



Background

The South Hampshire Agreement (SHA – the Multi-Area Agreement for South Hampshire) was signed in July 2008 as one of the first wave of MAAs. Since the context for MAAs in general and the SHA in particular has changed dramatically. In particular the recession has changed the macro-economic context beyond recognition and thinking in Whitehall and South Hampshire on the purpose and framework for MAAs has moved on significantly.

Consequently the Partnership for Urban South Hampshire (PUSH) and Communities and Local Government (CLG) have been working together to take stock of the impact of the SHA to date the (stocktake) and to update and expand the scope of the SHA (the refresh). This report sets out the findings of the stocktake phase of that work and presents some conclusions and recommendations from it to inform negotiations on the refresh of the SHA.

Methodology

The objective agreed between PUSH and CLG for the stocktake was:

To develop a shared understanding of the progress and impact of sub-regional working in South Hampshire.

It was also agreed that the stock take and refresh process should be light touch and jointly undertaken and locally owned, rather than have any feel of PUSH being “inspected”. This approach was intended to help to ensure the stocktake places equal emphasis on national and local objectives and differentiates the MAA stocktake from assessments made of progress on LAAs (through the CAA inspection regime) and indeed to differentiate the MAA itself from LAAs.

Through a small working group comprising representatives from CLG/GOSE and PUSH the following, “light touch” methodology was adopted for stocktake of the SHA both in 2009 and beyond:

1. **Level 1:** a high level review of **long term outcomes/trajectories** such as those articulated in the PUSH vision. It was agreed that it would not be possible or helpful to seek to undertake this type of review at such an early stage of implementation of the SHA but it is the intention to do so in future annual stocktakes. It was also noted that PUSH has just commissioned an in-depth review of its economic development evidence base and strategy with a view to adopting a refreshed strategy in 2010.
2. **Level 2: Intermediate “measures”** of the effectiveness of sub-regional partnership working and the impact of the MAA in particular. It was agreed that the focus for the 2009 stocktake should be on this level of



questioning but always with the question of “and so what” (i.e. impact/deliverables – level 3) in mind and also asking the question about what improvements could be made and what is the capacity for making such improvements. Assessment of this “level 2” impact was primarily achieved through a questionnaire survey of partners in South Hampshire and of participating Whitehall Departments. For Whitehall Departments a sub-set of these questions was used. In addition, an assessment of the progress in implementing the SHA enabling measures has also informed this level of the stocktake (see below). It was also agreed that a small number of case studies would be worked up before the end of 2009.

3. **Level 3: measures of impact/deliverables.** Some information on this level of the stocktake was collected through the questionnaire referred to above. In addition it was agreed that the following “primary data/information” would be required to inform assessment of impact/deliverables:
 - a. Hard data on performance against the current MAA targets supplemented by “soft” commentary on the context within that performance has been achieved.
 - b. Review of comparative performance data between South Hampshire and the South East Region as a whole.
 - c. An assessment of compliance with/progress against enabling measures agreed in the 2008 SHA.
 - d. Further information from PUSH on progress/deliverables such as joint policies/investment frameworks/agreements etc where not already picked up in the enabling measures assessment.

Questionnaire responses and analysis

The questionnaire was circulated to 10 partners in South Hampshire/the SE Region as well as to various Whitehall Departments (and policy divisions within CLG). Eight responses were received from local partners, one completed questionnaire was received from the Department for Transport, various, limited narrative responses were received from other Government Departments and a slightly fuller narrative response from CLG-Housing.

Local partners

The table below summarises the responses received from local partners in respect of the non-narrative questions. In general respondents were asked to give a score of 1-5 with 5 being the most positive, in one case a yes/no response was asked for and in many cases narrative responses were sought which are used to inform the analysis presented below.



	Question	Average score	Range of scores	Number of "don't know" responses
1	How effective would you say the relationships are between PUSH partners in <u>determining</u> MAA strategy and priorities?	3.88	3-5	0
2	How effective would you say the relationships are between PUSH partners in <u>delivering against</u> MAA priorities?	2.88	2-4	0
3	How clearly has PUSH clearly <u>articulated</u> the MAA strategy and priorities?	3.38	2-4	0
4	How effectively has PUSH <u>maintained focus</u> on its MAA strategy and priorities?	3.00	3	1
5	How effective has PUSH been in responding to changing circumstances?	2.86	2-4	1
6	How effective has PUSH been in responding to the recession?	3.43	3-4	1
8	How effective are PUSH partners at aligning priorities?	3.29	2-4	1
9	How effective are PUSH partners at aligning spending?	2.71	2-4	1
10	How effectively has PUSH delivered against its own action plans?	3.00	2-4	1
11	How effectively has Government delivered on its MAA commitments to PUSH and its partners?	3.14	2-5	1
15	How important has aligning priorities between partners been in adding value to activity in the sub-region?	4.00	3-5	1
	As a result of sub-regional partnership working has PUSH secured additional resources/investment from:			
16a	Governmental Sources	Yes = 7 No = 0		1
16b	The private sector	Yes = 1 No = 3		4
	To what extent has central Government devolved powers and responsibilities to:			
18a	PUSH	3.00	1-5	4
18b	TfSH	2.00	1-2	5
18c	LA's	2.00	1-3	6
	To what extent has central Government devolved control over resources to:			
19a	PUSH	3.50	3-5	4
19b	TfSH	2.50	2-3	4
19c	LA's	3.00	3	6

