



Report to the Partnership for Urban South Hampshire Overview and Scrutiny Committee

Date: 23 May 2011

Report of: Anne-Marie Mountifield, PUSH Executive Director

Subject: Executive Director's Report

SUMMARY

This report represents an additional method for PUSH business to be reported to the Overview and Scrutiny Committee. The Executive Director's report provides an overview of key developments since the last meeting in March 2011.

RECOMMENDATION

It is RECOMMENDED that the Executive Director's report be CONSIDERED and NOTED.

Introduction

1. Since the Overview and Scrutiny Committee met in March 2011 a number of significant developments have taken place. This report provides a brief summary of the key developments.

Update on the Regional Growth Fund

2. Further to the update in March 2011, Members of the Solent LEP Shadow Board approved the submission of five bids as part of an overall package of projects for the Round one of the RGF. An overarching rationale that supported all of the projects was included in the submission, building on the outline proposal for the Solent LEP, endorsed by Government on 28 October 2011. The Solent were notified on 12 April that they were not successful in securing funds in round 1, and a summary of successful bids is attached in annex 1. Round 2 has now been launched and is due to close on 1 July 2011.

The Solent Local Enterprise Partnership

3. The process for establishing the Permanent Board is almost complete, and there will be 14 Board members, with 8 Business representatives, 5 Local Authority representatives and 1 HEI representative.
4. The Local Authority representation was considered by those Local Authority members of the Solent LEP, after the Joint Committee meeting on 9 MARCH 2011 and that at this meeting, they agreed to recommend the following appointments to the Permanent Board of the Solent LEP:-
 - Councillor Royston Smith;
 - Councillor Ken Thornber;
 - Councillor David Pugh;
 - Councillor Gerald Vernon-Jackson; and
 - Councillor Seán Woodward.
5. We have been advised that the Higher Education community have nominated Professor John Craven from Portsmouth University as the HEI representative.
6. In relation to the business representation on the Board, the Business founder members of the Solent LEP participated in an election to determine which of the individuals from the private sector that had applied for a board member position would sit on the permanent board. This process concluded at the end of April and on 3 May 2011 it was confirmed that Doug Morrison, Port Director of ABP Southampton, Russell Kew, Chief Executive of Wightlink, Steve Barber, CEO of Xyratex, Philippe Jouy, Managing Director of Warings, Chris Allington, Managing Director of Oxford Innovation, Stuart Hill, COO of Technology Services for IBM UK & Ireland, Ernie Battey, Managing Director of Morgan Sindall Investments and Gary Jeffries, Managing Director of Hughes Ellard had all been successful in the election.

TRANSITION FUNDING FOR GROWTH AND HOUSING MARKET RENEWAL AREAS

7. A £5m transitional fund was announced by Grant Shapps on 31 January as part of a wider statement on regeneration and Government support for local growth. The fund is focussed primarily on areas with severe housing market renewal challenges or areas where high levels of housing growth are being taken forward by local authorities on a cross boundary basis.
8. The **objective** of the £5m fund, which will operate over 2011/12 (£3m) and 2012/13 (£2m) is to provide transitional support for areas which have previously received direct Government funding for local delivery capacity and expertise and wish to transfer some of that expertise to a new local authority led partnership, or, where this is a key area of focus, an LEP. The fund is not intended for single authority growth support, but shared capacity within a multi-authority organisation on a cross boundary basis may be eligible.
9. The purpose of this funding is transitional and to provide time for LA partnerships or LEPs who wish to develop these roles to create a long term sustainably funded operation without support from central government. The maximum award will be around £200k in year 1 for the highest priority areas with a lower level award for other areas. For successful bids, funding will be available in year 1, on a reduced basis in year 2 (where required), and partnerships will need to be self funding from year 3 onwards at the latest.
10. The deadline for bids was 6 April 2011 and a bid was submitted. PUSH has been advised that a provisional award of £90,000 has been made for 2011/12.

