



**Economic Development Strategy**  
Partnership for Urban South Hampshire

Final  
DRAFT



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# 1. Foreword

The Partnership for Urban South Hampshire (PUSH) has a vision for South Hampshire to be a better place for everyone who lives, works and spends their leisure time here.

That vision will be achieved by delivering a strategy for economic-led growth over the twenty years from 2006-2026, making South Hampshire more prosperous, attractive and sustainable and offering a better quality of life.

The PUSH vision translates into the creation of 59,000 new jobs, increasing productivity by raising skills and innovation, encouraging enterprise and innovation, enabling over 2m square metres of employment space, developing important infrastructure and building 80,000 new homes. These together will lead to the achievement of the aspirational target of increasing economic growth to 3.5% GVA by 2026.

This Economic Development Strategy sets the broader context in which PUSH must compete and establishes challenging priority actions over the next 3 years to lay the foundations of the transformational change necessary over the period to 2026.

However, it is important to recognise that the current position is not one of equity in terms of life chances and that there are areas, predominantly in the cities and older urban areas, where persistent pockets of deprivation exist. Closing the gap between them and the sub regional average is as important as raising the overall economic performance of the South Hampshire sub region.

Importantly this Economic Development Strategy recognises the significance of our partner organisations in the public sector in delivering on the challenging agenda. The development of the strategy has been achieved through a partnership approach with partners' input and influence from the outset.

The recently signed South Hampshire Multi Area Agreement is part of the mechanism for delivery and throughout this document there is evidence of the contribution and positive outcomes that Jobcentre Plus, Learning & Skills Council, South East England Development Agency and Business Link will help deliver. Businesses in South Hampshire will clearly also be an important ally which is why PUSH has developed a Business Forum at an early stage in the process where the views of the area's businesses can be heard first-hand.

This Strategy, in a condensed form, is a key part of the PUSH Business Plan and is presented here as a standalone document. It is a dynamic document that will continue to evolve over the next 3 years both in response to the achievement of important milestones but also broader economic trends. I commend it to everyone with an interest in our vision for growing prosperity in South Hampshire.



Councillor Seán D T Woodward  
Chairman, PUSH

## 2. Introduction

The Partnership for Urban South Hampshire (PUSH) is a partnership of 11 local authorities across the South Hampshire sub-region. The geographic area of South Hampshire is defined in the draft South East Plan (SEP). With a population of about one million, the South Hampshire sub region is home for a community equal to the size of city like Birmingham. It covers the cities of Southampton and Portsmouth and the southern part of the Hampshire County Council area, i.e. the boroughs of Eastleigh, Fareham, Gosport and Havant; and parts of East Hampshire, New Forest, Test Valley and Winchester.

We also work closely with other public and private sector organisations including SEEDA, Business Link, Jobcentre Plus and the Learning and Skills Council. The recently signed South Hampshire Agreement (SHA), one of only seven pilot Multi Area Agreements with Government, is further evidence of the strength of partnership working focused on delivering this strategy. As a mechanism, the SHA will secure local, regional and national commitment to deliver the aspirations of this strategy this bring together the

Our vision is to deliver a brighter future for South Hampshire based on a stronger economy. We want our two cities of Southampton and Portsmouth, each with their own character and strengths, to drive economic growth and physical renewal. We will strengthen existing local communities by closing the economic gap both within the sub region and the region. We will broaden the types and range of housing available in the sub-region. PUSH will seek to enhance the quality of life by conserving, supporting and utilising our natural and historic environment. South Hampshire will be a place identified with prosperous and high quality living.

The PUSH strategy has economic growth as the main driver for sustainable development of the sub-region. This document sets out our economic development strategy for the sub-region, to support the growth that will underpin our broader ambitions for South Hampshire.

We have a long term vision for economic growth which is demonstrated in our South Hampshire Sub-Regional strategy within the South East Plan covering the period 2006-26. This strategy recognises the long term challenges for the sub-region and identifies actions to address these. However, this strategy also sets out the shorter term steps required over the next 3-5 years to put these actions in place. This strategy focuses on transformational actions to deliver a step change in economic performance and grow the South Hampshire Economy and does not include 'business as usual' activity of public sector organisations to maintain and nurture the existing economy.

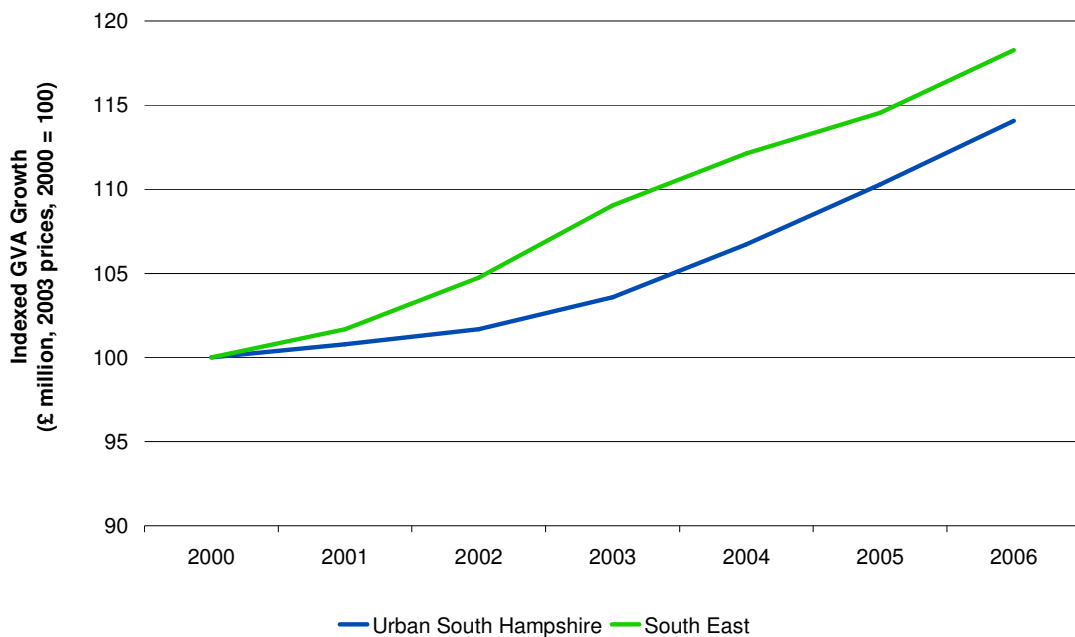
The remainder of this document sets out:

- our current economic situation and the challenges we face;
- our aspirations for economic growth;
- the cross cutting issues that run through our strategy; and
- the four key themes of our strategy and the actions within each theme we will take to support economic growth.

### 3. Recent Economic Performance

South Hampshire is a wide and diverse economic area ranging from the main industrial and urban areas in the south to the predominantly rural areas in the north of the sub-region. Since the mid 1980s, South Hampshire's economic growth rate has been consistently below that achieved by the South East region as a whole, but above the national growth rate. Figure 3.1 shows the more recent period 2000 – 2006 and illustrates the pattern of urban South Hampshire lagging behind the South East economy.

**Figure 3.1 Historic GVA Growth**



**Source:** Experian Business Strategies

This poor performance results from a combination of factors:

- A lower employment rate in South Hampshire (76%), than the region (78%)
- Lower levels of enterprise with fewer new firms being formed in South Hampshire (2.38 VAT registrations per 1000 inhabitants) compared to the region (3.48 VAT registrations per 1000 inhabitants)
- Lower GVA per employee, with South Hampshire only 92% of the South East average.

Lower labour productivity is evident in lower earnings for South Hampshire workers. The median gross weekly earnings in South Hampshire (£363) are below 89% of the South East level (£408).

The challenge is to increase both our employment rate, levels of enterprise and innovation and our labour productivity to boost the economic prosperity for all our residents.

## 4. Aspiration

PUSH has developed a sub-regional growth strategy, accepted within the South East Plan. This sets out aspirations for average annual GVA growth over the period 2006-2026. Figure 4.1 summarises the headline indicators for PUSH. The chosen strategy is to deliver increasing levels of productivity growth to ensure a sustainable balance between jobs and homes in the sub-region.