The headline analysis of these responses is that partners consider PUSH is doing well at:

- building relationships (positive examples cited include working with partners on affordable housing, environmental leadership and work on business support and inward investment however the narrative responses on partners engagement are more mixed);
- development of strategy and priorities (with similar positive examples although a more mixed narrative response on priority setting and focus);



- aligning priorities; and
- securing devolution of central government resources to PUSH. Based on the narrative responses, question 19 seems to have been interpreted more narrowly than intended as being about securing new resources from Government with NGP, CIF (for Bus Rapid Transit) and various funding streams for employment and skills being cited by many partners.

However, PUSH is seen by partners as doing less well on:

- alignment of spending between partners (partners specifically cite the need to agree joint investment frameworks and the need to focus on fewer spending priorities);
- the effectiveness of actual delivery by PUSH (poor employer engagement is cited by partners as well as implementation of actions/recommendations from strategies/studies);
- securing additional funding for TfSH and individual local authorities (though, on these, many respondents did not know); and
- securing devolution of power and responsibilities from Government (note also that there is a wide range of responses to this question)
- securing additional private sector resources (even the one positive response here could not give an example of such).

The responses to questions 4, 5 and 6, when taken together are intriguing. Partners do not see PUSH being particularly strong at responding to changing circumstances generally but they are significantly more positive about PUSH's response to the recession specifically, with strong and detailed examples of responses cited by respondents (see appendix 1). Perhaps not surprisingly, therefore, the result for maintaining focus comes down as neither positive nor negative.

Finally, respondents give mixed views (overall slightly positive) on how well Government has delivered on the enabling measures with no particular pattern in the responses.

A compendium of narrative responses are presented (anonymised) in appendix 1.

Government departments

Comparison of the responses received both between Government Departments and, where applicable, with those of their agencies/local partners, yield some interesting observations including:

- There is a high level of agreement on the issues covered by the questionnaire amongst the transport community (DfT, HA and TfSH) except on the issues of: funding and Government delivering on commitments – where TfSH have a significantly more negative view than DfT and HA– and on strategy where DfT have a significantly more positive view than TfSH and HA. On devolution of



funding, the difference in view reflects the fact that locally, allocation of funding for specific schemes is not perceived as devolution of control over transport spending decisions. Overall, though, the picture is one of increasingly positive engagement and dialogue and a more positive perception of relationships on all sides as a result.

- Responses from other Government departments have been poor and indicate either limited engagement or some misunderstanding. It would appear that further work is required to encourage and obtain a stronger dialogue from both sides and build stronger local-centre relationships.
- There are, in general, however, somewhat stronger levels of engagement and relationships between PUSH and the environmental, economic, skills and employment agencies (SEEDA and Business Link, the LSC, Job Centre Plus, Natural England, Environment Agency and the Forestry Commission), which could suggest that their "parent" departments are leaving it to their agencies, although, from PUSH's perspective, that is not wholly satisfactory when it comes to significant policy discussions.

Implementation enabling measures

Progress on implementing/agreeing enabling measures in the SHA is summarised at appendix 2. In summary, the overall picture is patchy. Enabling measures EM4 (business support) and EM5 (transport) were completed on time. Some elements of EM2 and EM3 (employment and skills) have progressed quickly but others have proved more difficult to complete. EM6 (developer funding) has not moved forward for a variety of reasons including a rapidly changing policy environment which has overtaken the initial objectives of this enabling measure, effectively making it obsolete. It has now been subsumed within the funding strand of discussion on the refresh of the SHA. Some progress has been made on EM9 (flood risk) although it has been hindered by the severe reduction in planning applications coming forward due to the impact of the recession. This and EM8 (HCA flexibilities) are now being progressed through the relevant strands of discussion on the SHA refresh.

It should be noticed that a number of the targets in the SHA were dependent on implementation of enabling measures, particularly in respect of employment and skills.

