



# **Report to the Partnership for Urban South Hampshire Joint Committee**

Date: **18 November 2008**

Report of: **Stuart Jarvis (PUSH Managing Director)**

Subject: **Multi-Area Agreement (MAA) Refresh**

## **SUMMARY**

The South Hampshire Agreement was completed last summer as one of only seven MAAs in the country. During the negotiation process a number of outcomes were 'put to one side' and did not form part of the final agreement; in the time since the agreement was signed, the economic outlook has also changed considerably. The Government is expected to invite a further round of MAA submissions in the early part of 2009, and this report seeks authority for PUSH to participate, and sets out a broad approach to developing the submission for the Joint Committee's consideration.

## **RECOMMENDATION**

It is recommended that the Joint Committee:-

- a) APPROVES in principle the participation of PUSH in the next round of Multi Area Agreement submissions; and
- b) APPROVES the proposed approach set out in this report, as a basis for developing further proposals on potential MAA outcomes to be considered by this Committee in due course

## INTRODUCTION

1. The South Hampshire Multi Area Agreement is an important piece in the jigsaw for securing the delivery of the South Hampshire Strategy. Its value, aside from the enabling measures it contains is the formalisation of the relationship with and commitment from central Government and its agencies to work with PUSH and our partners on the delivery of the outcomes set out in the MAA, which in turn derive from the PUSH Business Plan.
2. The process of negotiating and agreeing the final version of the MAA was a complicated and time consuming one, in part because South Hampshire was one of the first areas to attempt to complete an MAA, following the Government's announcement of this new initiative. Indeed the South Hampshire Agreement is one of only seven nationally, and the only one in the SE Region, which successfully made it through to signing in the first tranche of MAAs. In order to successfully secure an agreement on the very tight timescale imposed by the Government, it was necessary to focus on a reduced number of critical outcomes. Whilst it is still early days in respect of the MAA, it is considered that the national profile gained by South Hampshire, and the developing relationship with the Government, have been significant benefits.
3. The Government has signalled its intention that MAAs should be dynamic and continue to evolve and develop, rather than be static. To this end it is likely that further MAA submissions will be invited by the Government, both from new areas wishing to establish an agreement, and from existing MAA areas, wishing to extend, broaden or update their agreements. There is no firm timetable yet in place for this process, but it is likely that the next round of submissions will be invited in early 2009. It is also likely that there will be a number of other areas in the SE Region wishing to develop MAAs, potentially including an area in north Hampshire and Berkshire based on the Reading and Basingstoke Diamonds for Investment and Growth.
4. It is therefore recommended that the Joint Committee should approve the principle of PUSH participating in the next MAA round, and entering into negotiations with the Government, alongside our partners, to 'refresh' the South Hampshire Agreement. In view of the level of commitment needed to successfully complete an MAA, it is suggested that PUSH and its partners should focus on a limited number of additional outcomes. Careful consideration is therefore needed on which outcomes should be included in the proposed MAA refresh, in order to focus on key priorities, and maximise the effectiveness of limited resources.
5. The approach PUSH took in the original MAA was to select the issues and outcomes to be included using two criteria:-
  - Will the inclusion of an activity/outcome in the SHA add value to what could be achieved by existing partnership working, for instance through innovative / different patterns of collaborative working with the key stakeholders in the public and private sector; and
  - Will the inclusion of an activity/outcome help to close the gap both within the PUSH sub region and in comparison with others.

It is suggested that these criteria be retained for the MAA refresh.

6. When the South Hampshire MAA was signed in July, it had 8 agreed outcomes, 4 of which related to economic development, with a further outcome in the following areas, transport, housing, infrastructure and an overall 'collaboration to deliver the PUSH strategy' outcome. Section Thirteen of the approved MAA also listed 9 further outcomes, as a starting point for development of the next version of the MAA, due for submission in Spring 2009. These were:-
  - a) Development of South Hampshire as a knowledge hub through promotion of a leading edge ICT infrastructure, including fibre to new premises, upgraded speeds to existing premises and enhanced wireless networks.
  - b) Development of funding mechanisms to support the timely provision of regionally and sub-regionally significant infrastructure and employment land, with SEEDA and other partners.
  - c) Explore potential for alignment of the Higher Education Innovation Fund (HEIF) with innovation and business support priorities in South Hampshire.
  - d) Promotion and support for innovation in new markets, products and services that support adaptation to climate change and initiatives that integrate local demand and supply of energy, with energy efficiency.
  - e) Support development and overcome transport constraints on economic growth by increasing the modal share for Public Transport and the active modes, thus reducing car travel & congestion<sup>1</sup>.
  - f) To overcome transport constraints (congestion, poor accessibility and deteriorating journey time reliability) on economic growth, the performance of the existing transport networks must be optimised and dependency on travel by car reduced<sup>1</sup>.
  - g) Identify the support PUSH needs to help make new and existing communities "quality places" with the highest standard of cultural and sporting provision for residents and visitors alike.
  - h) To introduce an investment strategy for the water industry in South Hampshire that will ensure infrastructure keeps pace with the planned growth in housing and employment land.
  - i) To explore approaches to reducing worklessness by targeting some 4,000 long term benefit dependant people each year and get them back into work.
  