The PUSH headline aspirations demonstrate the level of transformational change required when compared with the predicted GVA for the SE region (2.9%) and the national figure of 2.5%. Our productivity aspirations are also high, compared to 2.4% per annum in the South East and 2.2% in the UK. Recognising this commitment to growth, PUSH has been successful in its application for Growth Point status. In addition South Hampshire has been identified as a Diamond for Investment and Growth within the Regional Economic Strategy.

**Figure 4.1 PUSH Headline Aspirations**

	2006-2011	2011-2016	2016-2021	2021-2026
GVA growth	2.75%	3.0%	3.25%	3.5%
Productivity	2.0%	2.4%	2.6%	2.7%
Employment	+18,000	+14,000	+13,000	+14,000

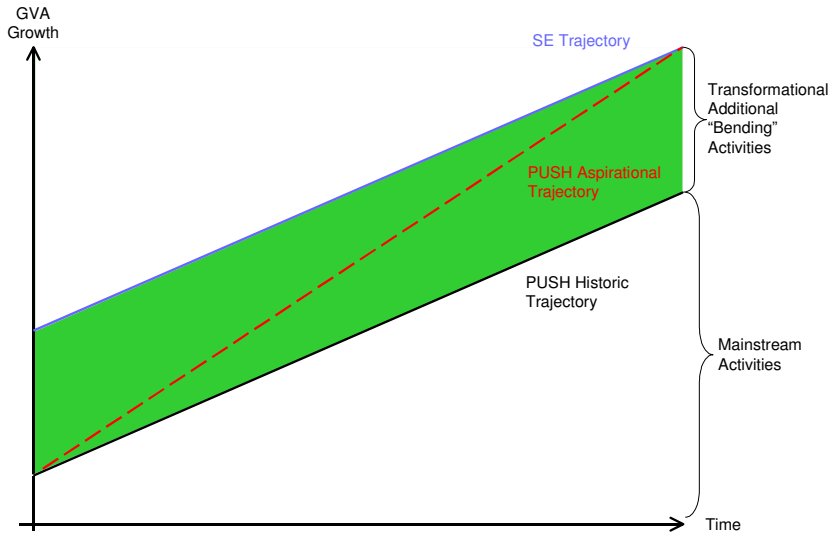
In order for South Hampshire to achieve the aspirational GVA growth rate of 3.5% p.a. by 2026, the sub-regional economy will have to significantly exceed historic performance. The Inspectors’ Report on the South East Plan called the productivity growth rate needed to underpin this GVA growth rate “very ambitious”. To exceed historic economic performance, the activity undertaken to promote economic growth will need sustained transformation. Just continuing what has historically been done or doing it slightly better will not achieve the step-change in economic growth that is needed.

In order to deliver a step change in economic performance across South Hampshire and close the gap on the South East, it is important to identify the transformational actions, further additional activities and the ‘bending’ of existing plans and programmes that will support PUSH aims.

This strategy does not set out to summarise existing ‘mainstream’ activities which would take place regardless and are important to maintain the existing economy. Rather, it sets out the transformational opportunities to ‘bend’ actions to deliver the step change in the growth of the South Hampshire Economy. Figure 4.2 illustrates this issue diagrammatically. This strategy must focus on the activities, which will deliver growth in the shaded area and identify the resources necessary, whether additional or bending mainstream, to fund the aspirational trajectory and transformation.

The desire to achieve GVA growth is not ‘at all costs’. PUSH is committed to balancing economic growth with maintaining a high quality of life for residents, social inclusion and environmental social and economic sustainability. Without delivering inclusion there will be increasing social tension, which will in itself jeopardise quality of life and hence economic growth. This is therefore reflected in our strategy.

**Figure 4.2 Delivering a Step Change**



We must also retain flexibility. Over the course of the next 15-20 years, the world in which we live will change significantly. In the face of accelerating global economic change new technologies, market drivers and products will emerge and present opportunities for growth. Across all actions we must retain the flexibility to respond to these new opportunities.

Figure 4.3 summarises the structure of our strategy. We have identified four key themes of activity which will be required to put in place the conditions for economic growth. This issues, objectives and actions under each of themes are set out in sections 6-9 of this document. In addition we have a number of cross cutting issues which will need to run through everything we do.

**Figure 4.3 Strategy Structure**



## 5. Cross Cutting Issues

There are six cross cutting issues that must influence all we do in South Hampshire. Each of these is summarised below.

**Supporting Key Sectors and Clusters** – we have a number of key sectors and clusters which are either of critical importance to our economy now, or have the opportunity to support our ambitions for growth in the future. We must ensure that we have a common understanding of what these priority sectors and clusters are. Research was commissioned to identify priority sectors for growth and those sectors that will benefit from cluster development. The following sectors have been identified as critical to drive growth in productivity and employment in South Hampshire: Business Services, Distribution (including retail and tourism sub-sectors), Creative and Media, Marine, and Advanced Manufacturing. Although there is a predicted decline in employment for Manufacturing, the Advanced Manufacturing sector which also includes Defence and Aerospace and Environmental Technologies, will have an important contribution to growth. Advance Manufacturing overlaps partly with the Marine sector however given the importance of the marine sector to the current and future health of the PUSH economy the remainder of marine sub-sectors will be addressed separately. PUSH recognises that new sectors with high growth potential may emerge in the period to 2026 and it will be important to provide conditions for their growth.

*We will work to support and prioritise the growth of these key sectors and those with potential for cluster development.*

**Engaging the Business Community** – a large proportion of economic growth is driven by the private sector, so it is vital that it is involved in economic policy and the actions to deliver this. We must work more closely with the business community of South Hampshire and include business representation in key groups identified in this strategy.

*We will integrate the Business Engagement Group into PUSH as the mechanism to improve business engagement in each area of this strategy.*

**Improving Coordination of Public Sector Activity** – there is already a range of public sector funded activity across South Hampshire. In coming together as the Partnership for Urban South Hampshire we have a clear opportunity to improve the coordination of activity. The signing recently of the South Hampshire Agreement, with its transformational outcomes, is an excellent example of how improved coordination can be achieved. In doing so, we can simplify our offer to the private sector, learn from best practice and reduce duplication. As a result, we will create the possibility to reduce our costs or increase the level of impact. Through improved communication we can ensure that our planning for future developments is integrated and public sector agencies can structure their individual business plans appropriately.

*We will set a common policy direction to ensure coordinated economic development activity in South Hampshire*

**Ensuring Capacity to Deliver** – in order to deliver this strategy we need the right resources. This will mean the commitment of a whole range of public sector agencies and the private sector to contribute positively and work together. While we will use existing resources wherever possible, for example by redirecting it towards PUSH priorities, we will need to secure additional funding and investment. We will investigate opportunities through New Growth Point Status, Multi Area Agreements (MAAs) and SEEDA discretionary funding to obtain the required resources and flexibility to deliver. We will also look at how we can restructure existing partnerships and delivery mechanisms to provide more appropriate

models for working sub-regionally and investigate models for securing private sector investment.

*We will seek additional resource to deliver the step change actions needed.*

**Sustainable Prosperity** – economic growth cannot be at all costs. The reason we seek economic growth for the sub-region is to improve the quality of life for our residents. We must therefore seek growth within sustainable limits. This will include environmental, social and economic sustainability. We must promote sustainable business practices to ensure we use scarce resources efficiently, reduce waste and minimise our environmental impact; we must use technology to enable smarter working and reduce the need for travel; we must demand sustainable physical development through the planning system, using sustainable construction techniques and minimising the need for travel; we must encourage growth in areas with positive long term prospects; and we must ensure social inclusion and opportunity for all.

*We will put sustainability at the centre of all we do.*

**Equality & Targeting** – our aspirations must be delivered in a way that is inclusive and provides opportunity for all. In order to be sustainable the strategy is underpinned by maximising the contribution of our existing resident population, through creating new job opportunities and engaging with the economically inactive and upskilling our working age population. Our actions should seek to close the wealth gap across all communities by targeting activity in specific areas and communities, which require most support. Specifically our activities will include tackling barriers to workforce engagement, supporting social enterprise and ensuring links between new employment opportunities and disadvantaged areas are developed.