Overall, it would appear that the patchiness of progress on enabling measures is due to a range of factors including:

- unrealistic timescales adopted in the first place;
- in the case of EM6 in particular, lack of specificity and urgency from PUSH due to the rapidly changing policy environment;



- lack of urgency by responsible Government Departments and/or the issue being overtaken by national policy shifts (with detrimental impacts on timescales); and
- impacts of the recession.

Strongest engagement from Government Departments appears to be on transport, business support and environmental issues, with more patchy engagement on employment and skills issues and poor engagement from both PUSH and Government Departments on funding issues. This spectrum of the extent of buy-in from Government Departments appears to mirror the responsiveness (in time and quality) of Government Departments to the questionnaire survey.

It should be noted that the extent of buy-in from Government Departments is not necessarily mirrored in the extent of engagement from Government Agencies (locally and regionally) where the buy-in generally appears to be stronger.

Performance against targets

The latest data – where available – on performance against the targets set out in the SHA is presented at appendix 3. Overall it paints an encouraging picture of South Hampshire showing **significant resilience to the impacts of the recession**.

Employment performance is, to date, holding up reasonably well, particularly when compared to the national and some regional comparators. In many ways such comparisons are a more robust measure in the current climate, not least because a further worsening of the employment situation should be expected due to the lag in timing of the impacts of recession on employment). Data from GOSE also suggests that the Job Seekers Allowance claimant rate has stabilised recently with the significant numbers of people joining the claimant count being balanced by similar numbers leaving.

That is not to say that South Hampshire is unaffected by the recession – quite the contrary, total employment is falling and claimant count is rising – but comparatively the sub-region is showing resilience and responsiveness. Data from GOSE also shows that within the South Hampshire sub-region there are significant variations in performance, with Portsmouth, Southampton and Havant experiencing significantly worse impacts from the recession than the rest of the sub-region.

For **level 2 skills** South Hampshire has now risen above the national average and is on trajectory to achieve the 2011 target in the MAA. For **level 3 skills** South Hampshire is now broadly in line with the national average but a significant increase in the rate of improvement is required to meet the 2011 target. Nevertheless the substantial improvements to date reflect the priority given to level 2 and level 3 skills in the sub region and supports the questionnaire feedback that increased focus and prioritisation is leading to improve performance but that there is remain much more

to be done to ensure that further transformational actions are put in place to realise PUSH's ambitions for employment and skills levels amongst the existing population of South Hampshire.

Business support performance is very good, particularly in terms of penetration measures, although inevitably the GVA impact of business support is severely impacted by the recession. Overall economic performance (measured as GVA per resident), however, appears again to support the conclusion that South Hampshire is managing to minimise the impacts of recession better than most.

Particular care should be taken, however, when interpreting the transport and housing completion measures. For transport, the impact of recession would be expected to be a reduction in traffic levels, and hence in congestion, and this indeed is shown to be the case. For housing completions, there will also be a significant time-lag factor for the impacts of the recession. Data on dwellings under construction and new starts for the coming year shows that a significant (30-50%) fall in performance on completions can be expected in the coming period.

Further "soft" information

In general, further "soft" evidence of strengthening relationships within the sub-region and improved coordination and delivery as a result, has been picked up in the analyses presented above. Nevertheless, it is worth stressing that a considerable amount of goodwill and trust has been developed locally between PUSH, its constituent local authorities and local partners (particularly in the public sector). This is particularly evidenced by the enthusiasm with which many have worked with PUSH to respond to the recession, secure additional resources and, more recently, to engage in discussions about joint investment frameworks, alignment of resources more generally and further exploration of memoranda of understanding on difficult issues around transport and environmental issues. As evidenced by the responses reported above, further work is needed, however, to improve engagement of businesses in the sub-region.

Conclusions

Overall, therefore the following SWOT picture emerges from the above analysis including some important messages and opportunities for:

- discussions on the refresh of the SHA;
- continued implementation of the current SHA; and
- the focus of the forthcoming revised economic development strategy and evidence base.



