



Item 8

Report to the Partnership for Urban South Hampshire Joint Committee

Date: **18 November 2008**

Report of: **Dawn Baxendale, PUSH Economic Development Director**

Subject: **Half-Year Performance**

SUMMARY

This report outlines progress against the targets set in the Business Plan and South Hampshire Multi-Area Agreement (MAA) for the first half of 2008/09; and recommends an approach to Performance Monitoring for adoption by the Joint Committee.

RECOMMENDATION

That the Committee:-

1. NOTES the half year performance results for each of the themes
2. APPROVES the identified key strategic outcomes and the exception based approach adopted in the report as the basis for top level performance management and reporting to the Joint Committee.
3. AGREES that subsequent performance reports will be submitted to the Joint Committee on a 6 monthly basis.

INTRODUCTION

1. The approval of the first PUSH Business Plan, and the related development of the South Hampshire Multi Area Agreement, has seen the establishment of a plethora of targets and objectives covering the core areas of activity for the Partnership. This has, in turn, presented the need for a formal process of monitoring and reporting to take place to ensure that we can be shown to have delivered against key milestones, that we are open and accountable as a Partnership, and that the Business Plan is up-to-date and continuously rolled forward. This need is further emphasised by the requirements set out within the Growth Fund initiative whereby case performance has a direct relationship with future funding. The Performance Framework will also need to be robust enough to deal with future requirements.
2. Reporting against the milestones and targets in each of these documents is complex and requires a level of sophistication to satisfy the over-lapping but differing emphasis, reporting timescales and requirements of the MAA, Growth Fund initiative and the Business Plan.
3. The provisional framework reported to the last Programme Board on 24th October was submitted to each of the shadow delivery panels with these necessities in mind and provided each theme the opportunity to detail the progress being made against each of the activities, targets and objectives relevant to them within both the Business Plan and the MAA. Both KPI's and key actions set out in these documents were tracked. However, the Programme Board agreed the objectives and targets drawn out from these core documents presented a very full list which required some pruning to create a manageable and proportionate set of indicators in future iterations.
4. Subsequently, this report needs to be considered as the first step in the progression of the performance framework for PUSH and one which will evolve into a comprehensive and multi-layered system of reporting which focuses on the right strategic priority measures.
5. The following sections detail the progress to date against either the designated performance indicators or the listed activities for each of the themes that were detailed in the Performance Report taken to the Programme Board. In line with protocol recommendations put forward at the Overview and Scrutiny committee this reports draws attention to the identification and explanation of 'exceptions' with general progress shown in detail in the attached appendix.

MAA

6. Having drawn up its first Growth Point Programme and Business Plan at a time of economic growth, and agreed an MAA with ambitious economic targets as recently as the early summer, the change in economic circumstances is likely to have a significant impact on the deliverability of some of the PUSH targets. This is particularly evident in the 2008 New Growth Point submission, focussing, as the Government require, on housing delivery. In turn, the effect of the ongoing economic downturn can be demonstrated through the figures provided in relation to the MAA outcomes within each of the themes.

7. Specifically this relates to the number of residents claiming out of work benefits as the current economic downturn is increasing the on-flow to benefits not previously foreseen:
- The current number of 62,120 seeking out of work benefits is 5,420 more than the target of 56,700.
 - Equally a drop in the figures in respect of total employment rate could be expected as the source for this figure is not as up to date as the benefit recipients and therefore does not reflect the impact that the current economic downturn has had on employment figures yet.
 - Furthermore, in respect of hybrid market penetration current levels exceed the target of 11,100 with high levels of business engagement underway as a result of the economic situation.
8. The enabling measures relating to the transport infrastructure theme are all showing strong signs of progression and align with the target completion dates set (to be completed by the end of the year).
- The Memorandum of Understanding developed between the Department of Transport, Highways Agency and Transport for South Hampshire, as a framework within which the parties will operate and develop their approaches within South Hampshire, was signed on the 17th October 2008.
 - Continued dialogue to establish the full involvement of partners on a pilot to improve the operation of the local and national highways network, including Active Traffic Management on the M3 and M27 is still taking place but has not led to significant variance or risk preventing this pilot from being completed.

