures or defences managed through the National Planning Policy Framework. If resilience is not included and the required planning tests are not met, planning permission should be refused.

13.	<p>In November 2021, Cabinet and Full Council agreed a £10.2m Capital commitment spread over a 5-year period from 2025/26. This was to be fulfilled through future Community Infrastructure Levy (CIL) receipts. This comprised of:</p> <ul style="list-style-type: none"> • £3m towards unlocking the FDGiA (£34.8m), and • £7.2m to amend the alignment at Drivers Wharf to encompass the required replacement of the existing quay wall in SCC ownership.
14.	<p>SCC will also provide approximately £1m of in-kind contributions (calculated over design and construction phase) through staff time, co-location space and use of land for compound space during site investigations.</p>
15	<p>These investment sources, including an additional £500k of Local Levy from the Southern Regional Coastal Committee, leaves a total funding gap of around £50.5m.</p>
16.	<p>The Outline Business Case (OBC) was approved by the EA Large Project Review Group in August 2022. This enabled draw down of a portion of Flood Defence Grant in Aid to progress the scheme to Full Business Case. Due to the increase in scheme costs impacting the strength of the business case, the EA requested that a project 'Health Check' was to be undertaken in September 2025. This would be used to assess the refined scheme costs based on findings from value engineering works to inform design, and progress on obtaining investment, essentially acting as a stop/go point in the project and determine the best way forward and support the EA in its decisions relating to national funding priorities.</p>
	<p>Current Position</p>
17.	<p>Up-front investment sources for flood defences are extremely limited. An Investment Strategy was prepared in June 2023 to help support opportunities to close the funding gap. This indicated that a majority of sources would be based on the ability to bring forward regeneration post flood defence completion, such as securing Section 106 contributions from developers, CIL receipts that SCC could choose to direct towards flood defence infrastructure and direct delivery of flood defence by developers such as what has occurred at Chapel Riverside.</p>
18.	<p>Alternatives such as securing of private investment from direct beneficiaries (e.g. businesses or key stakeholders who benefit from reduced risk) or introducing new levies on Council Tax or Business Rates presents challenges that would require further consideration. As such, to date securing the full investment required has not been successful, and further work is required. This includes discussions with organisations such as the UK Wealth Fund which are underway.</p>
19.	<p>In Summer 2024, the EA's own national delivery programme received scrutiny from Defra, indicating there is insufficient funding available nationally to support all schemes on the current programme. The reason largely cited as inflationary costs impacting a majority of the large schemes. At a local level, the RIFAS was identified as a scheme within the top 'high-risk' schemes due to the large funding gap, with the EA asking the Council to provide additional assurance that the full investment needs would be met, to enable the £34.8m GIA allocation to remain in their current national funding programme.</p>

20.	<p>This recently culminated in a review by the Project Sponsors during a meeting that took place on 24 September 2024, 12 months ahead of the original project ‘Health Check’ deadline. During this meeting it was been agreed that there is currently no certainty in the ability to close the funding gap and as a result, several options are being assessed. These include:</p> <ul style="list-style-type: none"> • Continuing with project development work that seeks to reduce costs through innovation and design choices, supported by outputs of ground and site investigation works, • Prioritising flood defence works to the most at-risk areas, phasing development where possible, • Seeking opportunities to deliver flood defence works through a wider regeneration package, and • Pausing project development until partnership funding is identified.
21.	<p>Discussions around the most suitable option to proceed with are ongoing, and will require careful balance of funding, the future vision for the area, and most importantly, how present day flood risk can be managed for the people who live and work in the area.</p>
	<p>Next Steps</p>
22.	<p>Confirmation on the EA’s funding position will require review at the Southern Regional Flood and Coastal Committee in January 2025. This will confirm the EA’s capital programme, with decision relayed to SCC shortly after. This will trigger the final decision on direction of the scheme.</p>
23.	<p>On 13 November 2024, a statement by the Government’s Flood Minister, Emma Hardy, acknowledged that the current mechanisms in place around partnership funding allocations are outdated, with an announcement that a consultation would be launched in 2025 to understand and review the partnership funding rules. This may result in changes to how allocations of GiA are made and may have a positive impact on funding the much-needed flood defences in Southampton.</p>
24.	<p>In the meantime, SCC is continuing with discussions with organisations such as the UK Wealth Fund and Homes England to help understand the parameters for funding that may be available. The Council commissioned Southampton Renaissance Masterplan will support these discussions. Joint collaboration across the Growth and Prosperity Directorate will be critical in developing an alternative flood defence delivery strategy should funding to continue development of the current RIFAS no longer be available.</p>
25.	<p>Opportunities to link to wider scale regeneration plans will provide better support to achieving objectives of the River Itchen Scrutiny Inquiry, including enabling and opening up access to the waterside.</p>
<p>RESOURCE IMPLICATIONS</p>	
<p><u>Capital/Revenue</u></p>	
26.	<p>To date approximately £5.2m has been spent on the development of the RIFAS. This includes various work packages required to support the development of the detailed design such as flood modelling, utilities verification, site ground investigations and interpretive reports essential to understanding ground conditions to inform critical design elements, along</p>