Strengths	Weaknesses
<ul style="list-style-type: none"> • Relationships between partners in the sub-region and buy-in from Government Agencies. • Evidence base, strategy development and identification of priorities. • Alignment of priorities between partners. • Response to the recession. • Performance against targets in light of economic circumstances. • Securing additional resources (generally). • Good engagement and buy-in from some Government Departments. 	<ul style="list-style-type: none"> • Alignment and pooling of resources. • Translation of strategy into delivery. • Focus on priorities and responsiveness generally (though not to the recession). • Room for improvement in engagement and buy-in from some Government Departments. • Devolution of power / responsibility / control from Government. • Unsatisfactory employer engagement. • Securing more resources for TfSH and local authorities and from the private sector.
Opportunities/important next steps	Threats
<ul style="list-style-type: none"> • Strong mandate / imperative, and willingness from partners, to develop joint investment frameworks with Government Agencies. • Important to develop better dialogue with Government Departments where engagement is relatively poor in particular on economic / employment / skills issues and to progress the funding mechanisms strand of negotiations in SHA refresh. • Opportunity to strengthen further relationships with transport and environmental agencies through the SHA refresh discussions. • Clear need to ensure that the new economic development strategy and MAA refresh reflect focussed priorities and a purposeful focus on delivery (through partners). • Opportunity to re-shape, and necessity to review the levels of, targets in the SHA (see appendix 4 for further thoughts on this). • Need to improve employer engagement significantly. 	<ul style="list-style-type: none"> • Disillusionment from partners if not able to secure additional resources. • Partners finding PUSH governance too excluding / cumbersome / un-responsive. • Impact of recession on performance measures with significant time-lag is more severe than anticipated. • Low levels of engagement with the sub-region from some Government Departments and/or employers.



Appendix 1: Narrative questionnaire responses

Q7 What are the tangible impacts of the PUSH response [to the recession]?

“Increasingly closer working between South Hampshire Local Authorities and Business Link through ... alignment of services to business has made a tangible difference. The alignment of inward investment capacity and services across Portsmouth and Southampton has real potential.”

“Priorities have been revised due to changing economic context, very responsive to economic downturn – creation of multi agency working has provided a sound basis for this to evolve. ...Ford multi agency task force is a good practice model that has been adopted in other sub-regional areas, Also establishment of IES trial area with JCP and ANP pilot.”

“An immediate, co-ordinated response to two high profile redundancies which provided a one-stop support network consisting of all public sector agencies for those employees facing redundancy. The Partnership also developed a bespoke online directory providing access to all information regarding support available to both employers and employees facing redundancy.”

“PUSH have sustained their environmental standards as outlined in the paper called “Responding to the Recession”. This showed leadership at a difficult time. Sustainability is key to success in the sub-region.”

Q12 What has PUSH done well?

“Held the line on relationships whilst trying to get the momentum going.”

“Preparing joint studies and strategies such as the Integrated Water Management Strategy, the PUSH Strategic Flood Risk Assessment.”

“Secured and committed external sources of funding (growth point and CIF) funding to help with the delivery of MAA targets.”

“Successfully working in partnership to secure funding to operate the Advanced Network Prototype in readiness for the Adult Advancement Careers Service and to deliver job opportunities to residents using the Future Jobs Fund. The formation of a Multi Agency Employment and Skills Task Force greatly facilitated these achievements.”

“Accountability and transparency through Joint Committee and open meetings. Holding together a diverse and complex partnership. Using PUSH MAA and partnership status to secure Government funding e.g. Kickstart housing, Future Jobs Fund, Rapid Bus Transit scheme.”

Q13 What hasn't been so successful and why?

“It feels pretty unwieldy at times, rather process focused and I think we could sometimes just take some short term actions and get moving.”



"Taking the recommendations of the strategies forward. For example, little progress has been made with the recommendations in the Integrated Water management strategy since it was published in March 2009 none of the recommendations have been taken forward."

"Progress in recruiting employers to become members of the Employment and Skills Board has been disappointingly slow. Employers have been reluctant to become involved in other activities when their businesses are under pressure."

"This has yet to develop – a joint investment framework is the next stage in the process."

"Insufficient focus on the priority activities needed to take the South Hampshire economy forward – the latest action plan includes a huge number of actions – need to focus on fewer and prioritise resources accordingly."

Q14 If you could improve one thing about how PUSH delivers against the MAA what would it be?

"How actions in the MAA are developed with the partners and prioritised, for example the Non-transport infrastructure outcome hasn't been invested in as well as the transport element of the MAA. This process is improving through the MAA refresh."

"An enhanced approach to delivering new housing across the SDAs and more generally, a greater emphasis on improving housing quality and design standards across the sub-region."

"Increased alignment of services and funding."

"The new Economic Development Strategy will be critical to effective delivery of the MAA. Particularly keen we factor in a mapping of economic assets (existing sector/industry/R & D strengths and assets) so we know what we are developing the economy from."

Q17 ...please give an example of the type and the scale of investment/additional resource.

"Whilst hard to pin down there is good will towards PUSH which means there is interest in what we are doing and I think that may underpin future budget allocations to this sub region."

"The recent cuts in growth point funding send a mixed message and are of concern."

"Highways Agency have made contribution (50k) to TfSH evidence base study as a direct result of the MAA."

"Growth point funding"

"Future Jobs Fund £5,850,000 from government."

"ANP pilot and future jobs fund, plus skills pledge investment."