*We will set out to close the wealth gap by ensuring inclusion, equality and targeting of resources and initiatives in this strategy.*

## 6. Theme 1: Skills and Labour Market

### Summary

Developing the workforce is vital to underpinning our growth aspirations whilst improving the quality of life for all our residents. The Leitch Review has highlighted the need for the UK to strongly improve its skill base to retain its position as a globally competitive economy. This will include both ensuring new entrants to the workforce have adequate skills and that the existing workforce is able to continually improve their skill levels. Combined, these will support higher productivity and the achievement of higher levels of economic growth. The public sector needs to ensure skills support is aligned to deliver the scale and type of skills required. This will require much closer working with the private sector.

In order to engage with those in our communities currently excluded from the workforce we need to be more coordinated than previously. There are clear pockets of deprivation in South Hampshire where residents face multiple barriers to working including poor health, low skills and family responsibilities. We must bring together all the appropriate agencies to provide effective support to these people in order that they are free to participate in the economy. Without engaging the existing resident population of working age we will be at risk of creating a demand for labour which has to be supported by increased in-commuting or in-migration to the area, putting pressure on our transport, housing and public service infrastructure.

### Current Situation

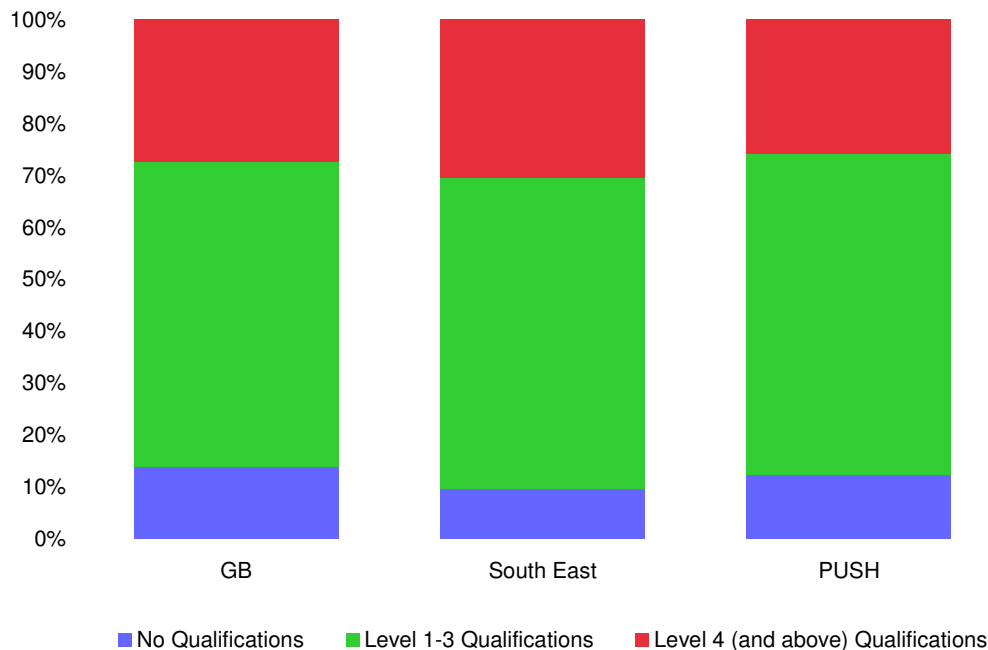
The PUSH area has lower employment and economic activity rates than the South East. However, the problems are not evenly spread across the entire PUSH sub-region. They are particularly focused in certain areas of deprivation, often within the most urban areas. Local Area Agreements have highlighted priority areas in the cities of Portsmouth, Southampton, Havant and Gosport, with some of the most deprived wards being Charles Dickens (Portsmouth), Bargate, Bevois and Bitterne (Southampton)

The issues of economic inactivity and skills are inextricably linked. In excess of 100,000 working age people in South Hampshire are currently economically inactive and face multiple barriers to working including transport, childcare, poor health, low skills and family responsibilities. There are almost 78,000 inactive residents who hold no qualifications, 11,000 of these are between the ages of 16-24. The challenge is to reduce inequality by bringing more of those at a distance from the labour market into work. This will include partnership approaches to tackling a combination of issues such as skills, health and access potentially leading to “personal support packages” to get people into work. . Many of these people live in large public housing estates and PUSH aims to link large scale housing renewal programmes with up skilling and other ways of supporting people into employment.

Overall, the current skills base in South Hampshire is below the South East regional average. This includes both a greater proportion of the population with no qualifications and lower shares of the population with qualifications at all skill levels, particularly higher level skills (illustrated in Figure 6.1). There is therefore a need for South Hampshire to close this gap to underpin productivity and employment growth.

There is low achievement of skills/qualifications at all levels in South Hampshire (particularly the cities of Southampton and Portsmouth). Evidence on attainment through the schooling system in the cities shows a progressively increasing divergence from the South East average through Key Stages 1-4. This in turn feeds the low skills base. In order to close the gap on the South East and deliver against the ambitious targets within the Leitch Review there is a need to tackle under achievement at all levels.

**Figure 6.1 Skills Profile, 2006**



**Source:** Annual Population Survey (ONS)

Background research in the region has also identified a need to provide a greater flow of people with appropriate skills into a number of our key sectors and clusters: there are already existing skills gaps; there is a need for ongoing up-skilling to keep pace with technological developments; and the workforce in many sectors is ageing and will require new workers with the right skills. However, there is declining enrolment in training across a number of the priority sectors. We need to intervene to ensure an appropriate supply of labour to underpin economic growth.

Without an appropriately skilled workforce potential inward investors (particularly in sectors with high skills requirements) will tend towards locations with a more positive skills stock. This will reinforce existing patterns of development and fail to address issues around industrial structure and low productivity in the sub-region.

#### **Strategic Objectives**

- Integrate and improve skills and employment service delivery to employers and the workforce
- Increase engagement in the workforce by tackling barriers and skills
- Improve productivity by upskilling the workforce

#### **Outputs and Outcomes**

To support the economic growth of South Hampshire we need to ensure we grow our skills base to achieve the targets set by the Leitch Review and raise our employment and inactivity rates. Our targets for this theme are set out in Figure 6.2.

**Figure 6.2 Skills and Labour Market Targets**

<b>Target</b>	<b>2005/6<sup>1</sup></b>	<b>2011</b>	<b>2026</b>
Percentage of working age economically active	80	81	85
Percentage of working age in employment	76	80	82
Percentage of working age population with L2 or above	63	79	95
Percentage of working age population with L3 or above	45	56	73
Percentage of working age population with L4 or above	24	30	45
Achievement of a L2 qualification by the age of 19	71	82	95
Achievement of a L3 qualification by the age of 19	47	54	70
% Achieving 5 GCSEs grade A*-C (incl Maths & Eng)	Ahead of national and regional average with upward trajectory		

<sup>1</sup> Latest available data

### **Actions**

To underpin the required step change and achieve these targets we will undertake the following actions in addition to mainstream employment and skills support:

#### **SLM1 Create an ‘employment & skills board’ to provide coordinated leadership.**

Supporting the development of the workforce in South Hampshire will involve a range of responses. All of which need to be linked with the demands of employers. In order to do this we will create an employment and skills board which will bring together the key public sector agencies alongside the private sector and set the strategic framework for delivery. The first steps in putting this in place will be to:

- Establishing a programme for the creation of an ‘employment & skills board’.
- Establish a shadow “employment & skills board” to put in place a structure and terms of reference for the new board.
- Investigate, identify and seek government support for the powers required to overcome the barriers to controlling local funding for skills and employment support to provide sub-regional flexibility .

#### **SLM2 Develop and implement the PUSH “Skills for Employability & Growth” strategy**

The strategy is more wide ranging than can be outlined in this document. However, it has four strategic aims which cover the following areas:

1. Higher employment rates and economic inactivity: providing the skills for sustainable employment in growth sectors;
2. Increasing workforce productivity: tackling skills shortages and gaps in growth sectors;
3. Growing activity in high value added sector activity: releasing high value added potential; and
4. Improving the skills infrastructure: delivering world class skills in a demand led system.

