

**SEEDA Consultation Paper on the development of Place Based
Innovation Teams**

Proforma for feedback

We invite and welcome feedback and suggestions on the proposed changes and approach to enable us to refine our thinking and plans. Please send your written feedback by the 28th May 2008 using the attached proforma to Nicola Loweth at innovation@seeda.co.uk

Name: Tim Levenson, Chairman of PUSH Enterprise, Innovation and Business Support Sub-group

Organisation: Partnership for Urban South Hampshire (PUSH)

Telephone Number: 023 8083 2550

Email Address: tim.levenson@southampton.gov.uk

1. Comments and feedback on the overall approach

SEEDA's proposal for establishing Place Based Innovation Teams is strongly welcomed by PUSH as it will be a fundamental factor in achieving its innovation and growth targets for the South Hampshire sub-region. The development of such a team is included as a separate outcome in the PUSH Multi Area Agreement (MAA) to drive innovation and the knowledge economy. The PUSH sub-region has a strong knowledge base and the Place Based Innovation Team is considered to be an opportunity to further enhance the knowledge transfer processes.

2. Comments and feedback on the managing partnerships, for example, the organisations that should be involved, the structure of the partnerships and the role

PUSH is an existing partnership with a framework in place bringing together the relevant partners suggested in the consultation paper which includes local authorities from across South Hampshire and the Isle of Wight ensuring the inclusion of local relevance and input.

PUSH has a well developed structure in place with an established Joint Committee and accountable body arrangement. New Growth Point funding has also been delegated to the partnership. In addition there is the recent endorsement of a Business Plan and current work on a Multi Area Agreement that is nearing completion and proposed to be signed off with Government in June. This is an indication that PUSH is sufficiently mature and has the proved capacity for delegated arrangements to take on a delivery role at the sub-regional level. It is therefore important that SEEDA should not apply a one size fits all approach across the region as some areas are more advanced in their partnership arrangements and local arrangements than others.

The managing partnership should not duplicate existing arrangements or add additional levels of complexity. The managing partnership role for the Urban South Hampshire and Isle of Wight Team should therefore be PUSH given its partnership arrangements to include business and delivery organisations and focus on work funded by the public sector to achieve a step change in the sub regional economy. In the light of the Sub National Review on Economic Development and Regeneration,

and the key principle that decisions are made at the right spatial level by devolving powers and responsibilities with economic outcomes, PUSH would wish to oversee the funding of the South Hampshire Place Based Innovation Team in line with the importance of innovation in achieving growth targets.

3. Comments and feedback on the proposed geographical areas and suggestions on the phasing of the implementation?

The geographic location of the teams should be driven by demand and actions to be aligned accordingly. PUSH therefore supports the proposal for an Urban South Hampshire and Isle of Wight team given that the PUSH area is recognised as a growth area and a Diamond for Growth and Investment. Innovation has been identified as a key action that will contribute to achieving the PUSH growth targets and a Place Based Innovation Team for the sub-region is essential for delivering this. There is a sound range of initiatives already in place (for example, Solent Synergy, Enterprise Hubs and close relationship with the universities, etc) which all contribute towards creating added value without the intention of creating a conflict of interest with regard to the bidding process.

Given this importance, PUSH is keen for the Place Based Innovation Teams to move forward as soon as realistically possible. In this regard, PUSH wishes to propose for the contract decision to be made by November 2008 as this will allow sufficient time for a smooth transition from the existing arrangements to the new Place Based Innovation Teams.

PUSH welcomes the inclusion of the Isle of Wight and supports the opportunity for close working between PUSH and the Isle of Wight. In recognising its importance to Urban South Hampshire, PUSH has already involved the Isle of Wight as a member of the group responsible for enterprise, innovation and business support.

PUSH now has formal partnership arrangements and a proven track record to date. With the recent endorsement of the PUSH Business Plan and current development of a PUSH MAA proposed to be signed off with Government in June, there is an established and formal framework in place to enable more effective functioning. Furthermore, the inclusion of the Place Based Innovation Teams as a separate outcome in the PUSH MAA illustrates the strong commitment of PUSH to ensure its establishment.

4. What should be the role of local authorities in the new arrangements?

PUSH supports that Place Based Innovation Teams will need to have a strong business lead however the involvement of local authorities is important particularly for the public sector interventions needed to create the conditions to achieve the ambitious growth targets for South Hampshire. Local authorities will have a role through PUSH as the managing partnership. A close relationship will need to be maintained between PUSH and the Place Based Innovation Team as they will most likely be delivering key actions of the PUSH Business Plan and the PUSH MAA.

There will be some services delivered by the Place Based Innovation Teams that local authorities can influence and create the necessary conditions, for example, supporting inward investment, and supporting eHampshire and ICT infrastructure.

Any of these specific areas could be identified through the monitoring role that PUSH will have as the managing partnership.

