



*Item 6*

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

Date: **7 May 2009**

Report of: **Stuart Jarvis, PUSH Managing Director**

Subject: **Managing Director's Update Report**

## **SUMMARY**

Since the Committee last met in October, a number of significant developments have taken place within PUSH. This report sets out a brief summary of these key developments, including a brief overview of progress in the second half of the year up to 31 March 2009.

## **RECOMMENDATION**

That the Managing Director's Report be considered and noted

## INTRODUCTION

1. Since the Committee last met in October, a number of significant developments have taken place. This report sets out a brief summary of those key developments not covered elsewhere on the agenda, and a brief overview of progress in the half-year finishing on 31 March 2009.

### New Governance Arrangements

2. The proposals for the new PUSH Governance structures were considered and approved by the Joint Committee at its meeting on 17 November 2008. After extensive consultation and discussion, the new Delivery Panel arrangements were approved as part of the package of Governance changes designed to give greater delivery focus to PUSH, and to provide a more inclusive forum for partners to align themselves and their activities with the core mission of PUSH in delivering its Business Plan priorities.
3. The new Governance arrangements also formalised the role of the PUSH Business Group and established the Employment and Skills Board, as originally proposed in the Multi Area Agreement (MAA). The Governance report also contained terms of reference for the new Delivery Panels and the ESB, and invited political appointments to these bodies. The Delivery Panels are now chaired by a Joint Committee Member, whilst the Employment and Skills Board (ESB) will be chaired by a private sector business leader. The Delivery Panels are now becoming well established, and membership is being drawn from a range of key partners, ensuring that PUSH is able to align action and investment across a range of organisations to support the Business Plan objectives. A diagram of the new PUSH structure and list of appointments made by the Joint Committee is set out in Appendix A.

### Responding to the Sub-National Review of Economic Development (SNR)

4. On 31 March 2008, the Government published a consultation document, '*Prosperous Places: taking forward the review of sub-national economic development and regeneration*' (now generally referred to as the SNR). Over 500 responses were received, which the Government considered, prior to publishing its proposals for taking forward the SNR. In addition, the Government wrote two letters to the RDA, County and Unitary Authority Chief Executives explaining their emerging policy in this area and outlining a process for taking forward their "city region" approach in two areas on a pilot basis in 2009/10. These developments were considered by the Joint Committee at its meeting on 15 January 2009 when a general discussion about the SNR proposals and the potential future options for PUSH took place.
5. PUSH recognised the significance of the original Government SNR proposals, which promised devolution of powers and responsibilities to support working at the functional economic area or sub-regional level. The Review had sought to build on the success of initiatives, such as the MAA, to provide an enabling set of provisions to support the sort of approach adopted by PUSH and other partnerships around the country, to working across administrative boundaries at a sub-regional level.
6. Whilst several aspects of the proposals were potentially significant for PUSH, it was suggested that the key areas for PUSH concerned the new sub-regional

arrangements, and the potential for PUSH to secure greater delegated powers and funding from regional and national government agencies. It is considered that there are significant advantages to both the Government and the PUSH partners in further developing the South Hampshire MAA as an alternative model to the “city region pilot” approach. The additional prospect of securing greater devolution of funding and responsibilities from central Government and the regional agencies is also a key potential benefit to PUSH that should not be passed up lightly. The logical extension of the PUSH philosophy and the existing MAA approach is to develop a set of agreed outcomes with the Government, and then to be given autonomy and responsibility for delivery, with control over resources, which would, and should, include funding currently channelled through other agencies and bodies.

7. There was much to consider in the SNR response, and this will need to inform PUSH thinking and development in the medium term. In the interim, work on the MAA refresh was seen as the best immediate prospect for securing improved delivery arrangements for PUSH. The Joint Committee, therefore, agreed that authority be given to explore the opportunities and options arising from the SNR in more detail, with a Leaders' briefing/seminar to be arranged to discuss the position further in due course, with a clear focus on developing arrangements which maximise effectiveness of delivery of the South Hampshire strategy and the PUSH objectives.