We are committed to implementing this strategy and a number of key priority actions have been drawn out within this strategy specifically.

**SLM3 Engage and up-skill the resident working age population.** We must build upon the creation of the employment and skills board to deliver more joined up services and tackle multiple barriers faced by some of our inactive residents. We will:

- Investigate the potential for a multi-agency approach to addressing the range of issues people face in securing work such as health, secure housing, information and advice, skills etc.
- As public sector bodies, sign up to skills and employment pledges to demonstrate the benefits to the private sector.

- Seek to implement the skills pledge in PUSH LA's with associated training support through 'Train to Gain'.
- Investigate and identify options to overcome the barriers to accessing 'Train to Gain' funding across the private sector and seek enabling measures through the MAA as appropriate. .

**SLM4 Increase graduate retention.** Our universities are producing thousands of graduates every year. This provides a huge potential supply of highly skilled workers to support our economy. However, we need to increase the number of graduates that stay in the area. This will require a number of interacting factors to be addressed. We will need to:

- Examine through the Graduate Jobs South initiative the creation of more high quality jobs to reduce the desire to migrate to London.
- Ensure South Hampshire offers the quality of life desired by new graduates, including appropriate housing and leisure and cultural facilities as well as good employment opportunities.
- Improve the links between our universities and businesses. This will enable businesses to influence the skills graduates develop making them more employable, and provide a clearer route for businesses to make known employment opportunities to students/graduates.

**SLM5 Improve skills infrastructure and provision.** It has been identified that much of the existing training infrastructure and provision, particularly in the FE sector, is not fit to deliver industry standard training. The PUSH **Skills for Employability & Growth** has identified a number of key areas of provision to be strengthened. In addition, we are committed to improving the physical infrastructure. We will:

- Support the college rebuilding programme.
- Support HCC, PCC and SCC to develop their school infrastructure through Building Schools for the Future.
- Support LSC to address training provision in key areas of deficit identified in the **Skills for Employability & Growth**

**SLM6 Tackle low achievement in our schools.** PCC, HCC and SCC are tackling the low levels of achievement in a number of schools as part of their Children's Services plans. Ensuring our young people have the right skills to either gain employment or continue in education is vital for our long term economic success. Central government has set stretching targets for Level 2 achievement by age 19.

- PUSH will collaborate with and support any of the LEA's in tackling low achievement.

**SLM7 Develop specific sector focused skills strategies and interventions.** The PUSH **Skills for Employability & Growth** has identified a number of areas where there is a need for provision to be aligned to the key sectors and clusters within PUSH to ensure the correct mix of skills, particularly where the sector is likely to grow rapidly or there are issues around skills shortages and an ageing workforce. A case will need to be made for either additional provision or bending of existing resources where this need is proven.

- Research into the retail sector is underway.
- Further investigation required in respect of actions in support of all other key sectors.

## 7. Theme 2: Enterprise, Innovation and Business Support

### Summary

South Hampshire currently has a low level of new firm formation. Enterprise and innovation are key drivers of productivity and economic growth. It is therefore vital that public intervention and business support is able to lift South Hampshire to a higher level with higher rates of enterprise and higher levels of productivity. We have a number of knowledge assets in the sub-region, including three universities. There are also good models of universities, local authorities and the private sector working together to stimulate innovation. We must capitalise on the opportunities they present to our economic growth. We must also ensure the correct infrastructure is in place, particularly in terms of ICT, to facilitate productivity growth.

### Context

The industrial structure contributes to relatively low levels of productivity in South Hampshire, when compared to both the average for the South East and Great Britain as a whole. Ongoing decline in traditional manufacturing presents a risk to South Hampshire if the loss of employment in declining sectors is not replaced with employment in new, growing sectors. Whilst there is decline in traditional manufacturing there is a need to seek to grow advanced manufacturing activities such as marine engineering, defence and aerospace and environmental technologies. South Hampshire has an under-representation of employment in the highest value-added sectors such as advanced business services<sup>1</sup>. Employment in advanced business services is growing in the cities, and represents a key development opportunity for the future.

The business formation rate and self-employment rate (which is a proxy for entrepreneurial activity) both lag behind the average for the South East and Great Britain as a whole. Without improvements in these measures it is likely that restrictions in productivity growth will act as a barrier to the potential economic performance of South Hampshire. Figure 7.1 illustrates the deficit in both business stocks and registration rates in PUSH compared to both the South East and Great Britain averages. Entrepreneurial activity is higher in the rural fringe of South Hampshire, although business formation rates are low.

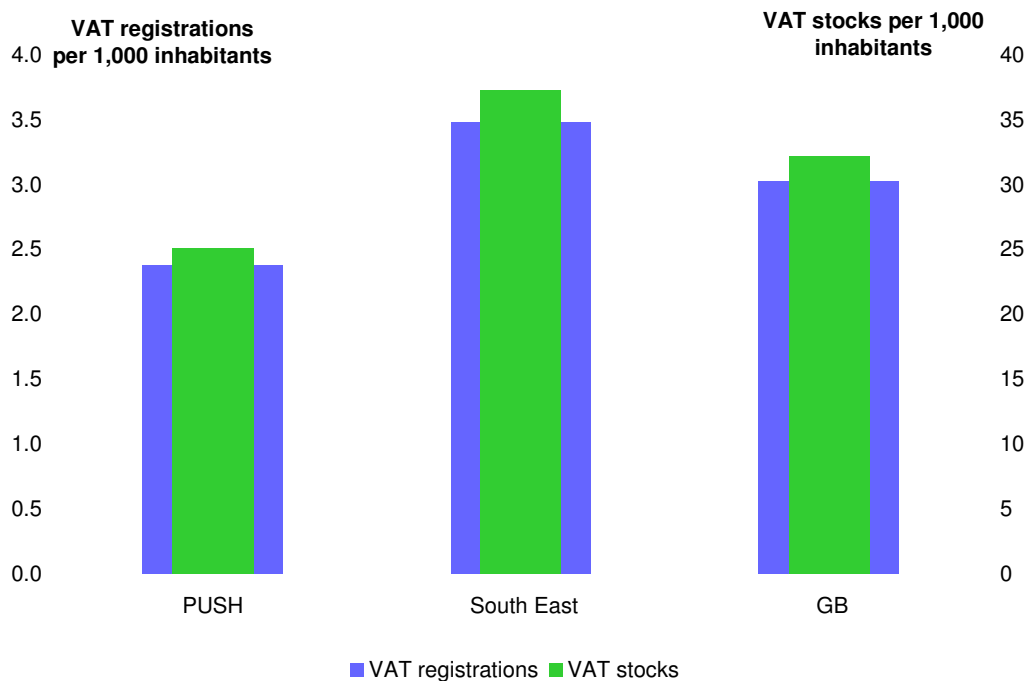
Business support is provided by a broad range of organisations in South Hampshire, and there is a need for greater coordination between them. The Business Support Simplification Programme (BSSP) being driven by BERR<sup>2</sup> is bringing change, rationalisation and greater coordination to this area. This is key to the future delivery of business support in South Hampshire.

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<sup>1</sup> Including financial services, professional services, ICT etc.

<sup>2</sup> Department for Business, Enterprise and Regulatory Reform

**Figure 7.1 New Firm Formation in South Hampshire, 2006**



**Source:** ONS

### Strategic Objectives

- Integrate and improve business support services to make it easier for businesses to access information, advice and support
- Boost the growth and productivity of businesses to increase GVA
- Maximise the value of our knowledge assets through increasing levels of knowledge exchange

### Outputs and Outcomes

A number of targets for this area have been set in the PUSH Monitoring & Evaluation Framework. The main targets that can be measured in terms of economic impact are around enterprise. Business support is not an outcome, as it is part of the process by which this outcome is achieved, but activity in this area could be measured as an output target. There are no readily available measures for innovation or knowledge transfer, but again levels of activity can be measured – with the assumption that increasing activity outputs will contribute to more innovation and knowledge exchange (in all directions), which will in turn contribute to increased GVA.