5. Comments and feedback on the target clients, how they should be identified and filtered and the customer journey

Further clarity is required on the criteria for selection of high growth firms, although it is understood this will be the decision and role of the Place Based Innovation Team and the managing partnership. Discussion among relevant partners will be needed on how the target clients should be identified and filtered.

PUSH supports the use of existing sets of selection criteria currently used by organisations and these could be reviewed in light of the sub-regions priorities and key growth sectors identified by the South Hampshire Economic Development Strategy. Whilst high growth potential will be central to the selection criteria, there will be a need to maintain a balance across identified growth sectors.

With regard to filtering, it is important to ensure the companies that are not selected for intensive support through the Place Based Innovation Team, do not receive any diminishing service. The referral link between the Place Based Innovation Team and Business Link as the primary access point is therefore extremely important.

To ensure the provision of a more effective and productive service, PUSH suggests focusing resources to provide a complete service of intensive support to a smaller number of potentially high growth companies that are likely winners as opposed to providing a partial service to a wider group. In terms of the level of resource available for the Place Based Innovation Team, there needs to be careful thought on the number of companies that can realistically be targeted to ensure the service provided is not of a lesser quality.

6. What innovation and growth services, which must be BSSP compliant, should be included within the SEEDA funded core offer?

Although it will emerge as part of the expressions of interest, PUSH wishes to convey its current thinking for its Place Based Innovation Team. The view of PUSH is for the Urban South Hampshire and Isle of Wight Team to include Solent Synergy Limited the Enterprise Hubs and the Innovation Advisory Service.

In line with the BSSP, PUSH supports that the main route for companies to the Place Based Innovation Teams will be via Business Link. As stated in Question 5 above, the link between Business Link and the Place Based Innovation Team is extremely important in terms of filtering and referrals to ensure resources are focused on intensive support for the potential high growth companies and those not selected do not receive any less support.

The understanding is for the Place Based Innovation Team to form a network with other teams in the South East and provide assistance across the region on its specific area of expertise. Recognising the value in sharing and learning from other sub-regions, PUSH is of the view that this role should be minimal to avoid the danger of much time and effort being directed to networking outside of the PUSH area. A particular area of concern for PUSH is the need to be cautious that the Place Based Innovation Teams do not slide back to a South East regional team in 10 locations.

To address this, PUSH suggests for a small number of specific actions to be planned and implemented through a limited percentage of the annual resource. For example:

- A regional online database summary of deals in progress that all Place Based Innovation Teams could access to avoid the failure of any deals when the solution and expertise was available with another team.
- Annual conference where each Place Based Innovation Team is required to share lessons learned, how it developed, etc.

7. What other services, either SEEDA services or other, should be co-located or delivered through the teams?

Apart from the SEEDA core services, PUSH supports the opportunity for other services that could be delivered through the Place Based Innovation Teams. These services may be identified by partners during its development and pilot phase therefore scope must be made to allow the incorporation of any such services should they arise.

8. How could inward investment and business retention activity be strengthened by the new place based Innovation Teams?

The view of PUSH is that it would not be appropriate for the Place Based Innovation Team to sit with the proposed PUSH Inward Investment Team as they each have specific areas of focus that is best delivered by separate specialist teams. However, it will be important for these teams to maintain a link and this presents the opportunity for strengthening the links between innovation, inward investment and business retention and there may be opportunities for these to be co-located in South Hampshire.

9. Is 20% leverage of other services and support feasible? What kind of services, support and funding contributions could be made?

Leveraging resources and funding is feasible however at the outset there is a need to be cautious of how much time will be required in seeking additional funds. Depending on the type of funds being sought, a significant amount of time could be required in proposal and bid writing and therefore reducing the time spent on delivering the core service. This will need to be explicitly stated at the outset in the remit for the Place Based Innovation Team.

PUSH wishes to seek clarification on the implications should the minimum leverage amount not be obtained.

10. Comments on the proposed timescale

PUSH supports the proposed timescale working towards implementation in 2009. Given the importance of the Place Based Innovation Teams to fostering growth in the PUSH Sub-region, and the good foundations already in place, PUSH is keen for it to move forward without difficulty as soon as realistically possible. PUSH therefore proposes for the contract decision to be made by November 2008 thus allowing sufficient time for a smooth transition to the new arrangements.

11. What benefits would your organisation wish to derive from the new arrangements?

Benefits for PUSH from focusing on high growth firms will have a positive impact on growth that will contribute to achieving the step change of 3.5% GVA by 2026 for the PUSH Sub-region. Please refer to comments under Question 1 and 3 outlining the importance and benefits the Place Based Innovation Teams have to the PUSH area.

12. Additional comments and suggestions

PUSH as an existing partnership strongly supports the Urban South Hampshire and Isle of Wight Team to be one of the pilots targeted to be up and running by April 2009.