#### MAA Refresh

8. The Joint Committee considered the potential benefits and disadvantages of embarking on a “refresh” of the South Hampshire MAA at its meetings in November 2008 and January 2009. The Joint Committee resolved to concentrate efforts on adding a limited number of new outcomes to the MAA, focusing on established priority areas rather than a wholesale re-negotiation of existing targets, or major expansion of the scope of the MAA.
9. There is still a requirement for significant development in a number of the existing MAA outcomes, and whilst the overall picture is reasonable, there are a number of missed milestones already. Some consultation took place with partners and other interested parties through the PUSH theme groups, and these deliberations informed the recommendations put before the Joint Committee in January. Transport for South Hampshire (TfSH) Joint Committee also met in January and reviewed the transport outcomes.
10. The PUSH Joint Committee agreed priority outcome areas, as a basis for negotiation of the MAA, with TfSH supporting the Transport ones. These are set out in the Table at Appendix B. Since the Joint Committee meeting in March, new proposals have emerged from Whitehall on the MAA refresh process and these are currently being considered by PUSH Officers, with a view to a further report being prepared for the Joint Committee in due course.

#### Local Development Framework Protocols

11. The Joint Committee has now agreed a process for PUSH to respond to Local Development Framework (LDF) consultations from partner local planning authorities within South Hampshire. This is seen as an important step in assisting local planning authorities where PUSH support can help to bolster the

case for the strategy being pursued in the LDF, where this is consistent with the overall South Hampshire approach. Where there is a significant proposed departure, PUSH has also agreed to consider lodging objections to the LDF policy, but this is considered to be an exceptional provision which will not be called upon in the normal course of events.

### External Funding

12. Item 8 on this agenda deals with the PUSH budget and Capital Programme for 2009/10. However since the Scrutiny Committee last met in October, some significant announcements have been made in respect of external funding for projects affecting South Hampshire, particularly in respect of Transport. TfSH's Bus Rapid Transit project has secured Community Infrastructure Funding provision of £20M for Phase 1 of the project, the second largest award from the scheme nationally. In addition, two further transport projects in Portsmouth have been brought forward in the regional funding programme. These are the new access to the regeneration site at Tipner (new motorway junction) and the Trafalgar Link Road project to improve access to the Naval Dockyard.
13. PUSH itself has also secured the maximum funding possible under the Government's formula, with an increase of some 25% on previous indicative allocations for both revenue and capital funding, giving PUSH a Capital Grant of some £17¼M over the two years 2009/10 and 2010/11 and a revenue grant of just under £1½M for the same period. However, the allocations are significantly less than we asked for (£28.9M capital and £2.2M revenue).

**Table 1 PUSH Growth Fund Allocations 2009-11**

	2008/09	2009/10	2010/11	Total
<b>Capital</b>	£565,127	£7,253,000	£9,429,000	£17,247,127
<b>Revenue</b>		£844,216	£578,000	£1,422,216
<b>Total</b>	<b>£565,127</b>	<b>£ 8,097,216</b>	<b>£10,007,000</b>	<b>£ 18,669,343</b>

*NB – The 2008/09 allocation is in fact an advance part payment for 2009/10, made early at the request of the Government for administrative reasons.*

### Core Team Staffing and Structure

14. The Economic Development Director appointed in September, on secondment from Havant Borough Council, has recently left PUSH having been appointed to a new role as Assistant Chief Executive at Southampton City Council. Her role will be to lead on Economic Development and Regeneration for Southampton, so we will continue to see her close involvement with PUSH in the future. She took up her post with Southampton on 14 April. PUSH is currently in the process of recruiting a replacement, with interviews due to take place in mid May. PUSH is currently recruiting two temporary Project Feasibility Managers to support work on the SDAs, and these posts will be based in Fareham and Eastleigh Councils, although they will be part of the PUSH team. With funding from the Capital Programme, PUSH is also currently recruiting a Programme Manager for the Eastleigh RiverSide Strategic Employment Zone project, again based in Eastleigh, and also on a 2 year fixed term contract.

### PUSH Organisation Development

15. In order to support the continued development of the Partnership, further Joint Committee/Scrutiny Committee briefings are planned for 2008/09. Some of these are likely to be joint events with TfSH. At present, details are being finalised, but it is likely that the programme will include events around future PUSH development to support delivery, Communications and promotion of South Hampshire for Inward Investors, and technical seminars on issues such as Sustainable Energy provision. These events are also seen as a valuable forum for discussion on items of interest to PUSH members at an early stage in the process of developing a PUSH response or position.