The PUSH Monitoring and Evaluation Framework targets that enterprise, innovation and business support (EIBS) activity will contribute to are:

- Overall GVA and GVA growth rate
- GVA per worker
- Earnings
- Employment and employment growth
- Total share of employment in key growth sectors (i.e. business services)
- Increase in gross and net levels of VAT registrations per 1,000 inhabitants;
- Increase in stock of VAT registered businesses per 1,000 inhabitants;
- Increase in 12 month and 36 month survival rates of VAT registered businesses
- Increased levels of self-employment

Figure 7.2 sets out targets for the key measurable indicators specific to EIBS.

**Figure 7.2 EIBS Targets**

Target	2005/6 <sup>1</sup>	2011	2026
Total Entrepreneurial Activity (TEA)	6.1 <sup>2</sup>	tbc	tbc
Gross VAT registrations per 1,000 inhabitants	2.4	2.7	3.8
VAT stock per 1,000 inhabitants	25	29	40
Percentage of businesses surviving 12 months	93	93	94
Percentage of businesses surviving 36 months	71	72	73

<sup>1</sup> Latest available data

<sup>2</sup> Identified from 2007 survey with current pending October/November 2008 Survey results

### **Actions**

To underpin the required step change and achieve these targets we will undertake the following actions in addition to mainstream activities:

**EIBS 1 Understand the needs of our key sectors and clusters.** Work has been undertaken to identify the most important sectors and clusters to our economy. However, we need to ensure we have a thorough understanding of their needs in order that we can best support them. We will:

- Investigate the requirements of our key sectors and clusters which include actions in the following areas: Sector Action Teams, collaborative networking, business support, employment land, skills/labour, market, reputation, support service, rationalisation and procurement.
- Develop and implement strategies to enable key sector growth.

**EIBS2 Ensure knowledge exchange and innovation are at the centre of economic development.** We have a number of knowledge assets in the sub-region which we must build upon to generate economic growth. We will:

- Establish an Innovation Growth Team in associated with SEEDA and PUSH to focus resources and support.
- Include our universities in PUSH economic development leadership
- Explore the possibility of a science & innovation campus in South Hampshire
- Broker knowledge exchange between universities, businesses and research centres (in all directions).
- Establish a Solent Festival of Innovation based on the Portsmouth Festival of Innovation model.
- Develop a specific focus on the environmental technology and services sector to support and encourage sustainable development through R&D, knowledge exchange and business support mechanisms. This will include increasing our capacity to support businesses in the area of sustainable practices.

**EIBS3 Improve the coordination of business support across South Hampshire.** The need for greater coordination across the business support field leads to confusion for our businesses, duplication of effort and hence reduced impact. We need to provide clarity to businesses and work together to maximise impact. This is already underway through the Business Support Simplification Programme (BSSP). We will:

- Focus support through intensive assistance to priority sectors, clusters and inward investors (see also action II2) as defined in the South Hampshire Agreement. .
- Promote international trade to broaden the markets of South Hampshire businesses through both encouraging first time exporters and supporting the development of existing exporters to grow their markets.
- Secure resources to increase the volumes of business support available and enable increased penetration.
- Improve access to finance for SMEs.

- Promote ICT take up. *There is already a series of projects in place to support ICT take up covering infrastructure, skills and business support. These will be managed and delivered through the eHampshire Partnership. Further details are available within the Partnership's business plan.*

**EIBS4 Deliver leading edge ICT infrastructure.** Advances in technology and communications in the last 15-20 years teaches us that the speed of change is ever increasing. To be a sub-region with knowledge, innovation and technology at the centre of our economic growth we must ensure an appropriate ICT infrastructure for our businesses. We will:

- Form a senior level working group to provide coordinated leadership in developing leading edge ICT infrastructure and responding to the opportunities of new technologies.
- Use the planning system (LDF policy and Section 106 agreements) to improve the ICT infrastructure by demanding that new developments incorporate state of the art technology infrastructure. (see also SP3)
- Support eHampshire in efforts to improve ICT infrastructure

**EIBS5 Develop an enterprising culture.** South Hampshire has a low rate of new business formation in the cities compared to the South East and UK. However, an enterprising culture is not just about starting new businesses. It is also about being entrepreneurial as an employee or business manager.

- Develop and implement an enterprise culture strategy for South Hampshire to change attitudes toward starting or running a business.
- Young Entrepreneurs Innovation Challenge – “PUSH AHEAD!”
- Support social enterprise development through establishing a ‘centre of excellence in social enterprise’.

**EIBS6 Improve access to public sector procurement.** The PUSH local and unitary authorities are substantial purchasers of goods and services. Clearly this has to be spent wisely to ensure value for money to the tax payer. However, we must ensure that wherever possible there is a level playing field that allows SMEs to effectively bid for public sector contracts. We will:

- Review public sector procurement rules and assess where we can adjust processes to allow better access to SMEs
- Support SMEs to collaborate to bid for contracts
- Raise awareness of support to SMEs to improve competitiveness and tendering skills

**EIBS7 Develop Business Improvement Districts (BIDs).** There is already work ongoing (led by Hampshire CC) to investigate the prospect of further BIDs across South Hampshire. We will investigate and support the opportunities for BIDs in the cities.

## 8. Theme 3: Inward Investment

### Summary

South Hampshire has been relatively unsuccessful in attracting inward investment, particularly foreign direct investment (FDI). To deliver economic growth it is vital that investment in businesses grows, leading to higher levels of employment and productivity. This may be investment from elsewhere in the UK or internationally.

### Context

Inward investment covers a number of areas: FDI and domestic investment (DI); new investment, expansion, safeguarding and acquisition; and aftercare. There is a strong overlap between inward investment promotion activity and EIBS which is dealt with in section seven of this strategy. The main areas of overlap are around expansion, safeguarding and aftercare. These forms of inward investment both safeguard existing jobs and create new jobs in the local economy. As well as creating/safeguarding jobs, inward investment can also help to raise productivity through capital investment or more efficient working practices. This is particularly important as this will contribute to the GVA growth target for the sub-region. Attracting significantly more inward investment can contribute to a step-change in productivity growth in South Hampshire.

The under-performance of South Hampshire is widely attributed to the way in which investment attraction activity is undertaken rather than the inherent offer of South Hampshire per se (although it has been suggested that this notion needs to be thoroughly tested). It is recognised that the universities have been quite effective in attracting some inward investment into the sub-region.

Reasons suggested for the under-performance of South Hampshire include:

- Lack of a coordinated approach to inward investment promotion in the PUSH area. Any attempts that have been made have been fragmented and poorly coordinated.
- Lack of coordination of inward investment support with other forms of business support.
- Lack of focus on/understanding of the needs and requirements of inward investors, and so looking at inward investment support from a 'public sector' point of view. There has been more effort concentrated on sites and premises and less on marketing the other assets that make South Hampshire attractive to inward investment.
- Lack of understanding of the marketplace for inward investment – and what makes South Hampshire attractive in this marketplace
- Lack of interest in pro-actively seeking FDI (Foreign Direct Investment) (although this does not apply to all local authorities)

The Business Support Simplification Programme (BSSP) which will bring rationalisation and greater coordination to the future delivery of business support will impact on the delivery of inward investment support. This is an important opportunity to coordinate inward investment support in South Hampshire with other forms of business support (dealt with in the section of the strategy on EIBS).

It is important that activity is focused not just on attracting, but also on embedding companies in the local economy to underpin long term economic growth.

### Strategic Objectives

- Attract inward investors from elsewhere in the UK and abroad to South Hampshire
- Deliver high quality aftercare to inward investors to embed them into the sub-region
- Facilitate the ongoing investment of existing South Hampshire businesses

### Outputs and Outcomes

This theme is seeking to develop an inward investment function in the sub-region. Key outcomes for the first three years are therefore focused around putting provision in place. In the medium and longer term the focus will need to switch to harder outputs.

