



Partnership for Urban South Hampshire

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Richard Harries
Deputy Director, Council Tax Division
Local Government Finance Directorate

By E Mail to LABGI.Consultation@communities.gsi.gov.uk

20 February 2009

Dear Sir

PUSH Response to Local Authority Business Growth Incentives Scheme

I write of behalf of the Partnership for Urban South Hampshire, a sub-regional partnership of the eleven local authorities¹ whose areas fall wholly or partly within the defined sub-region of South Hampshire. PUSH, which came together to focus action on developing the south Hampshire economy, has been in existence since 2003. The partnership formed a formal Local Government Joint Committee in late 2007, as the Partnership turned its focus to delivery of the sub-regional strategy set out in the South East Plan and the South East Regional Economic Strategy. PUSH also led in the development of the South Hampshire Multi Area Agreement (MAA), signed with the Government in July 2008, which has economic development issues at its core.

The LABGI consultation raises the issue of what is an appropriate sub-region for the purposes of the proposed LABGI scheme. PUSH recognises the importance of sub-regional working, but is also very mindful of the complexity of the issue. In reality it is simplistic to suggest that there is a single, appropriate sub-regional definition to cover all dimensions of economic management and development. The South Hampshire sub-region itself is closely based on boundaries derived from consideration of a functional, and largely self-contained economic area, it must nevertheless also be considered alongside neighbouring areas for strategic context and for major strategic issues such as transport access to the sub-region.

¹ Eastleigh, Fareham, Gosport, Havant and Test Valley Borough Councils, East Hampshire and New Forest District Councils, Winchester City Council, the unitary City Councils of Southampton and Portsmouth, and Hampshire County Council.

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Administrative boundaries do not translate well to functional areas, and there is a need to recognise the 'variable geometry' inherent in the definitions of different functional areas. The fact that South Hampshire splits a County and four district areas is a further complication which has proved challenging to Whitehall to date in a number of areas in the development of its own approach to sub-regional working. The imposition of a 'one size fits all' model to force conformity with a simplistic vision of sub-regional working will set back development of genuinely effective and appropriate local arrangements. Areas like South Hampshire have demonstrated how local leadership and voluntary partnership can harness the combined energy and resources of a group of Councils and partners to address the challenging and complex issues facing the area, even before the onset of the recession, which of course poses huge additional challenges for us all.

At this stage of development PUSH therefore supports the adoption of the Hampshire and Isle of Wight NUTS2 area as the basis for the operation of LABGI. There is a history of collaborative working and co-operation at this level, notably through the Hants and Isle of Wight Local Government Association.

In respect of LABGI itself, PUSH is currently exploring the possibility of a voluntary arrangement for pooling an element of LABGI income to support economic development initiatives across the sub-region, which have a more than local impact. Whilst the NUTS2 area can provide a reasonable strategic context for activity, it is also clear that within this area, there will be significantly different economic priorities and interventions required. However PUSH considers that on balance, the NUTS2 definition is the best option currently available. We will also seek to further develop delivery focused arrangements for South Hampshire with central Government and its agencies, within the planned refresh of the MAA in the coming months.

Yours faithfully

A handwritten signature in black ink that reads "Seán Woodward". The signature is written in a cursive, flowing style.

Councillor Seán Woodward
Chairman of the Partnership for Urban South Hampshire