	with staff resourcing from across the partnership which includes contractor and consultancy costs. These costs have been drawn down from the Flood Defence Grant in Aid (FDGiA) and Local Levy funding.
27.	None of the £10.2m Capital allocation (approved November 2021) has been spent on the development of the RIFAS. Once SCC has received confirmation on GiA funding from the EA in January, a decision may be required as to whether the £500k capital allocation (from SCC) in 2025/26 will be spent on continuing development of the RIFAS in its current form, or utilising this to assess alternative delivery options linked to wider regeneration aspirations.
28.	Regardless of whether the RIFAS continues in its current form now, or a suitable alternative delivery model is identified, funding to deliver strategic defences will still be required. The longer delivery is left, the greater the risk of flooding will become, and the more expensive delivery will be. In addition, SCC will likely incur direct costs associated with flood damage to SCC owned properties, roads and other assets sited within the area of present-day flood risk, and supporting those communities directly impacted.
<u>Property/Other</u>	
29.	A majority of the homes carrying the highest risk of flooding are located within the Northam Estate. This is one of the largest housing stocks owned and managed by the Council and is home to residents that fall into the category of 10% most deprived in England (based on 2019 Indices of multiple deprivation). Should a significant flood occur, the Council will incur costs associated with repairs, plus alternative accommodation for those unable to return home. It remains recommended that the Council's Property and Housing services have a contingency plan to manage the recovery post flood incident. This will be particularly important as deprived communities contain higher percentages of individuals whose ability to recover financially may be limited, and where flooding often carries a heightened impact to mental and physical health and wellbeing.
Other – Staff Resources	
30.	The Flood Risk Management (FRM) service is critically under resourced. Following departure of the Flood Risk Officer in November 2023, and inability to recruit to fill this post due to national skill shortage, the FRM team has been running with 1 FTE to cover statutory minimum only, including all Statutory Duties assigned to the Lead Local Flood Authority, and delivery of other flood risk management projects. Additional resource allocations are likely to be required to support development of the RIFAS as a large-scale critical infrastructure need.
31.	Since conception, the scale and complexity of the RIFAS has grown. It has been identified that the FRM team do not necessarily hold the specialist skill sets to successfully take forward the Investment Strategy, particularly where there is a reliance on regeneration (including master planning and land assembly). To support with immediate mitigation, it is proposed that a project Steering Group is set up with key representatives of services including Economic Development, Strategic Planning and External Funding Manager to access skill sets that may already exist within the Council and exploit work packages where there may be similar objectives or outcomes. This will be