“Using PUSH MAA and partnership status to secure Government funding e.g. Kickstart housing, Future Jobs Fund, Rapid Bus Transit scheme. Less able to provide examples of direct leverage of private sector investment.”

“Community Infrastructure Fund grant of £20million for Bus Rapid transit, Phase 1.”

Q18 Example of devolution of powers/responsibilities from Government.

“The localisation agenda has provided our sub regional partners the opportunity to be involved in the consultation and commissioning of [contracts we procure]. In the case of PUSH, they opted to be included at level one – consultation only (at this stage).”

Q19 Example of devolution of control over resources.

“CIF funding for rapid transport link in South Hampshire.”

“TfSH has finally succeeded in attaining a member on the Regional Transport Board.”

Q20 What do you think are the most tangible impacts of the PUSH MAA?

“We can see our own projects and flexibilities have delivered. I suspect some longer term developments are harder to see at this stage in other areas.”

“Improved partnership working, aligning priorities and accessing helpful resources.”

“Demonstrable shared vision between LA partners. Agreed priorities at a sub-regional level. Clear timetable for delivery. Helped to secure additional external funding. Raised expectations of external partners.”

“Multi-agency working and partnership approach to strategy development in the sub region. Strategic bidding to key funds – e.g. Future jobs fund. Linkages between theme areas – e.g. role of skills in economic development, transport and wider areas such as retro fit.”

“A shared (economic) vision for South Hampshire.”

“Commitment to closer working, particularly with the Highways Agency.”

Q21 What are the most important areas for improvement?

“Moving from planning and process to action.”

“The environment and natural environment elements should be improved and strengthened.”

“Delivery – although good progress has been made and the recession has inevitably had an impact on the sub-region, it is important that the partnership continues to deliver against the action plan targets.

“Increased employment rates for residents and an upskilled workforce. It is important that maximum opportunity is taken during this recession period to upskill our resident



population so that the existing labour force within the sub-region is able to attract and retain inward investment of high value industries and the subsequent knock on of opportunities within the labour market to increase overall GVA."

"Business engagement – the establishment of the ESB has been slower than expected. Governance 1 – overlap/duplication between Business group and ESB? Governance 2 – PUSH not a legal entity, and therefore there need to be clearer protocols for contracting – e.g. who is the accountable body?"

"Agreeing and focusing in on absolute top priorities. Determining a new economic strategy to grow the South Hants economy in light of changed economic circumstances. Undertaking a fundamental review of regeneration/land and property/transport wish list in light of significantly reduced capital spending by Government in med to long term."

Q22 Further comments

"We have been more involved in the MAA refresh in 2009. Our relationship and involvement with PUSH continues to improve and we look forward to shaping the MAA to help deliver growth and environmental improvements in the sub-region. We may need help to understand how and when to use the MAA process to best effect."

"Beware of over optimistic expectations from Government agencies resulting from the MAA."



Appendix 3: Progress in implementing SHA enabling measures

Enabling measure	Departmental responsibility	Timescale	Suggested Revised timescale	June 09 update
<p>Government departments and their agencies agree to an informal duty to co-operate (pending any legal duty) with the partnership and its stakeholders to examine barriers to deliver and potential solutions and to align priorities and resources with those of the partnership, recognising that it will not always be possible for Government and its agencies to agree to solutions & alignments that the partnership would like (EM1)</p>	<p>All Government departments and their agencies</p>	<p>Immediate</p>	<p>N/A</p>	<p>Completed.</p>
<p>To jointly review with the partnership how to use Train to Gain funding to support Level 3 qualifications so that it provides an attractive package to employers which encourages them to support provision of Level 3 qualifications whilst recognising the principle of the employer contribution and no additional public sector contributions (EM2)</p>	<p>BIS</p>	<p>By end of July 2008</p>	<p>By end of 2009</p>	<p>BIS will be happy to discuss this with the partnership and is asking CLG to broker a meeting to enable it to do so.</p>
<p>To review the partnership's proposals for extension and additions to the Integrated Employment and Skills pilot (EM2)</p>	<p>DWP</p>	<p>By end of September 2008</p>		<p>Completed. The pilot is up and running.</p>
<p>Within the Integrated Employment and Skills pilot, review options for JCP clients to benefit from pre-work NVQ training through Train to Gain whilst not preventing them entering employment at the earliest opportunity (EM2)</p>	<p>DWP</p>	<p>On-going</p>	<p>By end of 2009</p>	<p>Discussions are continuing within BIS and with LSC about additional flexibilities within Train to Gain. Further in depth discussions needed with the partnerships to bottom out what is being sought. We are asking CLG to broker these discussions.</p>



