DECISION-MAKER:	Cabinet
SUBJECT:	Masterplanning Programme Update
DATE OF DECISION:	28 January 2025
REPORT OF:	COUNCILLOR BOGLE
	CABINET MEMBER FOR ECONOMIC DEVELOPMENT

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## STATEMENT OF CONFIDENTIALITY

Appendix 1 is in a confidential draft form and contains information relating to the business affairs of the Council and key stakeholders in the City, this is exempt from publication under paragraph 3 of rule 10.4 of the Access to Information Procedure Rules. Until final signing of the document has taken place by all signatories the document remains confidential. The document is expected to be finalised and approval given to publish in February 2025.

#### **BRIEF SUMMARY**

The report advises the Cabinet on the progress made with the Southampton Renaissance Masterplanning Framework, first outlined in a Cabinet paper in December 2022. It seeks Cabinet support for the Southampton Renaissance Prospectus and to note the direction of travel for Southampton City Council in terms of progressing a next stage of procuring a Strategic Development Advisor and continuing to promote Southampton to investors and developers.

## **RECOMMENDATIONS:**

(i)	To approve for publication (following agreement by all Renaissance Board Members) the Southampton Renaissance Prospectus as set out in Appendix 1 to this report.
(ii)	To endorse the next steps, including promotion of the Southampton Renaissance Prospectus at a Southampton Renaissance event in February, attendance at MIPIM (Le Marché International des Professionnels de l'Immobilier) and United Kingdom Real Estate and Infrastructure Investment Forum (UK REiiiF).
(iii)	To delegate authority to the Executive Director for Growth and Prosperity following consultation with the Cabinet Member for Economic Development to approve minor amendments to the Southampton Renaissance Prospectus ('The Prospectus') and the publication of further documents from the Masterplan outputs.

(iv)	To delegate authority to the Executive Director for Growth and			
( )	Prosperity following consultation with the Cabinet member for			
	Economic Development, to procure and enter into contracts to			
	appoint a Strategic Development Advisor and other contracts needed			
	to deliver the outputs of the Southampton Renaissance Masterplan.			
	These costs will be covered from approved budgets.			

#### REASONS FOR REPORT RECOMMENDATIONS

- Publishing The Prospectus and attending major events will help attract the investment and partnerships needed to drive regeneration and long-term growth and prosperity.
- Significant work has already been undertaken in collaboration with Southampton Renaissance Board and stakeholders to create a shared vision for Southampton's future. Endorsing the Prospectus and progressing to the next stages will build on this foundation and maintain momentum in delivering Southampton's growth ambitions.

#### ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

# 3. Do not support the recommendation

This option would mean Southampton City Council (SCC) does not endorse the Prospectus. While the document may continue to have the support of other Renaissance Board members, it would lack formal backing from SCC. This decision would also mean SCC would not promote the City via the prospectus document at major events such as MIPIM or UK REiiFF, or proceed with the next stages of the delivery plan for Southampton's regeneration.

### Pros:

- Allows SCC to reconsider its approach to regeneration and explore alternative strategies.
- Minimises immediate costs associated with event attendance and further work on the delivery plan.

## Cons:

- Misses the opportunity to leverage significant work already undertaken to promote Southampton to investors.
- Risks stalling momentum and stakeholder confidence in the City's commitment to regeneration.

# 4. Partially support the recommendation

Under this option, Cabinet would endorse selected recommendations but not others. For example, Cabinet might support the Prospectus but opt not to participate in events such as MIPIM or UK REiiF.

### Pros:

Enables progress on some elements, such as the Prospectus, while
potentially saving costs by not attending regeneration events or
postponing further work on the delivery plan.

## Cons:

- Risks undermining the full potential of the Prospectus by not showcasing it to key investors and stakeholders at prominent events.
- Risks stalling progress towards a clear programme for delivery of regeneration in the City.

## **DETAIL (Including consultation carried out)**

# 5. Southampton Renaissance Masterplanning Programme and Outputs:

The Southampton Renaissance Masterplanning Framework (SRMF) was initiated by a Cabinet decision in December 2022. Its aim was to redefine the City's approach to regeneration and major site development. The SRMF sets out to clarify a plan to enhance economic growth, infrastructure investment and placemaking efforts, addressing challenges such as Southampton's over-reliance on low-value and declining sectors and loss of commercial office space, its lower economic resilience post-COVID-19 and stalling development delivery due to increasing viability challenges, further hampered by construction inflation.