ECONOMIC DEVELOPMENT

9. Of the responses given to the status of actions within the Economic Development theme progress was positive with particular emphasis given to the developments made in relation to the establishment of the Employment and Skills Board.
10. In respect of key performance measures, questions were raised in relation to the measure:
- 'Percentage of working age who are economically active'. Although the current figure of 82% aligns with the target set it was commented that such a figure disguises the variance within the sub-region with only 77% economically active within Portsmouth for example.
11. A significant variance from the target stated occurs in relation to the 'total GVA change per annum'.
- There is the full year expectation of £120m in comparison to £178m as the target. Again, this lower than anticipated outturn comes as a result of the

current economic situation. The potential for above average growth, on which the £178m target was based, needs to be downgraded.

TRANSPORT INFRASTRUCTURE

12. Out of the 15 actions arising from Business Plan for this theme, none were reported to have slipped their targets. A small risk of construction overrun exists in relation to the phasing and financing of the Bus Rapid Transit system but this isn't significant enough to shift the projected outturn of the project from the target completion. Another possible issue that may arise is in relation to the access studies that are underway for the SDA's. The findings of these studies may lead to both a review of the locations and access strategies for these developments. Suitable mitigation measures are in place to address these slight risks and are detailed in the attached appendix.
13. The data collection for the traffic model being developed for South Hampshire is underway and there is an agreement over partner funding for the project. Nevertheless, a lack of support for developing the traffic model has emerged which will require ongoing efforts to address.
14. The detail behind all of the activities where progress has been identified at this half year juncture which relate to this theme can be found in the attached appendix.

QUALITY PLACES

15. As with other themes, Creating Quality Places is principally measured in qualitative terms with performance measured against the timely completion of proposed actions to achieve outcomes. In relation to the 18 action points detailed in the Business Plan Action Plan for Creating Quality Places which are reported against in this half year report, 3 are at 'red' status and require attention:
 - A proposed review of the visitor economy, identifying opportunities for growing and developing the offer, is undergoing revision with a new project looking at the 'Solent Corridor' to commence in its place in December.
 - Additionally, the programme for supporting creative industries in the sub-region, signified as action CQP5a is also undergoing a process of revision. A revised project to support provision of business advice is in the process of being set-up with a projected outturn completion date in November 2009.
 - In reference to the remaining action point which is set at 'red' status it has been proposed that the development of a programme for the Cultural Olympiad in South Hampshire is best led by individual authorities at this stage.
16. Many of the action points depend on the timely completion of the Cultural Strategy which is progressing in line with the target date and is due to be completed in December of this year.

PLANNING AND HOUSING

17. In relation to the housing targets, progress is broadly in line with expectation and it is anticipated that the set targets will be achieved. However for a substantial number of the measures for this theme because the 2008/09 financial year is the first year of PUSH private sector Housing Renewal Project, the monitoring information was deemed not to be available at this point in time but will be available in April. At this point a greater picture of our status in relation to key performance indicators will be possible.
18. Of the data that was at hand we are at present on track to reach the percentage of social housing stock meeting the decent homes target, we are exceeding the yearly target in the provision of affordable homes and we are on track to achieve our target percentage reduction in the number of people in temporary accommodation as at December 2004.

CONCLUSION & RECOMMENDATION

19. The spreadsheets that were circulated amongst the themes extracted the activities and indicators set out within the core documents for PUSH, albeit in a crude fashion. Upon discussion at the Programme Board further work was undertaken to refine the framework concentrating on the key strategic outcomes in the Business Plan and MAA, removing duplication, and identifying core indicators to underpin future delivery. Further consultation with the officer theme leads will follow approval of the principles by the Joint Committee.
- 20 It is therefore recommended that the Committee:
 - a) NOTES the half year performance results for each of the themes.
 - b) APPROVES the identified key strategic outcomes and the exception based approach adopted in the report as the basis for top level performance management and reporting to the Joint Committee.
 - c) AGREES that subsequent performance reports will be submitted to the Joint Committee on a 6 monthly basis.