**Figure 8.1 Inward Investment Targets**

<b>2011</b>	<b>2026</b>
Established sub-regional inward investment body	Target outcomes to be determined. Indicators may include: <ul style="list-style-type: none"><li>– Number of inward investment projects supported</li><li>– GVA generation through supported projects</li><li>– Jobs created/safeguarded</li></ul>

### **Actions**

To underpin the required step change and achieve the target outcomes we will undertake the following actions:

**II1 Create a sub-regional inward investment body.** There is a need for a high calibre inward investment body that covers the entire PUSH sub-region. We will:

- Establish a senior executive level working group to establish feasibility and take first steps.
- Develop strong links with the SEEDA regional inward investment team and activities of the sub-region's universities internationally to capitalise on existing mechanisms to attract international investors.
- Work with sector consortia to increase inward and indigenous investment activity in our key sectors and clusters.
- Task the new body with identifying South Hampshire's key unique selling points (USPs) and its overall offer, the development of a PUSH wide commercial property database and creation of promotional materials.

**II2 Expand inward investment aftercare services** to embed foreign and domestic investors in South Hampshire and maximise their economic impact in key sectors. It is vital that inward investors become committed to our sub-region to provide long term economic benefits. To achieve this we will:

- SEEDA will appoint a second Investor Development Manager for Hampshire with particular focus on South Hampshire
- Prioritise major inward investors for focused business support as part of an aftercare support programme (linked to EIBS2)

**II3 Improve engagement with the business community.** As a cross cutting theme of this strategy, we must put the business community at the heart of our work. This includes working together to attract new investors, support the ongoing investment in our existing business base and work together to release opportunities and tackle barriers to business growth and a more competitive South Hampshire. We will:

- Work with business representative agencies (HEP, Business Southampton, the Portsmouth Partnership, Chamber etc) to develop a Business Group which has a real input and influence on the South Hampshire Strategy and can be a partner in delivery
- Build stronger relationships with intermediaries (e.g. banks, accountants and lawyers) to ensure joined up support to potential inward investors.
- Develop a South Hampshire ambassadors programme to use existing business leaders to promote the sub-region externally.
- Work with existing businesses to enable further investment in the South Hampshire area

## 9. Theme 4: Sites and Premises

### Summary

The public sector can help economic growth through enabling appropriate infrastructure across the sub-region. Putting appropriate infrastructure in place is vital if growth is to be delivered sustainably. Without the correct mix of sites and premises, businesses in the area will not be able to expand and thrive. It is important to ensure sufficient quality and quantity of employment land in the right locations to facilitate and enable the growth of the South Hampshire economy.

### Context

Headline research to identify the demand for and supply of sites and premises as a result of the PUSH aspirations does not suggest major problems in ensuring the quantum of deliverable sites. However, although the current indications are that a relatively small amount of additional land will need to be allocated, the overall land supply figures are heavily dependent on a series of 'possible' sites put forward by individual Local Planning Authorities but which have not been the subject of the market based scrutiny used to assess the 'available' supply. Accordingly, floorspace supply generated by the development of 'possible' sites must be treated with caution.

Some further potential issues are also evident:

- The Solent Waterfront Strategy has indicated a threat to the important marine sector in the PUSH area without sufficient protection of waterfront sites.
- There has been an identified lack of B8 (Warehousing/Logistics/Distribution) sites across the PUSH area to accommodate potential demand over the period 2006-2026.
- There has been recent pressure upon employment allocations for residential use. Notwithstanding the belief that there is adequate provision for both housing and employment there will be pressure on the most desirable sites for the highest value use.
- Initial research for PUSH indicated that there was a shortage of appropriate start-up and move-on accommodation within South Hampshire.
- The wider PUSH strategy includes the creation of two strategic development areas (SDAs). It is intended that these will accommodate employment and the precise allocation and form of this will need to be determined.
- A number of the key sites need significant investment in infrastructure to unlock their full development potential

Due to the nature of the UK planning system it is important that issues affecting the entire 20 year period are considered now to ensure inclusion of an appropriate supply within LDFs.

### Strategic Objectives:

- Understand the sites and premises requirements across the sub-region
- Deliver appropriate sites and premises to underpin the growth of the PUSH economy
- Ensure sustainable development across the sub-region.

### Outputs and Outcomes

This theme has qualitative rather than quantitative based output and outcome measures. By 2011 the following key outcomes should be achieved:

- Completion of all research studies currently identified
- Inclusion of agreed employment sites within emerging LDF across the sub-region

Clear evidence of prioritisation and progress in the delivery of key employment sites, particularly the South Hampshire Strategic Employment Zone (SHSEZ)

## **Actions**

To underpin the required step change we will undertake the following actions:

**SP1 Understand future demand and how it should be met.** There has been substantial work at the strategic level around the demand for employment space as a result of growth. This needs to be built upon to inform economic development activity. We will:

- Investigate further: the link between economic development and planning; the demand for start-up and move on space; the demand for B8/logistics space; the implications of institutional demand (i.e. non traditional employment uses); and research into demand by typology (waterfront, city centre, motorway) rather than Use Class.
- Ensure links between inward investment and land use plans are made.

**SP2 Ensure the delivery of key employment sites.** Identifying potential sites is only the first stage of the process to provide sites and premises. We must work to ensure sites are delivered to the market. We will:

- Investigate the creation of a special purpose vehicle (SPV) to increase our strategic influence over the development of sites through securing necessary infrastructure, land assembly and ownership.
- Provide resources by recycling investment gains into PUSH wide identified needs.
- Incorporate appropriate allocations in LDFs (related to SP1).
- Deliver the South Hampshire Strategic Employment Zone (SHSEZ).

**SP3 Create sustainable SDAs.** Two SDAs have been identified within the sub-region. We need to ensure these contribute effectively to the economy of South Hampshire. We will:

- Research the economic development role of SDAs in order that they make a valuable contribution to sustainable economic growth.
- Investigate the possibility of homeworking hubs within SDAs to reduce levels of out-commuting.
- Include leading edge ICT infrastructure within SDAs (refer to EIBS3).

**SP4 Support the key sectors and clusters through provision of appropriate sites and premises.** (This will be delivered through SP1 and SP2).

## 10. Action Plans

Set out in the following pages are action plans for each of the four themes of this strategy. These plans set out further detail around the delivery responsibilities for each action.

The action plans are still in development and should be considered as 'living documents'. The process of developing these action plans will be ongoing. As the early actions are completed, the next steps along the journey will begin to emerge.

## Theme 1: Skills and Labour Market

Action	Lead Stakeholder	Resources (2008-11)	Timescale
<p><b>SLM1 Create an 'employment &amp; skills board' to provide coordinated leadership.</b>  Supporting the development of the workforce in South Hampshire will involve a range of responses. All of which need to be linked with the demands of employers. In order to do this we will create an employment and skills board which will bring together the key public sector agencies alongside the private sector. The first steps in putting this in place will be to:</p>			
<ul style="list-style-type: none"> <li>• Demonstrate the productivity benefits and employment impacts of creating an 'employment &amp; skills board'.</li> </ul>	Job Centre Plus/LSC	Opportunity costs of staff time	Short Term
<ul style="list-style-type: none"> <li>• Establish a joint working group to put in place a structure and terms of reference for the new board.</li> </ul>	Job Centre Plus/LSC	Opportunity costs of staff time	Short Term
<ul style="list-style-type: none"> <li>• Investigate and identify options to overcome the barriers to controlling local funding for skills and employment support to provide sub-regional flexibility based on London model.</li> </ul>	Job Centre Plus/LSC	Opportunity costs of staff time	Short Term