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Enabling measure	Departmental responsibility	Timescale	Suggested Revised timescale	June 09 update
<p>Establish the technical barrier that prevents part funded Level 4 qualifications for those with a Level 3 qualification with the presumption of removing it if there is no strong justification for it (EM2)</p>	<p>BIS</p>	<p>By end of March 2009</p>	<p>By end of 2009</p>	<p>See above.</p>
<p>To provide support, advice and periodic reviews to the partnership to support the development and introduction of an Employment and Skills Board which, subject to sufficient evidence of its effectiveness robustness and traction, can assume powers to set the binding strategy for adult skills in the partnership's area (EM3)</p>	<p>BIS</p>	<p>September 08</p>	<p>By end of March 2010</p>	<p>BIS have shared the draft Criteria with partnerships for comment ahead of publication which is expected July 2009.</p>
<p>Refocusing of national Business Link performance targets within the pilot area, specifically in relation a reduction in market penetration and an increase in intensive business support, allowing Business Link on a pilot basis to re-allocate resources with the objective of increasing GVA and productivity (EM4)</p>	<p>BIS</p>	<p>Starting by end of October 2008</p>		<p>Completed. BIS-approved pilot up and running.</p>
<p>Department of Transport, Highways Agency and Transport for South Hampshire will develop a formal Memorandum of Understanding as a framework within which the parties will operate and develop their approaches within South Hampshire (EM5)</p>	<p>DfT</p>	<p>By end of July 2008</p>	<p>By end of October 2008</p>	<p>Completed. Memorandum signed on 17 October 2008. Work ongoing on producing an MoU for bus and rail.</p>
<p>Department of Transport, Highways Agency and Transport for South Hampshire will work together on a pilot to improve the operation of the local and national highways network, including Active Traffic Management on the M3 and M27 (EM5)</p>	<p>DfT</p>	<p>By end of July 2008</p>	<p>By end of July 2008</p>	<p>Completed. Memorandum signed on 17 October.</p>



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Enabling measure	Departmental responsibility	Timescale	Suggested Revised timescale	June 09 update
Department of Transport, Highways Agency and Transport for South Hampshire will work together to establish a robust and comprehensive sub-regional transport evidence base for South Hampshire (EM5)	DfT	By end of September 2008	By end of July 2008	Completed. Memorandum signed on 17 October.
Exploratory dialogue to see how Section 106 might be used to develop a scheme to attract developer contributions in support of infrastructure development (EM6)	CLG	By end of September 2008		Subsumed within discussion on refresh of SHA
Exploratory dialogue to see what scope there might be in the Community Infrastructure Levy to support developer contributions being used sub-regionally to enable sub-regional infrastructure development (EM6)	CLG	By end of September 2008		Subsumed within discussion on refresh of SHA
Exploratory dialogue to understand the constraints and potential for prudential borrowing to support sub-regional infrastructure development (EM6)	CLG	By end of September 2008		Subsumed within discussion on refresh of SHA.
The partnership is to be directly involved in national discussions on the role of utility companies and utility regulators in supporting sub-regional infrastructure development (EM7)	CLG, DEFRA, BIS	By end of October 2008		Subsumed, at least in part, in the work of the joint infrastructure review.
Assistance of CLG, English Partnerships and Housing Corporation in the development of Special Purpose Vehicles (SPVs) appropriate for the sub-region including a dialogue about the pros, cons and complexities of establishing a network of SPVs rather than a single SPV for the whole sub-region (EM8)	CLG	On-going	On-going	We assume that this is taken forward under HCAs single conversation. HCA - Agreement on the relevant delivery mechanisms to form part of the Single Conversation process.



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Enabling measure	Departmental responsibility	Timescale	Suggested Revised timescale	June 09 update
<p>A commitment to explore the alignment of funds and investment to support estates regeneration with resources identified in the Regional Housing Strategy (EM8)</p>	<p>HCA</p>	<p>By end of December 2008</p>		<p>Subsumed within discussion on refresh of SHA and HCA Single Conversation with PUSH.</p>
<p>Negotiation and agreement of a protocol between the partnership, CLG, DEFRA and the Environment Agency on the application of PPS25, based on the partnership's Strategic Flood Risk Assessment, to facilitate development in regeneration areas defended against by flooding by covering the application of the sequential test, the exception test, windfall sites and design criteria that need to apply (EM9)</p>	<p>DEFRA</p>	<p>By end of October 2008</p>		<p>Defra and its agencies remain committed to supporting the project and await the preparation of more detailed project plans to confirm how the objectives will be delivered. The original timetable has slipped with partners working out how to proceed – the project has proved more complex than anticipated and will take longer to deliver. The work will therefore not be completed to the timetable originally envisaged and a revised timetable is being developed, with agreement on how to proceed expected by September 2009. We are therefore not able at this point to give an agreed revised date for completion of the product.</p>