Background Papers:

Reference Papers:

Enquiries: For further information on this report please contact **Dawn Baxendale:**
PUSH Economic Development Director

Tel: 07793758650

Email: dawn.baxendale@push.gov.uk



APPENDIX

Strategic Outcomes for PUSH and their measures

Many of the measures are collated on an annual basis and do not have figures available at this point in time. However the 6 monthly figures are shown to give an indication of progress on several of the strategic outcomes

Strategic Outcomes present in both the MAA and BP	Measures	Target	Progress	Status
1) Raise the skills and improve the employment opportunities	Total Employment	414,400	428,300	Green
	Percentage of working age economically active	81%	82%	Green
	Employment Rate	79.8%	78.3%	Amber
	Residents claiming out of work benefits	56,700	62,120	Red
	Percentage of working age population with L2 or above	79%	65%	Amber
	Percentage of working age population with L3 or above	56%	46%	Amber
	Percentage of working age population with L4 or above	30%	26%	Amber
	Achievement of a L2 qualification by the age of 19	82%	-	Amber
	Achievement of a L3 qualification by the age of 19	52%	-	Amber

	Apprenticeships	-	-	Amber
	Percentage achieving 5 GCSEs grade A* - C (including Maths and English)	-	HCC – 51.3% PCC – 33.1% SCC – 38.8% Average 41.1%	Green
2) Promote Innovation	Total Entrepreneurial Activity	-	11%	Green
	Gross VAT registrations per 1000 inhabitants	2.7	2.9	Green
	VAT stock per 1000 inhabitants	29	30.5	Green
	Percentage of businesses surviving 12 months	93%	93%	Green
	Percentage of businesses surviving 36 months	72%	72%	Green
	Increased Social Enterprise start-up	-	-	Amber
3) Deliver employment land	Amount of land with planning permission/allocated for Employment floorspace completions	-	-	Amber
	Amount of employment land developed for other purposes	-	-	Amber
	Hybrid Market Penetration	11,100	12,308	Green
4) Increased Business Support	Business Supported with intensive assistance by Business Link	1,680	1,400	Green
	Annual Total GVA change per annum in businesses supported (£)	£178m	£54.9m	Red
	5) Deliver non-transport related infrastructure to support development	-	-	Amber
6) Deliver housing to support economic growth (Delivery of an average 4,000 new homes each year)	Total housing completions compared to South East Plan targets	4,000 per annum	8386 built 2006-2008	Green
7) Deliver sustainable highways interventions to support development		-	-	Amber

Strategic Outcomes solely within the MAA	Measures	Target	Progress	Status
1) Secure the commitment of all partners to the delivery of the South Hampshire Sub-Regional Strategy		-	-	Amber

Strategic Outcomes solely within the Business Plan	Measures	Target	Progress	Status
1) Over the period 2006-26, raise Gross Value Added (GVA) from 2.75% per annum to 3.5%	GVA per resident (£)	41,100	17,300	Amber
	Percentage GVA growth rate	-	-	Amber
	GVA (£ million)	-	-	Amber
	Percentage GVA per worker growth	-	-	Amber
	GVA per worker (£)	-	-	Amber
2) Create 59,000 net new jobs	Total Employment	414,400	428,300	Green
	Employment Growth (16+ %)	-	-	Amber
3) Increase inward investment from both domestic and international companies		-	-	Amber
4) A stronger support sector (retail and commercial services)		-	-	Amber
5) Close the gap between areas		-	-	Amber
6) Reduced reliance on the car as the travel mode of choice	Rate of car usage	-	-	Amber
	Miles travelled per person	-	-	Amber
7) Improved management of the road network	Proportion of traffic on strategic transport network which is local vs longer distance	-	-	Amber
	Annual expenditure by infrastructure providers	-	-	Amber
8) New and improved junction capacity on strategic highways		-	-	Amber
9) New and improved public transport networks	Number of public transport trips made	-	-	Amber
10) Better rail links within the sub-region and increased use of rail	Number of people on rail network	-	-	Amber
	Number of journeys made on rail network	-	-	Amber
11) Better information systems to allow travellers to make more informed choices		-	-	Amber
12) Integrated transport	Modal split for journeys to work	-	-	Amber
13) A freight strategy to enable economic		-	-	Amber