## **CONCLUSION AND RECOMMENDATION**

16. This has once again been a very busy period for PUSH, and a period of considerable change in PUSH's structures and Governance which is only now beginning to settle into place. There has been significant progress in developing the capacity of the Partnership to become a more delivery focused organisation, though much work remains to be done. PUSH has also enjoyed considerable national profile through its work on the MAA and its adoption of new Governance structures, which are attracting interest from many other areas. However, the challenges of the recession will certainly impact on our targets for growth and development in South Hampshire in the immediate future, and the Partnership will be carefully considering how best to support business and communities in the immediate future, without losing sight of the long term objectives for the area.

### **Recommendation**

17. That the Managing Director's report be considered and noted.

**Background Papers: - None**

**Reference Papers:**

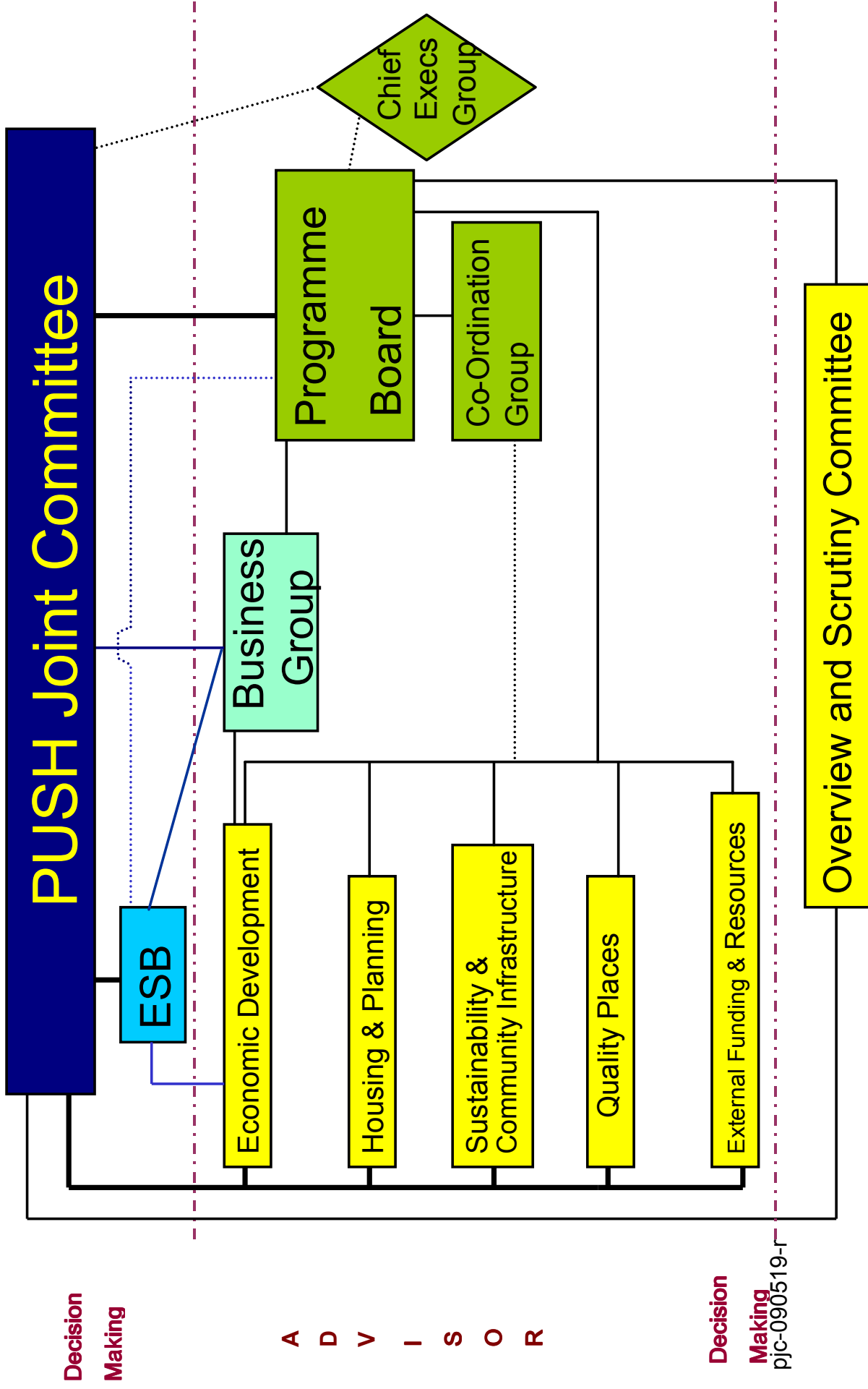
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GOVERNANCE STRUCTURE AND APPOINTMENTS