Appendix 3: Latest performance data against SHA measures/targets

Measures	Target 2011	Nov 08	Mar 09	Aug 09	National / Regional Comparison	Commentary
Total Employment	414,400	428,300	424,600	N/A	Experian forecasts are only released twice a year so data will be available later in the Autumn	Although total employment in the PUSH area is currently above the target for 2011, employment is forecast to continue falling until 2011, as the labour market is a lagging indicator of economic conditions, so even once the recovery commences, employment is likely to take longer to start rising again. This means that total employment in the PUSH area could fall below the target by 2011.
Employment Rate	79.8%	78.3%	76.6%	78.9%	The South East Regional figure is 78.5% and the UK 74.2%. There are variances within PUSH ranging from Gosport 82.5% to Havant 73%	This data comes from the annual population survey period Jan 08 to Dec 08 published July 09. PUSH compares very favourably with both however it is important to remember that the figures shown have yet to take account of the impact of the recession. Off flows into employment remain good despite the recession.
Residents claiming out of work benefits	56,700	62,120	68,046	72,657	The PUSH % claimant rate is 12.9% compared with South East regional figure of 9.9% and a UK figure of 14.2%	Aug 08 is still the most recent count. There is an increase in the reported figure since last update as the JSA count contained within this total benefit claimant count was last taken in June 09. As the JSA register is the fastest growing at this moment in time, the figure of 72657 is a good reflection of the current rates.



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October 2009

Measures	Target 2011	Nov 08	Mar 09	Aug 09	National / Regional Comparison	Commentary
Percentage of working age population with L2 or above	79%	69.7%		71.5% (2008 data)	SE: 73.1% Nat: 69.4% (2008 data)	The latest results were published in August 2009 and relate to the calendar year 2008. Sound progress continues to be made towards achieving the target based on data for the first two years of the 5 year Plan period. The PUSH percentage has now risen above the national average and the gap between PUSH and the South East Region has narrowed. The 2008 results reflect the increased prioritisation of Level 2. To attain the 2011 target of 79% an annual average increase of 2.5 percentage points will be required over the next three years compared with the 1.6 percentage point increase achieved between 2007 and 2008; the continuing prioritisation of level 2 should be reflected in future year results. The achieved increase is only marginally below the target trajectory and it is considered that status now be Green.



South Hampshire Agreement: Stocktake

October 2009

Measures	Target 2011	Nov 08	Mar 09	Aug 09	National / Regional Comparison	Commentary
Percentage of working age population with I3 or above	56%	48.7%		49.4% (2008 data)	SE: 53.7% Nat: 49.5% (2008 data)	The latest results were published in August 2009 and relate to the calendar year 2008. Some progress has been made towards achieving the target based on the first two years of the plan period. The PUSH percentage is now only marginally below the national average but an annual average increase of 2.2 percentage points will be required over the next three years compared with a percentage point increase of only 0.7 percentage points between 2007 and 2008. The continuing prioritisation of level 3 should be reflected in future year results; in the meantime it is considered that status should remain at Amber.
Hybrid Market Penetration	11,100	12,308	13,044	13,160	This equates to 42% of IDBR versus a regional target of 39% and actual achievement of 44%. No national comparison is possible	There is ongoing high demand for the Business Link service as a direct consequence of the current economic climate. This demand has resulted in customers coming directly to Business Link rather than the proactive need to go out and find them. This is resulting in higher than anticipated penetration achievement
Business Supported with intensive assistance by Business Link	1,680	1,400	1,650	1,733	This equates to 5.6% of IDBR versus a regional target of 5% and actual achievement of 5.2%. No national comparison is possible	As per above. Increased demand for the Business Link service is resulting in higher IA levels with customers who are seeking guidance on their challenges and opportunities



South Hampshire Agreement: Stocktake
October 2009

Measures	Target 2011	Nov 08	Mar 09	Aug 09	National / Regional Comparison	Commentary
Annual Total GVA change per annum in businesses supported (£)	£178m	£54.9m	£59.8m	£62.1m	Figures correct as of June 2009	GVA change has not been delivered to anticipated levels. The PUSH area is no different to the rest of Hampshire/IOW in this regard where forecasted GVA changes are significantly lower than levels from 2008. The economic situation is resulting in greater caution and less business growth. Actual GVA levels for the previous year will be available in December and will provide a useful indicator of the impact of the recession on this measure.
GVA per resident (£)	41,100	17,300	18,300		SE £18,790 and UK £17,660 (for March). Experian forecasts are only released twice a year so data will be available later in the Autumn.	GVA growth rates are likely to remain subdued until at least 2011. Experian forecasts suggest that total GVA will not recover to its 2008 levels until 2011, and it could be several years beyond that before we see the high GVA growth rates we witnessed in the early 2000s. As a result, a target of £41,100 for GVA per resident looks extremely challenging currently.
Transport sustainable highways	147,000 AAWT (M27 J5-7)	N/A	N/A	131,000AAWT	No comparable section of motorway	