needs to be met in a sustainable manner				
14) Develop a strategy to mitigate and adapt to the potential effects of climate change	CO2 emission reductions in South Hampshire	-	-	Amber
15) Reduced abstraction and consumption of water	Water reduction targets per head	-	-	Amber
	Water usage in commercial and housing development	-	-	Amber
16) Improved flood defences		-	-	Amber
17) Increased use of renewable power sources	Renewable energy delivered	-	-	Amber
	Output of renewable energy	-	-	Amber
18) Waste recycling and recovery facilities that minimise the impact of waste on the environment		-	-	Amber
19) Regeneration and productive use of Brownfield sites		-	-	Amber
20) Develop a strategy to mitigate and adapt to the potential effects of climate change	CO2 emission reductions in South Hampshire	-	-	Amber
21) Social infrastructure that meet the needs of the community	Number of disabled facilities grants made	-	-	Amber
22) Green Infrastructure that is accessible to users and improves biodiversity		-	-	Amber
23) Reduced abstraction and consumption of water	Water reduction targets per head	-	-	Amber
	Water usage in commercial and housing development	-	-	Amber
24) Increased use of renewable power sources	Renewable energy delivered	-	-	Amber
	Output of renewable energy	-	-	Amber
25) Waste recycling and recovery facilities that minimise the impact of waste on the environment		-	-	Amber
26) Regeneration and productive use of Brownfield sites		-	-	Amber
27) A balanced housing supply	Percentage of new homes with 1,2,3 and 4 bedrooms compared to targets in the sub-regional housing strategy	-	-	Amber
	Percentage of housing to be socially rented	30% - 40%	-	Amber
	Number of affordable homes a year on average	1425	1631	Green
	Number of disabled facilities grants made	-	-	Amber
28) Greater opportunity for people to buy their own homes	Percentage reduction in the number of people in temporary accommodation as at December 2004	50%	54%	Green

29) Renewal of major estates to improve and diversify the housing stock, provide additional dwellings and help reduce concentrations of deprivation	Number of private homes improved	-	-	Amber
	Number of private homes taken out of fuel poverty	285	-	Amber
	Number of private homes made accessible	193	-	Amber
	Number of empty homes made decent and reoccupied	42	-	Amber
	Increased number of people helped to live independently	-	-	Amber
30) Two new mixed communities of sustainable homes in our SDA's	Location of new housing and employment development	-	-	Amber
31) Delivery of major housing and mixed development schemes including urban extensions that will start to deliver new homes by 2010/11	Location of new housing and employment development	-	-	Amber
32) The existing housing stock to be decent and fit for purpose	Number of private homes improved	2610	-	Amber
	Percentage of social housing stock meeting decent homes target	100%	80%	Green
	Number of private homes made decent	1286	-	Amber
	Number of rented properties made decent/energy efficient	976	-	Amber
33) New homes built sustainably, initially to at least level 3 of the Code for Sustainable Homes	Number of dwellings built above Code level 3	-	-	Amber
	Number of private homes made energy efficient	976	-	Amber
34) A coherent set of up-to-date Local Development Frameworks		-	-	Amber
35) Good design. To create a sense of place in every new development and regenerated community	Percentage of commercial schemes and new homes which meet specified Code for Sustainable Homes/BREEAM Standards	-	-	Amber
36) An enhanced and thriving natural environment		-	-	Amber
37) Enhanced quality of life through a diverse and vibrant cultural and sporting offer		-	-	Amber
38) A thriving creative business sector and a healthy visitor economy		-	-	Amber