- There is a need to diversify the local economy and build pride and excitement in the City to achieve long-term sustainable growth. The establishment of the Southampton Renaissance Board (SRB) has enabled the key employers, landowners and institutions in the City to develop a shared ambition for the City and ensures oversight and alignment with the City's strategic goals. The SRB established in early 2023, has a remit focussed on growth, strategic skills, sustainable development, and investment.
- 7. Following meetings of the SRB in 2023, which set out the long term ambitions and visioning for the regeneration of the City, international master planning consultants Prior + Partners were commissioned in early 2024 to produce a comprehensive, economic development and regeneration led, city centre focused Southampton Renaissance 'Masterplan', as the first part of the wider SRMF. This is a set commission which will provide three main outputs; the Southampton Renaissance Prospectus, Renaissance Area Framework and Delivery Strategy. The completion of all of these key master planning outputs is imminent and so now the focus shifts to delivery
- The 'Masterplan' is not a standalone document, but a suite of documents including the Southampton Renaissance Prospectus, Renaissance Area Frameworks and a Delivery Plan. The work has set out to be visionary and to demonstrate the 'art of the possible' in terms of sign posting Southampton's long term regeneration ambitions and areas of focus from an economic development and regeneration perspective. The work has progressed through 2024 and will complete in early 2025.
- As an Economic Development and Regeneration led commission, the outputs are not intended to be adopted as planning policy at the time of completion but have been tailored to support and inform broader policy initiatives, including the Local Plan (Southampton City Vision), the Asset Disposal and Development programme (ADDP), the emerging Growth and Prosperity Plan, the Local Transport Plan, regional growth objectives, and to set the groundwork for long-term sustainable economic growth.

### 10. Outputs of the Southampton Renaissance Masterplan

## Southampton Renaissance - Prospectus for Change ('The Prospectus')

The Prospectus reflects the long-term vision and aspirations for the City. It emphasises Southampton's unique position as a global gateway, waterfront City and cultural hub while presenting objectives and priorities to identify and attract the investment needed to deliver the vision. This vision builds upon the Renaissance Board's commitment to promoting an inclusive and vibrant City that maximises the potential of its residents and local talent.

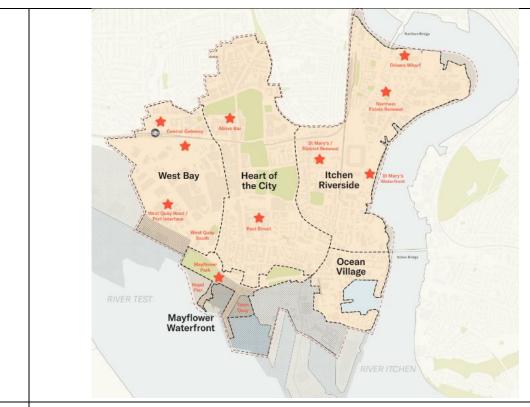
- The document has been developed in close collaboration with the SRB as the long term custodians of the Southampton Renaissance and in helping to drive delivery. It provides a statement of intent for the SRB and defines the specific outcomes that serve as indicators of the SRMF's success.
- This Prospectus will be the first public statement of intent from the SRB, from which further detail in terms of public engagement, planning policy and site-specific delivery plans can be built on.

The Prospectus is attached at **Appendix 1**. It is currently confidential as it is still in draft form. Subject to Cabinet and Renaissance Board support, it is expected to be publicised in February 2025.

# 13. Renaissance Area Framework

The draft Renaissance Area Framework is a spatial document that provides more detail in terms of the long-term vision and objectives for the defined Renaissance Areas within the city. The document defines five strategic "Renaissance Areas" that aim to provide a cohesive development framework across the city centre. These areas comprise a range of sites and features that collectively make up the city centre and provide the opportunity for long term transformation through a strategic approach to planning and delivery. These Areas have been defined based upon shared characteristics and may be used as the basis for more detailed planning policy. The Renaissance Areas are identified in the image below and provides for a more detailed scale than the Prospectus Document. The document helps emphasise the outcomes that change can achieve for the City, with specific reference to the stated outcomes of the Southampton Renaissance Prospectus. It is expected that this will help inform initial discussions with investors, developers and funding bodies and guide the next steps towards delivery of specific 'Renaissance Sites'.