South Hampshire Agreement: Stocktake

October 2009

Measures	Target 2011	Nov 08	Mar 09	Aug 09	National / Regional Comparison	Commentary
Total housing completions compared to South East Plan targets	4,000 per annum	8386 built 2006-2008	N/A	3,986 built in 2008/09	In the PUSH area housing completions in 2008/9 were up slightly (+4%) on the previous year and for the period 2006/7 - 2008/09 net completions were 103% of the SE Plan target. This compares favourably with England as a whole where housing completions in 2008/09 were down 20% on the previous year (CLG statistical release May 2009).	Statistics just released show that despite the recession, employment floorspace and house building completions in South Hampshire in 2008/9 were slightly higher than in the previous year. There have been a total of 12,372 net completions for the period 2006/09. However floorspace/dwellings under construction, new starts and planning approvals all fell substantially in the same period, suggesting that completions in future years will be much reduced.

Sources: Job Centre Plus, Learning and Skills Council, SEEDA (and through them Experian), GOSE, Hampshire County Council and the Highways Agency



Appendix 3: Observations on targets framework in S Hants MAA

Background

Twelve months on from the signing of the South Hampshire Agreement (SHA), PUSH and the Government are conducting a joint review (stocktake) of the MAA and embarking on negotiations for revisions and additions to the SHA (refresh). This note makes some observations on the framework for outcomes (targets) in the current SHA and flags up issues for discussion and negotiation in the refresh process.

The current targets

The SHA signed in July 2008 contains 15 outcome targets, 7 unconditional and 8 conditional on delivery of various enabling measures (not all of which have been fully delivered). All these targets are formulated numerically, measuring performance against various indicators (often, but not always, national indicators). Additionally, all these targets are formulated in absolute terms, either directly or by reference to combined LAA targets: none measure performance relative to any regional or national benchmark despite PUSH's headline ambition being couched in relative terms (i.e. to improve economic performance relative to the SE average).

It is clear that some targets are now unachievable given the severe change in macro-economic performance/conditions. Furthermore, Job Centre Plus has suggested that the targets currently included in the SHA no longer reflect the measures against which their performance is assessed by Government. There also appears to be some duplication of measures within the targets.

The overall effect is to leave the reader with the impression that, at least in terms of performance measures/targets, the SHA is more akin to an LAA (particularly as some targets are formulated by reference to LAA targets) rather than being more about strengthening the relationships within the sub-regional partnership and between it and the Government.

Issues to consider in refreshing the targets

The brief analysis above suggests that PUSH and the Government should consider the following when refreshing/re-negotiating the SHA targets:

- Number of targets: are there too many targets in the agreement? Can some duplication be removed (e.g. drop targets numbered 2, 8 and 9 and retain only a version of target number 3 and drop targets 11 and 12 and retain a version of targets 4 and 5)?
- Types of targets:
 - (a) should some of the targets be measured in relative terms (e.g. relative to the SE average) which would, to some extent, make them resilient to severe perturbations in macro-economic conditions/performance? In particular targets in respect of economic performance (targets



numbered 1 and perhaps 15); employment/un-employment rates (targets numbered 2, 3, 8, 9 and 10 – see also above) and skills levels (targets numbered 4, 5, 11 and 12 – see also above) would seem to be candidates to consider this approach.

- (b) Partners should be consulted (urgently) on whether they consider performance should be measured on a different basis as a result of changes in the national performance framework (or for other reasons). In particular, Job Centre Plus have indicated that target 10 (residents claiming out of work benefits) should be reformulated on a different basis.
- (c) Should some new “targets” be included, framed other than in numerical terms (e.g. a particular capital projects to be complete by a certain date etc), to recognise new outcome/policy areas included in the SHA through the refresh negotiations?
 - Level of targets: for any “absolute” numerical targets that remain, the level of the target and its trajectory should be reviewed in the light of changes in macroeconomic circumstances and/or non-delivery of enabling measures to ensure they remain realistic as well as challenging. This should include (depending on any change to relative performance measures or decisions on dropping targets) targets 1, 2, 3, 6, 8, 9, 10, 11, 12, 13 and 15.
 - Process: PUSH and the Government need to agree the appropriate forum(s) for consideration of these issues and re-negotiation of the targets themselves. Without pre-empting LAA discussions and reviews, some could be addressed in the nearer term and others deferred until after the S Hants evidence base and economic development strategy refresh study is sufficiently far advanced/completed.