	critical in supporting the options to support closing the current funding gap, and in particular the regeneration focused delivery options.
32.	A critical element in support of the RIFAS scheme is to articulate the regeneration potential through an updated master planning framework. This could in turn generate future investment opportunities either via development enabling grants or developer led flood defence – as is the case with recent developments e.g. Meridian and Chapel Riverside, which will both form part of the RIFAS. This work is now progressing via Prior & Partners, concluding later this year. The next stage is the development of a Delivery Plan and more detailed commission for specific development briefs centred on SCC owned sites following the March 2024 Cabinet decision on the Asset Development and Disposal Programme (ADDP).
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
33.	Within the Flood and Water Management Act 2010, the EA remain the Risk Management Authority (RMA) with the responsibility for the management of flood risk from main rivers and the sea (the risk the RIFAS seeks to address), and SCC RMA for management of surface water, ordinary watercourses and groundwater.
34.	All powers and duties are permissive therefore there is no legal obligation to provide or maintain, flood defences. Whilst there are homes and businesses at immediate risk of flooding, with several incurring losses, there is no legal right to the provision of publicly funded flood defences. It remains the responsibility of the property or landowner(s) to defend their own property or land.
<u>Other Legal Implications:</u>	
35.	Implications on the Council are most likely to be reputational rather than legal. A pause on the delivery of the scheme will be the second time that development of flood defence infrastructure has been abandoned, leading to a potential loss of stakeholder trust, in particular with those stakeholders who have recently accommodated site investigation works to progress design.
RISK MANAGEMENT IMPLICATIONS	
36.	Flood risk remains a real threat to the city. Overnight of 08/09 April 2024, Southampton experienced the most significant flooding in over 20 years of records. Within the RIFAS area, 5 businesses reported serious internal flooding with some incurring damages in excess of £100k damages to buildings, equipment and materials on site (Appendix A - figure 2). It is highly likely that other businesses were flooded, but not reported to either SCC or the EA. In addition, approximately 25 vehicles were written off as flood water inundated basement car parking of nearby residential dwellings and the local highway network. Sadly, access to affordable insurance for those in flood zones is limited, often with those impacted required to fund repairs themselves.
37.	For context, the April 2024 flood equated to a flood that has a 2% chance of occurring in any given year (1 in 50 year). Had the tide peaked just 15cm higher, this would have resulted in the flood extent of the 0.5% chance of flooding (1 in 200 year), impacting 153 homes and 288 businesses.

38.	It is noted that regeneration is a piecemeal approach and will not manage flood risk until the full 3.7km of raised defence is achieved, as tidal flooding will simply flow around a defence until ground is higher than the tide level. As regeneration is a longer-term ambition, people, homes and businesses will remain at direct risk of flooding. This will require careful management from the EA and SCC's Emergency Planning to ensure that flood risk is communicated, and adequate response arrangements are in place to reduce impact.
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POLICY FRAMEWORK IMPLICATIONS

39.	Without a clear plan to provide a strategic flood defence, it is likely that the Local Plan and associated site allocations for housing will need to be reviewed in order to demonstrate that proposed new development in the area is compliant with National Planning Policy and remains safe for those occupying the site over the development lifetime. Having a robust local planning policy will be vital in ensuring a balance can be struck to enable regeneration to come forward with strategic flood defences integrated.
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KEY DECISION?	No
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WARDS/COMMUNITIES AFFECTED:	Bevois Ward / Bargate Ward
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SUPPORTING DOCUMENTATION

Appendices

1.	Appendix A: Map showing approved flood defence alignment and flood risk
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Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
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Data Protection Impact Assessment

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

Other Background documents available for inspection at:

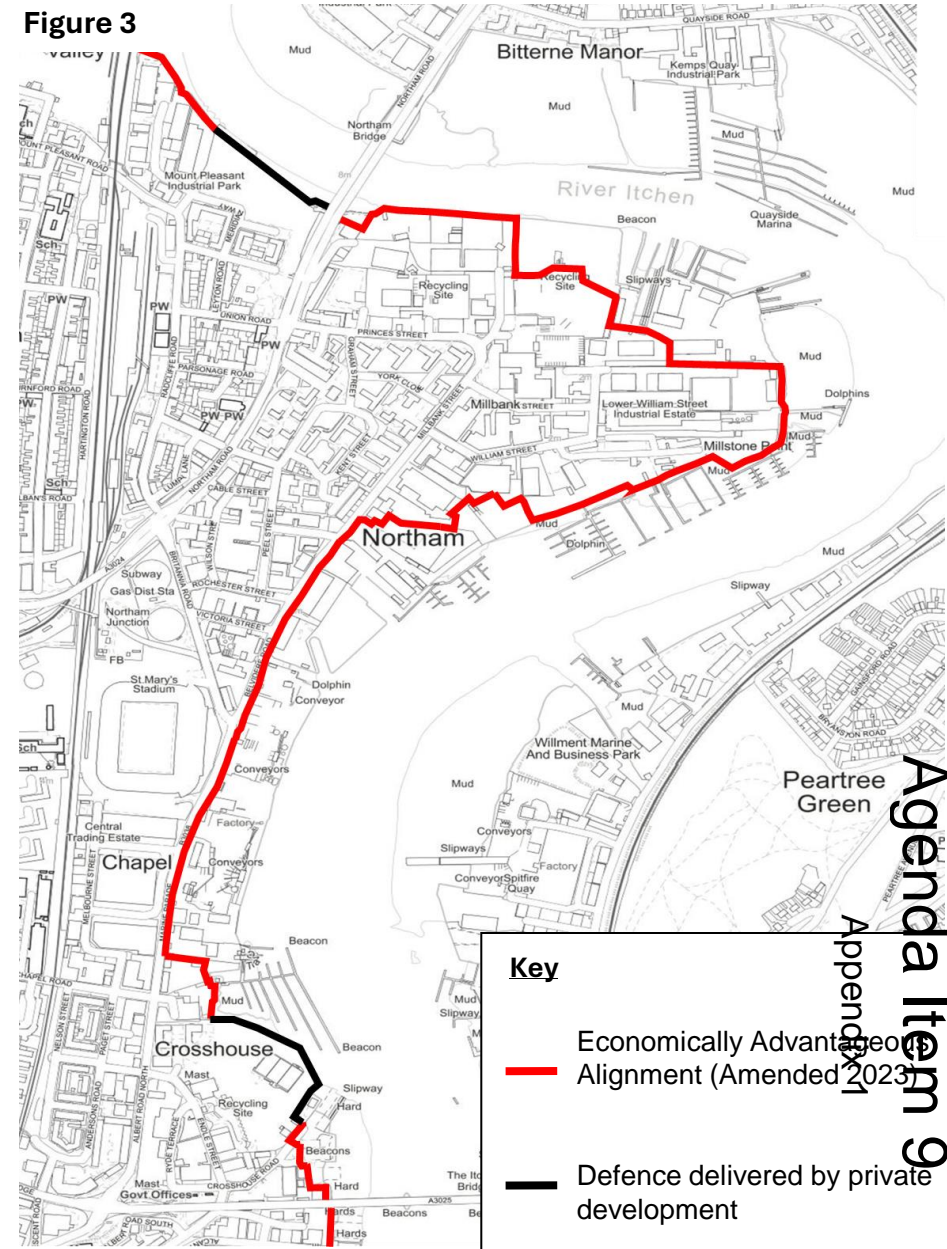
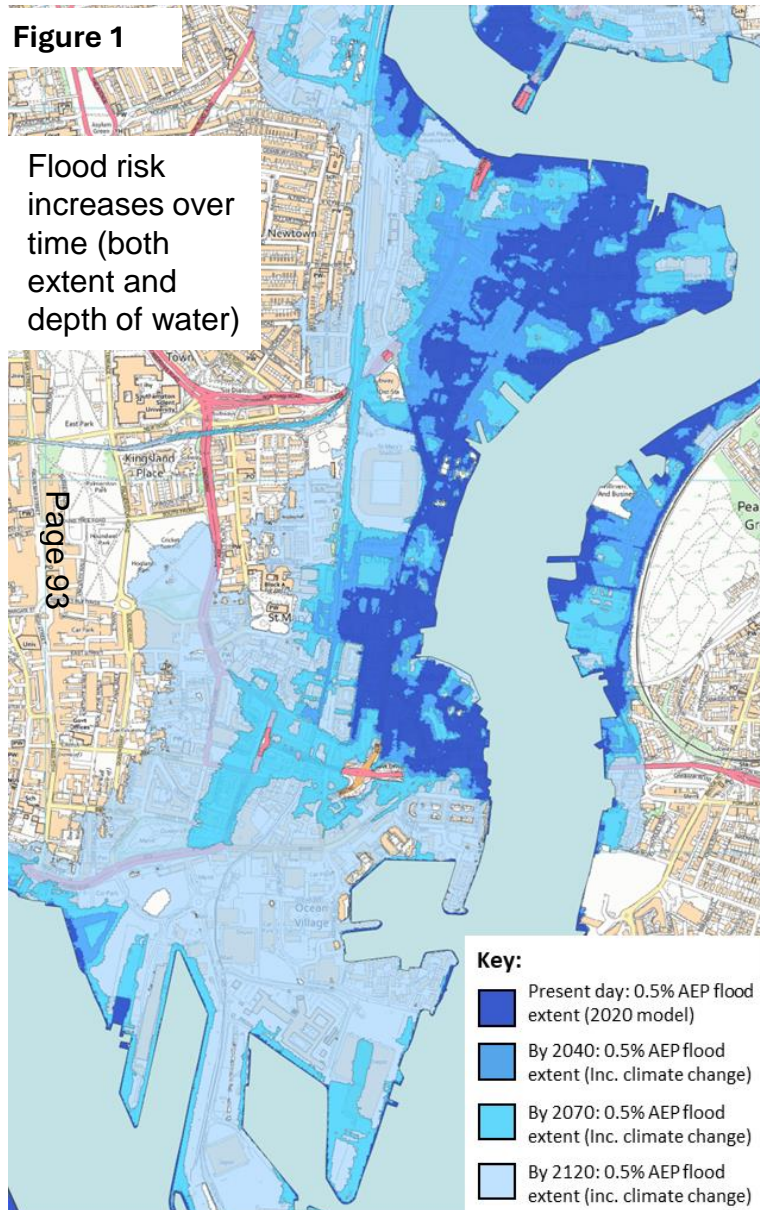
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	Protecting, Preserving and Promoting the River Itchen in Southampton - Final Report
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River Itchen Flood Alleviation Scheme