#### Image 1: Renaissance Areas



In its current form the RAF is not intended to be adopted as a formal planning document. It is intended that this document remains as an internal draft document that would be developed further through public engagement and formal consultation, where appropriate, as part of the emerging Southampton Local Plan (Southampton City Vision). The document is currently being refined and will complete by Q1 2025. Once complete, elements may be publicised subject to Cabinet Member for Economic Development review and approval.

# 15. Delivery Strategy

To accompany the Prospectus and RAFs, a high level Delivery Strategy is being developed in collaboration with the Economic Development and Regeneration team and its partners to support business case development, identify funding opportunities and the next steps needed for an implementation/ delivery plan. The Delivery Strategy considers the key delivery challenges and opportunities necessary to implement the vision and the intervention opportunities ('Renaissance Sites') identified within each of the RAFs.

- The document explores the respective roles of the public and private sectors, setting out the opportunities where SCC may invest and intervene to achieve beneficial outcomes for the City. This forms a robust starting point from which SCC can consider development delivery options.
- The work will also include an outline of next steps for developing Planning policy and also the transport and infrastructure requirements needed to support the vision. This includes addressing the need to make bold changes to existing infrastructure, such the steps needed to downgrade the ring road system over a specific time frame.

10	This document is currently being refined and will complete by Q1 2025. The document will be for internal SCC use and is not intended to be published due to commercial sensitivities around land ownerships and in terms of emerging investment proposals. Once complete, elements may be publicised subject to Cabinet Member for Economic Development review and approval.
18.	Next Steps of the Southampton Renaissance Masterplanning Programme:
	Promoting Southampton Renaissance to Investors
	After recently updating the investor and developer sector at South Coast Property Show in November 2024 on the emergence of the Southampton Renaissance ambitions, and subject to Cabinet support for the Prospectus, SCC will continue to promote the Southampton Renaissance with the publication of the Prospectus at an investor / developer focused event in February 2025 and through a new investment microsite. In the following months through 2025, it is recommended that the Southampton Renaissance vision and relevant investment opportunities will be showcased further at prominent regeneration events including MIPIM (March) and UK REiiF (May) to attract investor interest and partnerships.
19.	These events will be supported by the Economic Development and Regeneration team. Details of the investment promotion plan have recently been shared with the Leader and Cabinet Member for Economic Development.
20.	Delivery Plan and Strategic Development Advisor Role
	To ensure progress from vision to implementation, Southampton City Council (SCC) and the Southampton Renaissance Board (SRB) will need to establish clear actions and next steps to deliver on the outlined objectives.
21.	Southampton has significant potential as a major regional City, but realising this ambition will require SCC to take a leading role, working with investors, developers, funding bodies and other stakeholders to secure the necessary funding, resources and interventions in sites to support delivery where needed.
22.	This work is underway on a site by site basis, and active conversations with investors, funders and developers continue to take place. To support this ongoing work, and to ensure momentum following the completion of the Southampton Renaissance Masterplan, SCC intends to appoint a Strategic Development Advisor (SDA) in the form of an experienced, multidisciplinary consultancy practice to provide ongoing expertise and guidance to SCC in turning the vision into practical, deliverable outcomes. Especially with regard to more strategic/ complex delivery mechanisms.
23.	The SDA will be key to prioritising project delivery, creating a clear programme of work, and addressing key issues such as land assembly and funding. Their responsibilities may include producing site briefs, managing development phases, and overseeing the completion or transfer of finished projects. Initially, the SDA will focus on refining the delivery strategy into an actionable plan, setting a clear prioritisation framework, development

options, phasing plans and advising on interventions needed to deliver the ambitions as set out in Prospectus. The advisor will work closely alongside officers from Economic Development and Regeneration team.

This work will also align with the support required to review development sites within the Asset Disposal and Development Programme.

# 24. The Future of the Renaissance Board

The Southampton Renaissance Board was formally constituted following the Cabinet decision in 2022. It is expected that the board will continue to promote the collective vision for regeneration of the City and support the ongoing aims of the Southampton Master planning Programme. *Delivery* of regeneration will begin to take a stronger focus, either within the Board or as a sub group to the board. Any changes will be formally reflected within Terms of Refence, to be agreed by the Board.