Economic Development Strategy – Progress update on the Implementation plan

11. At the last meeting the Overview and Scrutiny Committee was informed of the development of a high level Implementation framework to facilitate the development of an action plan to underpin the Economic Development Strategy, adopted in November 2010. Work has progressed and a high level action plan is being prepared. and it is recognised that the plan is being developed at a time of great change with all the emerging policy and economic development initiatives coming forward at a regional and national level. These changes will have a big impact on the resources available to deliver the actions proposed in the strategy. However, there are potential opportunities with the development of the Solent LEP since the vision and objectives of the LEP are consistent with the ED Strategy. Therefore the action plan will be set within the context of the LEP and will need to take account of the needs of the wider Solent area, including the Isle of Wight.
12. The high level Action Plan will be limited to key actions that are critical to the achievement of the growth vision set out in the Strategy. Key actions around employment and skills are being finalised by the Employment and Skills Board, and similarly actions to support Inward Investment objectives are being considered by the Inward Investment Board. Work has started to review the framework needed to support the Enterprise agenda, driven by a need to identify shorter term issues with the withdrawal of publicly funded business support and to develop longer terms plans including expanding the involvement

of the private sector, through the Solent Local Enterprise Partnership. As advised previously work is also underway in relation to the key sites, including exploring the feasibility of local ownership of SEEDA owned sites and infrastructure funding models. In addition have Southampton and Portsmouth has been asked to identify and lead on actions to support the development of the cities as anchors to the Solent Economy.

Inward Investment

13. The Inward Investment Board has been overseeing the development of the integrated single gateway service for South Hampshire, and the Board is clear that the new service will need to be delivered within the context of Solent LEP and it is planning to expand the service and to engage the Isle of Wight . The Board has invited the Isle of Wight to join the Board and this has been agreed.. Subject to further discussions the Terms of Reference will be amended and will be brought back to the Joint Committee for ratification at a later date. Significant progress has been made on the development of the Solent Value Proposition. In January 2011, a Panel of the Board, Chaired by Cllr Royston Smith interviewed four consultants and considered their proposals to reshape the Proposition into marketing tools to attract business investment into the Solent area. A consultant has been appointed and has already started to reshape the Proposition. The initial work is expected to conclude in May 2011 and will come to the Joint Committee in Autumn 2011.

Transition Planning

14. Work is well underway on the transition of the Lead accountable body arrangements, with a number of project transfer teams in place as follows:
 - Finance – There are nominated leads in place at both Hampshire County Council and Southampton City Council to facilitate the transfer of activity in this area. This is due to complete in May 2011
 - Human Resources – PUSH Core team staff were employed by Hampshire County Council and in line with the agreement at Joint Committee in January 2011, they transferred to Portsmouth City Council on 1 April 2011.
 - Information Technology – this service is being migrated over from Hampshire County Council to Portsmouth City Council and it is expected that all email address and web domain names will remain unchanged.
 - Accommodation – in line with the commitment to reduce costs and recognising the financial challenges going forward, an options appraisal has been undertaken on the cost of remaining in the PUSH offices at 54 A High Street Fareham. Within the current lease there is an opportunity to vacate the offices at the mid point, September 2011, thereby securing savings associated with the lease costs for the remaining two years to 2013 and associated overheads. This option has been exercised and the core team will re locate to Portsmouth City Council.

Core team staffing

15. Since your last meeting in March 2011, I can advise that following core team staff have left. Sara Magern PA to the Executive Director left the team in early January 2011 having secured a position with the Country, Land and Business Association as the South East Regional PA. In line with current financial climate and recognising the need to secure further efficiencies, the vacancy will not be filled, and Ali Anderson will now take on a wider role supporting the team. In addition Matthew James, SDA Project Manager, on a fixed term contract to 31 March 2011 left on 28 February 2011 to take up a permanent position as an Urban Planner in Hampshire County Council, and Selina Crocombe, the other SDA Project manager concluded her fixed term contract on 31 March 2011. She has since secured a role in Fareham Borough Council.
16. In addition I can advise that PUSH has offered an opportunity for an intern to work, on a paid basis with the core team. The internship will run for 26 weeks and the recruitment process is now complete. This has led to the successful appointment of Richard Jones who started in post on 14th February 2011, and is working with the Core team as to support the work on the Solent LEP and the associated media and communications.

Appendices:

Appendix A – [Summary of RGF round 1 outcomes](#)

Enquiries:

For further information on this report please contact Anne-Marie Mountifield, (PUSH Executive Director)

Tel. No. 07540 238154

e-mail: anne-marie.mountifield@push.gov.uk