Delivery Panel	Chairman	Other Member Representative	Officer Support	
			CX	Operational Leads
Economy <sup>1</sup>	Councillor Beckett (WCC)	Councillor R. Smith (SCC) Councillor D. Smith (GBC)	Bernie Topham (EBC)	PUSH EDD Kathy Wadsworth (PCC) - Skills
External Funding and Resources	Councillor Thornber (HCC) <sup>2</sup>	Cllr House (EBC)	Andrew Smith (HCC)	Jon Pittam/Tom Niedrum (HCC) Stuart Jarvis (PUSH)
Housing and Planning	Councillor E. Heron (NFDC)	Councillor Guest (HBC)	David Williams (PCC)	Stuart Roberts (HCC)-Planning Barbara Compton (SCC) – H'sg
Quality Places	Councillor Vernon-Jackson (PCC)	Cllr Burridge (EHDC)	Simon Eden (WCC)	Charles Freeman (PUSH - WCC)
Sustainability & Community Infrastructure	Councillor Hatley (TVBC)	Cllr Swanbrow (FBC)	Sandy Hopkins (HBC)	Frank Campbell (HBC) – Sust. Steve Lees (TVBC) – Comm. Infst.
<b>Board</b>	<b>First Delegate</b>	<b>Second Delegate</b>		
Employment and Skills Board (ESB) <sup>3</sup>	Cllr Beckett (Economy Panel Chair)	Cllr Thornber (PUSH VC and Chair of External Funding & Resources) <sup>2</sup>	Bernie Topham (EBC)	Dawn Baxendale (PUSH) Kathy Wadsworth (PCC) - Skills

<sup>1</sup> Isle of Wight also invited to send a member

<sup>2</sup> Cllr Thornber has subsequently advised that he is standing down from his PUSH appointments and therefore new appointments will be made in May.

<sup>3</sup> Chair from Business Sector, Other delegates to be from private business, HE, SEEDA, JC+,LSC, Business Link.



## APPENDIX B

### MAA Refresh Priority Outcome Areas

Outcome Area	Comment	Panel	Partners
Green Infrastructure/ Natural Environment	Possible Memorandum of Understanding (MoU) with Natural England and the Environment Agency – also potential funding/target changes at national level to secure delivery of Green infrastructure.	S&CI	Nat England/ Env Agency/ Defra.
Enterprise, Skills and Innovation	Potential further development of skills outcomes and scope to include new outcomes around ICT and new Innovation and Growth Team delivery, plus environmental technologies, and enhanced Higher Education and Commercial integration.	ED	SEEDA/ Universities/ Innovation & Growth Team
Public Transport	Possible MoU with Network Rail to secure shared objectives on supporting the delivery of transport investment and improvements to support growth. Also potential bus passenger benefit and bus procurement measures from development of bus based outcome within the MAA. TfSH Joint Committee to review priorities at January meeting.	TfSH JC <sup>4</sup>	Network Rail; Bus Operators
Priority Estate Regeneration	Possible MoU/Formal agreement with HCA re longer term funding and outcomes for regeneration of priority public housing areas (Rowner, Leigh Park, Somerstown, Thornhill and other priority estates in South Hampshire) tackling a range of issues in an integrated programme incl. skills and employability, housing conditions and redevelopment, community facilities, environment and social exclusion.	H&P	HCA/ CLG

<sup>4</sup> Transport for South Hampshire is a separate Joint Committee of the three highway authorities, which works with PUSH to formulate and secure delivery of strategic sub-regional transport solutions to support the growth strategy for South Hampshire.

External Funding/Better use of Assets.	Potentially significant measures to secure funding at sub-regional level, assisted development of an SPV Delivery vehicle (re Employ land) and exploration of a Sub Regional Investment Fund with Government backing. Potential also for Joint Investment Framework agreement with SEEDA (and HCA?) to secure agreed priorities and funding in medium term.	EF&R	Govt/ SEEDA
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