Appendix A: Map of Approved Flood Defence Alignment, Flood Risk Map and Future Strategic Floo

Alignment of the River Itchen Flood Alleviation Scheme

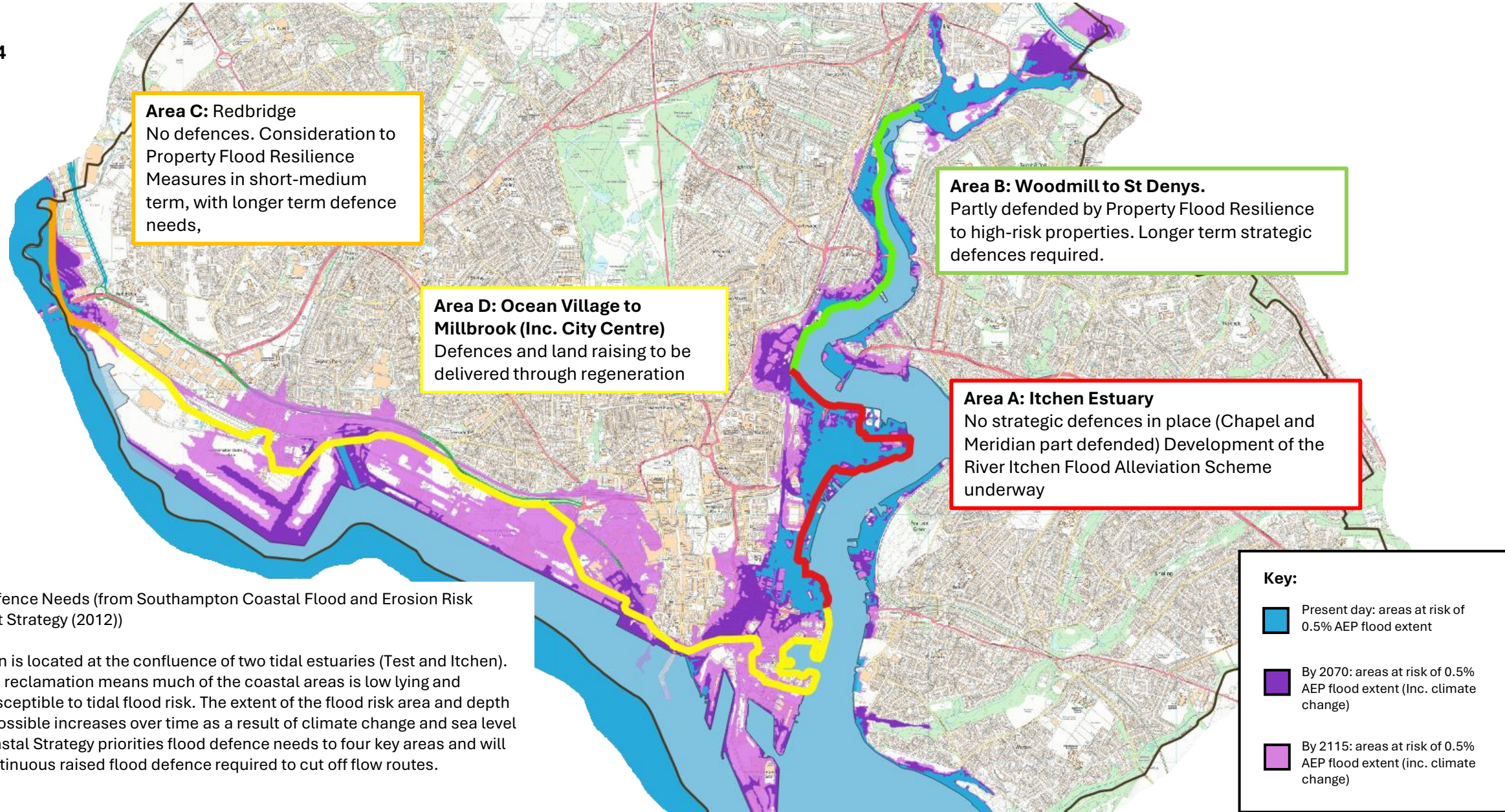


River Itchen Flood Alleviation Scheme

Appendix A: Map of Approved Flood Defence Alignment, Flood Risk Map and Future Strategic Flood Defence Needs

Figure 4

Page 94



Strategic Defence Needs (from Southampton Coastal Flood and Erosion Risk Management Strategy (2012))

Southampton is located at the confluence of two tidal estuaries (Test and Itchen). Historic land reclamation means much of the coastal areas is low lying and therefore susceptible to tidal flood risk. The extent of the flood risk area and depth of flooding possible increases over time as a result of climate change and sea level rise. The Coastal Strategy priorities flood defence needs to four key areas and will form the continuous raised flood defence required to cut off flow routes.

DECISION-MAKER:	OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE		
SUBJECT:	MONITORING SCRUTINY RECOMMENDATIONS TO THE EXECUTIVE		
DATE OF DECISION:	12 DECEMBER 2024		
REPORT OF:	SCRUTINY MANAGER		
<u>CONTACT DETAILS</u>			
Executive Director	Title	Executive Director – Enabling Services	
	Name:	Mel Creighton	Tel: 023 8083 3528
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STATEMENT OF CONFIDENTIALITY			
N/A			
BRIEF SUMMARY			
This item enables the Overview and Scrutiny Management Committee to monitor and track progress on recommendations made to the Executive at previous meetings.			
RECOMMENDATIONS:			
	(i)	That the Committee considers the responses from the Executive to recommendations from previous meetings and provides feedback.	
REASONS FOR REPORT RECOMMENDATIONS			
1.	To assist the Committee in assessing the impact and consequence of recommendations made at previous meetings.		
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED			
2.	None.		
DETAIL (Including consultation carried out)			
3.	Appendix 1 of the report sets out the recommendations made to the Executive at previous meetings of the Overview and Scrutiny Management Committee (OSMC). It also contains a summary of action taken by the Executive in response to the recommendations.		
4.	The progress status for each recommendation is indicated and if the OSMC confirms acceptance of the items marked as completed they will be removed from the list. In cases where action on the recommendation is outstanding or the Committee does not accept the matter has been adequately completed, it will be kept on the list and reported back to the next meeting. It will remain on the list until such time as the Committee accepts the recommendation as completed. Rejected recommendations will only be removed from the list after being reported to the OSMC.		

RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
5.	None.
<u>Property/Other</u>	
6.	None.
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
7.	The duty to undertake overview and scrutiny is set out in Part 1A Section 9 of the Local Government Act 2000.
<u>Other Legal Implications:</u>	
8.	None
RISK MANAGEMENT IMPLICATIONS	
9.	None.
POLICY FRAMEWORK IMPLICATIONS	
10.	None
KEY DECISION	No
WARDS/COMMUNITIES AFFECTED:	None directly as a result of this report
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Monitoring Scrutiny Recommendations – 12 December 2024
Documents In Members' Rooms	
1.	None
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessments (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 Equality Impact Assessment and 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

Overview and Scrutiny Management Committee: Holding the Executive to Account

Scrutiny Monitoring – 12 December 2024

Date	Portfolio	Title	Action proposed	Action Taken	Progress Status
21/11/24	Housing Operations	Housing Strategy – New and better homes for all	1) That, reflecting the limited value being garnered by the current version, the next iteration of the Council’s Housing Strategy is developed and published as soon as resources allow.	New officer corporate group established. Detailed timetable in preparation for draft new strategy Q1 25/26 and formal decision Q2 25/26.	Started Nov 24
			Response to the Private Rented Sector Scrutiny Inquiry		
			1) That Cabinet review the Council’s ambition, objectives and approach to the private rented sector, and draws on good practice elsewhere to fundamentally improve outcomes for tenants in the city.	Recommendation supported at Cabinet on 26/11/24. Currently reviewing good practice across other LAs in regards licensing schemes and wider private sector housing enforcement. Awaiting new guidance following anticipated launch of new Renters Reform Bill in Spring 2025. The Councils ambition, objectives and approach to the private rented sector will be included within the new housing strategy, which is currently under development.	Started Nov 24
			2) That, in recognition of its importance with regards to targeting future activity, Cabinet explores all available opportunities to fund and procure a stock condition survey as soon as possible.	Recommendation supported at Cabinet on 26/11/24. Cabinet will explore all available opportunities for funding a stock condition survey, discussions are currently underway to secure funding to enable this work in 2025/26.	Started Nov 24. End Feb 25 (Budget setting)
			3) That Cabinet commits to the target of delivering 8,000 additional affordable homes	Recommendation supported at Cabinet on 26/11/24.	

Date	Portfolio	Title	Action proposed	Action Taken	Progress Status
Page 98			in Southampton by 2040 as outlined by the Council following the approval of the first Affordable Housing Framework sites in December 2022.		
			4) That the Executive contact the University of Southampton and Southampton Tenants Union to explore their willingness to be involved in developing and updating a database of market rent levels for Southampton.	Recommendation supported at Cabinet on 26/11/24.	
			Additional Licensing Scheme for Houses in Multiple Occupation		
			1) That, whilst recognising that there is a formal process to follow to adopt a new Additional HMO licensing scheme, if this scheme is approved the Council reviews the fee structure, including discounts available, to support the improvement of housing conditions and the management of HMOs in Southampton.	Recommendation supported at Cabinet on 26/11/24. A wide scale review of all fees and their calculations has now begun. A benchmarking exercise will also be undertaken to review fees and how they align with other LAs. This work is scheduled for completion in Feb 2025 to inform the new fee structure for any new HMO licensing scheme.	Started Dec 24. End Feb 2025