Action	Lead Stakeholder	Resources (2008-11)	Timescale
<p><b>SLM2 Develop and implement the PUSH Skills for Employability &amp; Growth . .</b>  The strategy is more wide ranging than can be outlined in this document. However, it has four strategic aims which cover the following areas:</p> <ol style="list-style-type: none"> <li>1. Higher employment rates and economic inactivity: providing the skills for sustainable employment in growth sectors;</li> <li>2. Increasing workforce productivity: tackling skills shortages and gaps in growth sectors;</li> <li>3. Growing activity in high value added sector activity: releasing high value added potential; and</li> <li>4. Improving the skills infrastructure: delivering world class skills in a demand led system.</li> </ol> <p>We are committed to implementing this strategy and a number of key priority actions have been drawn out within this strategy specifically.</p>	LSC	Refer to strategy document	Short/Medium
<p><b>SLM3 Engaging and up-skilling the resident working age population.</b> We must build upon the creation of the employment and skills board to deliver more joined up services and tackle multiple barriers faced by some of our inactive residents. We will:</p> <ul style="list-style-type: none"> <li>• Investigate the potential for a multi-agency delivery team covering health, employment, skills etc.</li> <li>• As public sector bodies, sign up to skills and employment pledges to demonstrate the benefits to the private sector.</li> <li>• Implement the skills pledge in all PUSH LA's with associated training support through 'Train to Gain'.</li> <li>• Investigate and identify options to overcome the barriers to accessing 'Train to Gain' funding across the private sector and seek enabling measures through the MAA as appropriate. .</li> </ul>	<p>Job Centre Plus</p> <p>All public sector</p> <p>LSC</p> <p>LSC</p>	<p>Opportunity costs of staff time</p> <p>n/a</p> <p>£6.2m</p>	<p>Short Term</p> <p>Short Term</p> <p>Short Term</p> <p>SHA</p>

Action	Lead Stakeholder	Resources (2008-11)	Timescale
<p><b>SLM4 Increase graduate retention.</b> Our universities are producing thousands of graduates every year. This provides a huge potential supply of highly skilled workers to support our economy. However, we need to increase the number of graduates that stay in the area. This will require a number of interacting factors to be addressed. We will need to:</p> <ul style="list-style-type: none"> <li>• Examine through the Graduate Jobs South initiative the creation of more high quality jobs to reduce the desire to migrate to London.</li> <li>• Ensure South Hampshire offers the quality of life desired by new graduates, including appropriate housing and leisure facilities as well as good employment opportunities.</li> <li>• Improve the links between our universities and businesses. This will enable businesses to influence the skills graduates develop making them more employable, and provide a clearer route for businesses to make known employment opportunities to students/graduates.</li> </ul>	PUSH	tbc	Medium Term
	PUSH	tbc	Medium Term
	PUSH	tbc	Medium Term
<p><i>This is an action currently being developed through the <b>Skills for Employability &amp; Growth</b></i></p>	Southampton Solent University	£200k	Short/Medium Term
<p><b>SLM5 Improving skills infrastructure and provision.</b> It has been identified that much of the existing training infrastructure and provision, particularly in the FE sector, is not fit to deliver industry standard training. The PUSH <b>Skills for Employability &amp; Growth</b> has identified a number of key areas of provision to be strengthened. In addition, we are committed to improving the physical infrastructure. We will:</p> <ul style="list-style-type: none"> <li>• Support the college rebuilding programme.</li> <li>• Develop our school infrastructure through Building Schools for the Future.</li> </ul>	LSC	tbc	Short/Medium Term
	Local Authorities (PUSH Chief Executives Group)	BSF	
<ul style="list-style-type: none"> <li>• Address training provision in key areas of deficit identified in the <b>Skills for Employability &amp; Growth</b></li> </ul>	LSC	tbc	Short/Medium Term

Action	Lead Stakeholder	Resources (2008-11)	Timescale
<p><b>SLM6 Tackle low achievement in our schools.</b> PCC, HCC and SCC are tackling the low levels of achievement in a number of schools as part of their Children's Services plans. Ensuring our young people have the right skills to either gain employment or continue in education is vital for our long term economic success. Central government has set stretching targets for Level 2 achievement by age 19.</p> <ul style="list-style-type: none"> <li>PUSH will collaborate with and support any of the LEA's in tackling low achievement.</li> </ul>	Local Education Authorities (PUSH Chief Executives Group)	tbc	Medium Term
<p><b>SLM7 Develop specific sector focused skills strategies and interventions.</b> The PUSH <b>Skills for Employability &amp; Growth</b> has identified a number of areas where there is a need for provision to be aligned to the key sectors and clusters within PUSH to ensure the correct mix of skills, particularly where the sector is likely to grow rapidly or there are issues around skills shortages and an ageing workforce. A case will need to be made for additional provision over and above the existing. Where this case is proven we will intervene.</p> <ul style="list-style-type: none"> <li>Research into the retail sector is underway.</li> <li>Further investigation required in respect of actions in support of all other key sectors..</li> </ul>	LSC LSC	tbc tbc	Short Term Short/Medium Term

## Theme 2: Enterprise, Innovation and Business Support

Action	Lead Stakeholder	Resources (2008-11)	Timescale
<p><b>EIBS 1 Understanding the needs of our key sectors and clusters.</b> Work has been undertaken to identify the most important sectors and clusters to our economy. However, we need to ensure we have a thorough understanding of their needs in order that we can best support them. We will:</p>			
<ul style="list-style-type: none"> <li>Investigate the requirements of our key sectors and clusters which include actions in the following areas: Sector Action Teams, collaborative working, audience development, business support, employment land, skills/labour market, reputation building and place branding, R &amp; D facilitation, innovation development, support service rationalisation and procurement</li> <li>Develop and implement strategies to enable key sector growth.</li> </ul>	PUSH	tbc	Short Term
<p><b>EIBS2 Ensuring knowledge exchange &amp; innovation are at the centre of economic development.</b> We have a number of knowledge assets in the sub-region which we must build upon to generate economic growth. We will:</p>			
<ul style="list-style-type: none"> <li>Establish an Innovation Growth Team in associated with SEEDA and PUSH to focus resources and support.</li> </ul>	Solent Synergy /Seeda	£750k	Short term
<ul style="list-style-type: none"> <li>Include our universities in PUSH economic development leadership.</li> </ul>	PUSH	tbc	Short Term
<ul style="list-style-type: none"> <li>Explore the possibility of a science &amp; innovation campus in South Hampshire.</li> </ul>	SEEDA	tbc	Medium/Long Term
<ul style="list-style-type: none"> <li>Broker knowledge exchange between universities, businesses and research centres (in all directions) through creating a more effective conduit.</li> </ul>	Business Link/ Solent Synergy	£240k	Medium Term
<ul style="list-style-type: none"> <li>Establish a Solent Festival of Innovation based on the Portsmouth Festival of Innovation model.</li> </ul>	Solent Synergy/ Portsmouth City Council	£200k	Short Term

Action	Lead Stakeholder	Resources (2008-11)	Timescale
<ul style="list-style-type: none"> <li>Develop a specific focus on the environmental technology and services sector to support and encourage sustainable development through R&amp;D, knowledge exchange and business support mechanisms. This will include increasing our capacity to support businesses in the area of sustainable practices.</li> </ul>	Business Link/ SEEDA/ Southampton City Council	£81k	Short/Medium Term

### **EIBS3 Improving the coordination of business support across South Hampshire.**

The lack of coordination across the business support field leads to confusion for our businesses, duplication of effort and hence reduced impact. We need to provide clarity to businesses and work together to maximise impact. This is already underway through the Business Support Simplification Programme (BSSP). We will:

<ul style="list-style-type: none"> <li>Focus support through intensive assistance to priority sectors, clusters and inward investors (see also action I12) as defined in the South Hampshire Agreement. ..</li> </ul>	Business Link	£90k	Short/Medium Term
<ul style="list-style-type: none"> <li>Promote international trade to broaden the markets of South Hampshire businesses through both encouraging first time exporters and supporting the development of existing exporters to grow their markets.</li> </ul>	UKTI	tbc	Short Term
<ul style="list-style-type: none"> <li>Secure resources to increase the volumes of business support available and enable increased penetration. Increase in Business Link Intensive Assistance penetration rate from baseline of 3.8% to 5% of IDBR. 10 new regular Business Advice clinics with 75-100 customers through each clinic on an annual basis wef April 07.</li> </ul>	Business Link	£360k	Short/Medium Term
<ul style="list-style-type: none"> <li>Improve access to finance for SMEs.</li> </ul>	Business Link	£190k	
<ul style="list-style-type: none"> <li>Promote ICT take up. <i>There is already a series of projects in place to support ICT take up covering infrastructure, skills and business support.</i></li> </ul>	eHampshire Partnership	£180k	Ongoing

**EIBS4 Delivering leading edge ICT infrastructure.** Change in technology and communications in the last 15-20 years teaches us that the speed of change is ever increasing. To be a sub-region with knowledge, innovation and technology at the centre of our economic growth we must ensure an appropriate ICT infrastructure for our businesses. We will:

Action	Lead Stakeholder	Resources (2008-11)	Timescale
<ul style="list-style-type: none"> <li>Form a senior level working group to provide coordinated leadership in developing leading edge ICT infrastructure and responding to the opportunities of new technologies.</li> </ul>	HCC	£60k	Short Term
<ul style="list-style-type: none"> <li>Use the planning system (LDF policy and Section 106 agreements) to improve the ICT infrastructure by demanding that new developments incorporate state of the art technology infrastructure. (see also SP3).</li> </ul>	HCC	£40k	Short/Medium Term
<ul style="list-style-type: none"> <li>Support eHampshire in efforts to improve ICT infrastructure.</li> </ul>	PUSH Chief Executives Group	£1.55m	Short Term
<p><b>EIBS5 Developing an enterprising culture.</b> South Hampshire has a low rate of new business formation in the cities compared to the South East and UK. However, an enterprising culture is not just about starting new businesses. It is also about being entrepreneurial as an employee or business manager.</p>			
<ul style="list-style-type: none"> <li>Develop and implement an enterprise culture strategy for South Hampshire to change attitudes toward starting or running a business.</li> </ul>	Business Link	£15k	Short Term
<ul style="list-style-type: none"> <li>Young Entrepreneurs Innovation Challenge – “PUSH AHEAD!”</li> </ul>	Education / Business Partnerships	£60k	Short Term
<ul style="list-style-type: none"> <li>Support social enterprise development through establishing a ‘centre of excellence in social enterprise’.</li> </ul>	Business Link/ Local Authorities	£630k	Short/Medium Term
<p><b>EIBS6 Improving access to public sector procurement.</b> The PUSH local and unitary authorities are substantial purchasers of goods and services. Clearly this has to be spent wisely to ensure value for money to the tax payer. However, we must ensure that wherever possible there is a level playing field that allows SMEs to effectively bid for public sector contracts. We will:</p>			
<ul style="list-style-type: none"> <li>Review public sector procurement rules and assess where we can adjust processes allow better access to SMEs.</li> </ul>	PUSH Local Authorities	£40k	Short term
<ul style="list-style-type: none"> <li>Support SMEs to collaborate to bid for contracts.</li> </ul>	Business Link	£70k	Short term
<ul style="list-style-type: none"> <li>Raise awareness of support to SMEs to improve competitiveness and tendering skills.</li> </ul>	Business Link	£360k	Short

Action	Lead Stakeholder	Resources (2008-11)	Timescale
<p><b>EIBS7 Development of Business Improvement Districts (BIDs).</b> There is already work ongoing (led by Hampshire CC) to investigate the prospect of further BIDs across South Hampshire. We will also support the investigation of opportunities for BIDs in the cities. We will:</p> <ul style="list-style-type: none"> <li>Promote the creation of BID's across the whole of South Hampshire.</li> </ul>	<p>PUSH/ Hampshire CC/ Unitary Authorities</p>	<p>£450k.</p>	<p>Medium/Long</p>

### Theme 3: Inward Investment

Action	Lead Stakeholder	Resources (2008-11)	Timescale
<p><b>II1 Creation of a sub-regional inward investment body.</b> There is a need for a high calibre inward investment body that covers the entire PUSH sub-region. We will:</p>			
<ul style="list-style-type: none"> <li>Establish a senior executive level working group to establish feasibility and take first steps.</li> </ul>	PUSH	tbc	Short/Medium Term
<ul style="list-style-type: none"> <li>Develop strong links with the SEEDA regional inward investment team and activities of the sub-region's Universities internationally to capitalise on existing mechanisms to attract international investors.</li> </ul>	PUSH	tbc	Short/Medium Term
<ul style="list-style-type: none"> <li>Work with sector consortia to increase inward and indigenous investment activity in our key sectors and clusters.</li> </ul>	PUSH	tbc	Short/Medium Term
<ul style="list-style-type: none"> <li>Task the new body with identifying South Hampshire's key USPs, the development of a PUSH wide commercial property database and creation of promotional materials.</li> </ul>	PUSH	tbc	Short/Medium Term
<p><b>II2 Expansion of inward investment aftercare services</b> to embed foreign and domestic investors in South Hampshire and maximise their economic impact. It is vital that inward investors become committed to our sub-region to provide long term economic benefits. To achieve this we will:</p>			
<ul style="list-style-type: none"> <li>Appoint a second Investor Development Manager for Hampshire.</li> </ul>	SEEDA	tbc	Short/Medium Term
<ul style="list-style-type: none"> <li>Prioritise major inward investors for focused business support as part of an aftercare support programme (linked to EIBS2).</li> </ul>	Business Link	Core Funding	Short/Medium Term

Action	Lead Stakeholder	Resources (2008-11)	Timescale
<p><b>II3 Improving engagement with the business community.</b> As a cross cutting theme of this strategy, we must put the business community at the heart of our work. This includes working together to attract new investors and support the ongoing investment of our existing business base. We will:</p>			
<ul style="list-style-type: none"> <li>Build stronger relationships with intermediaries (e.g. banks, accountants and lawyers) to ensure joined up support to potential inward investors.</li> </ul>	Inward Investment body when in place	tbc	Medium Term
<ul style="list-style-type: none"> <li>Develop a South Hampshire ambassadors programme to use existing business leaders to promote the sub-region externally.</li> </ul>	Inward Investment body when in place	tbc	Medium Term
<ul style="list-style-type: none"> <li>Work with existing businesses to enable further investment in the South Hampshire area.</li> </ul>	Business Link	Core Funding	Short Term

## Theme 4: Sites and Premises

Action	Lead Stakeholder	Resources (2008-11)	Timescale
<p><b>SP1 Understanding future demand and how it should be met.</b> There has been substantial work at the strategic level around the demand for employment space as a result of growth. This needs to be built upon to inform economic development activity. We will:</p>			
<ul style="list-style-type: none"> <li>Investigate further: the link between economic development and planning; the demand for start-up and move on space; the demand for B8/logistics space; the implications of institutional demand (i.e. non traditional employment uses); and research into demand by typology (waterfront, city centre, motorway) rather than Use Class.</li> </ul>	HCC	£115k	Short Term
<ul style="list-style-type: none"> <li>Ensure links between inward investment and land use plans are made.</li> </ul>	Inward Investment body when in place	tbc	Medium Term
<p><b>SP2 Ensuring the delivery of key employment sites.</b> Identifying potential sites is only the first stage of the process to provide sites and premises. We must work to ensure sites are delivered to the market. We will:</p>			
<ul style="list-style-type: none"> <li>Investigate the creation of a special purpose vehicle (SPV) to increase our strategic influence over the development of sites through land assembly and ownership.</li> </ul>	PUSH	£30k	Medium term
<ul style="list-style-type: none"> <li>Provide resources by recycling investment gains into PUSH wide identified needs.</li> </ul>	Local/Unitary Authorities	tbc	Medium Term
<ul style="list-style-type: none"> <li>Incorporate appropriate allocations in LDFs (related to SP1).</li> </ul>	Local/Unitary Authorities	tbc	Short/Medium Term
<ul style="list-style-type: none"> <li>Deliver the South Hampshire Strategic Employment Zone (SHSEZ).</li> </ul>	PUSH	tbc	Medium Term

Action	Lead Stakeholder	Resources (2008-11)	Timescale
<b>SP3 Creating sustainable Strategic Development Areas (SDAs).</b> Two SDAs have been identified within the sub-region. We need to ensure these contribute effectively to the economy of South Hampshire. We will:			
• Research the economic development role of SDAs in order that they make a valuable contribution to sustainable economic growth.	HCC	tbc	Short Term
• Investigate the possibility of homeworking hubs within SDAs to reduce levels of out commuting.	SEEDA	tbc	Short Term
• Include leading edge ICT infrastructure within SDAs (refer to EIBS3).	HCC	£1.55m	Medium/Long Term
<b>SP4 Supporting the key sectors and clusters through provision of appropriate sites and premises.</b> (This will be delivered through SP1 and SP2).			