## **RESOURCE IMPLICATIONS**

# Capital/Revenue

- A provision of £250,000 from the Transformation Fund has been made available to support the appointment of the Strategic Development Advisor (multidisciplinary consultancy practice to provide ongoing expertise and guidance to SCC in turning the vision into practical, deliverable outcomes. The contract is expected to be for an initial 18 months with a provision to extend when required. Costs for the attendance and travel to the regeneration events and resources to support the teams involved will be covered by existing Economic Development budgets.
- The Economic Development and Regeneration (ED&R) division are pivotal in driving the City's sustainable, long-term growth and prosperity. Their role includes actively promoting inward investment, identifying key regeneration opportunities and priorities, and unlocking development through innovative and strategic approaches. However, currently, key services within the division are critically under-resourced in terms of their ability to deliver at the scale required. The Growth and Prosperity directorate is about to commence a full re-design process, and these issues will be considered as part of that process. In that regard, as well as resource allocation, different models of delivery will also be considered. However, it is clear that irrespective of this the Southampton Renaissance ambitions will be supported by the wider Growth and Prosperity Directorate, and other service areas including legal, finance and procurement.

## **Property/Other**

The work will help to inform the Asset Disposal and Development Programme (AD&DP) which seeks to deliver optimum outputs from the disposal and development of Council assets.

The interrelationship between the Master Planning Framework and the AD&DP (Phase 2), approved by <u>Cabinet - Tuesday</u>, <u>17th December</u>, <u>2024</u> is critically important. The synergies between the two programmes are clear.

The AD&DP has the potential to release nominated assets that can support the city's wider regeneration. **LEGAL IMPLICATIONS** 

# Statutory power to undertake proposals in the report:

- 28. Approval of the prospectus and attendance at events is authorised by virtue of s.1 Localism Act 2011 (the 'General Power of Competence') which allows a Local Authority to do anything related to the delivery of its core functions and services provided it is not otherwise prohibited by law (there are no prohibitions against the activities outlined in this report).
- 29. The Council has an obligation to comply with S123 Local Government Act 1972 to secure best consideration reasonably obtainable on any disposal. It is critical that valuations are secured across all sites recommended for disposal or development.

# Other Legal Implications:

The procurement of further work to support delivery will be undertaken in 30. accordance with the Councils Contract Procedure Rules and having regard to a full EISA (Appendix 2) completed in accordance with s.149 Equalities Act 2010 (public sector equality duty) to ensure the Council's master planning and regeneration activities take into account the impact of proposals on those having Protected Characteristics and other relevant environmental, social and crime and disorder impacts.

#### **RISK MANAGEMENT IMPLICATIONS**

- The next stages as recommended would commit the Council to allocating 31. resource and officer time to progressing the delivery plan for regeneration in the City. It does not commit the Council to any site specific development risk at this stage. Specific development strategies and any direct site intervention will be considered on a case by case basis and brought back to Cabinet for consideration as needed.
- There is a risk that without sustained focus, resources and appetite for 32. intervention, Southampton may fail to diversify its economy sufficiently to achieve long-term sustainable Growth and Prosperity. A lack of bold, integrated action will leave Southampton reliant on declining sectors and suppress the City's competitiveness in contrast to other regional hubs which are actively investing in growth and innovative approaches to delivery. By moving forward with a firm commitment to delivery, supported by the Southampton Renaissance Board and a robust Delivery Plan, these risks can be mitigated.

### **POLICY FRAMEWORK IMPLICATIONS**

33. The work completed to date has been informed by existing Local Plan policies, while also aiming to be aspirational and thinking longer term than planning policy timescales. The outputs are not statutory planning documents and will be subject to further consultation as needed to support delivery, it is anticipated that the work will help inform Southampton's new Local Plan (Southampton City Vision).

As part of the completion of their work, Prior and Partners will provide an information note on the interaction of the master planning work with adopted and emerging planning policy, and next steps towards policy integration.

KEY DE	KEY DECISION? No				
WARDS/COMMUNITIES AFFECTED: All					
	Sl	JPPORTING D	OCUMENTA	TION	
Append	lices				
1.	Confidential – Draf	t Southampton	Renaissance	e Prospectus	
2.	ESIA				
Docum	ents In Members' R	Rooms			
1.	N/A				
Equality	y Impact Assessme	ent			
Do the	implications/subjec	ct of the report	require an	Equality and	Yes
Safety Impact Assessment (ESIA) to be carried out.					
Data Protection Impact Assessment					
	Do the implications/subject of the report require a Data Protection No Impact Assessment (DPIA) to be carried out.			No	
Other B	Background Docum	ents			
Other B	Background docum	ents available	for inspecti	on at:	
Title of Background Paper(s)  Relevant Paragraph of the Access t Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)			tules / locument to		
1.	Cabinet Paper 20 meetings - Southa Delivery Framewood Council	ampton - Mast	erplanning		