7. Clearly there is now a need to review this list. At this early stage of the process of developing the MAA refresh, it is important to decide whether any of these potential outcomes are no longer appropriate priorities, or indeed whether there are other potential outcomes which have emerged since the MAA was signed back in the summer.

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<sup>1</sup> Transport outcomes would be considered and negotiated by addressed by Transport For South Hampshire (TfSH) .

## PROPOSALS

8. Initial consideration was given to the potential outcomes by the Programme Board at its meeting on 24<sup>th</sup> October. Individual theme leads, in consultation with partners, along with colleagues from Transport for South Hampshire, are currently examining the proposals and other potential MAA outcomes. It is suggested that concluding this process should be an early priority for the new Delivery Panel Chairs and lead Chief Executives. Therefore at this stage of the process it is considered that all the potential outcomes should be considered for inclusion in the MAA refresh, though it would be expected that the list would be reduced significantly at the next stage.
9. A significant new theme has emerged as a potential additional MAA outcome. This is Green Infrastructure, and the related area of the relationship between the Environment Agency, Natural England and PUSH. This latter point is particularly relevant in shaping how environmental considerations are addressed in planning and other processes in South Hampshire. It is considered that there is significant scope for further development of an outcome on Green Infrastructure, and a protocol with the EA and Natural England, which would help reduce uncertainty and structure engagement between the three parties on environmental matters. This would of course need to be reviewed in the context of the success or otherwise of the development of the current MAA protocol with the EA in respect of planning and flood defences, which at the time of drafting this report is not operating as initially intended. There is also considered to be potential to extend this latter outcome, to secure flood defence investment in South Hampshire.
10. In the current economic circumstances, and in particular the impacts being felt on development, employment and investment, it is considered prudent to review the targets set in the initial South Hampshire MAA. The Programme Board has considered the merits and risks in re-assessing the MAA targets internally, and of seeking to review the targets with Government and partners in the MAA refresh. The firm view was that this was not the right time to seek re-negotiation, but instead to secure Government understanding of the potential impact that the slow-down could have on some of the key economic and development targets. It is therefore recommended that the MAA refresh submission should not seek to re-negotiate existing outcomes, but focus on new ones for inclusion in an extended agreement.
11. The Programme Board has also considered the mechanism and process for developing the MAA 'refresh' submission. With the Government yet to indicate a firm timetable for submissions, there is nevertheless an expectation that new MAA submissions will be invited in spring 2009, and from past experience there is likely to be a tight timetable for submissions and decision. It is therefore intended to bring a further, more detailed report on proposed MAA outcomes to the Joint Committee in January. It is also suggested that an MAA Task Group, comprising of key stakeholders for the proposed outcomes, and convened by the PUSH Core Team, be established to co-ordinate the development of the MAA 'refresh' submission and negotiation.

## CONCLUSION & RECOMMENDATION

12. The 'refresh' of the South Hampshire MAA is an opportunity to strengthen and

improve the agreement. It is suggested that a focused approach, targeting a limited number of new or enhanced outcomes, and exploring potential further freedoms and flexibilities should be pursued, provided they are closely linked to delivery of the Business Plan. A further report will be brought before this Committee with recommended detailed outcomes, but at this stage, authority is sought to begin the process of developing a potential submission.

### **RECOMMENDATION**

13. It is therefore recommended that the Joint Committee:-
- (a) APPROVES in principle the participation of PUSH in the next round of Multi Area Agreement submissions;
  - (b) APPROVES the proposed approach set out in this report, as a basis for developing further proposals on potential MAA outcomes to be considered by this Committee in due course.

**Background Papers: - None**

**Reference Papers: South Hampshire Agreement (July 2008)**

**Enquiries:** For further information on this report please contact **Stuart Jarvis** :  
PUSH Managing Director

Telephone: 07736 792647

Email: [stuart.jarvis@push.gov.uk](mailto:stuart.jarvis@push.gov.uk)