

PUSH RESPONSE TO SUB REGIONAL PARTNERSHIP ARRANGEMENTS PROPOSITION

Thank you for the opportunity to comment on the draft proposition for sub regional partnerships. We welcome SEEDA's acknowledgement of the importance of sub regional economies and the acceptance of the need for a new way of working which positively includes all major partners, including businesses.

As you know, as PUSH we are well advanced in both our strategic planning for the sub region as well as giving serious consideration to governance arrangements, delivery mechanisms, business planning and performance management.

General comments:

Your proposition identifies a number of guiding principles with which, in the main, we agree. Our comments on each are shown below:

- “Place” is an important driver of economies (*paragraph 11*) but PUSH would stress that strategies, support and funding need to be based on evidence and delivered by real partnerships involving the public and business sectors as well as the voluntary and community sector. The partnerships should have transparent governance arrangements and effective delivery against agreed targets (*paragraph 10*). PUSH contends that the draft proposition underplays the importance of democratic accountability to this equation. PUSH also contends that decision-making should be devolved to the local level, which PUSH would define as a combination of sub regional, and local authority levels. Levels of decision making (and subsequent delivery) should be defined by who is best placed to make the decisions. PUSH would stress the fact that LSP's have an important local role to play.
- The importance of local authorities as place shapers, civic stewards and experts on needs of local areas (*paragraph 5*) is supported.
- LAAs (and MAAs) offer an opportunity for all levels of government (including central government) to align on joint priorities and challenges including the delivery of both RES and sub regional/local priorities (*paragraphs 10 and 14*); reducing duplication; and increasing efficiency. PUSH agrees that governance and transparency will be key elements of these agreements (*paragraph 7*). However, more thinking is required by all partners of the relationships (and therefore funding allocations) between the LAAs and MAAs especially where these cut across administrative boundaries.
- The importance of the real engagement by business sector in shaping sub regional and local priorities (*paragraphs 8 and 15*) is supported. Key to this will be appropriate engagement that allows business investment of time, knowledge and experience to be used to best effect. PUSH will find ways of best involving local public/private partnerships such as HEP, the Chambers of Commerce, FSB, City Growth Portsmouth and Business Southampton.

- that economies (including travel to work, travel to learning and skills, travel to culture areas) are not restricted to local government administrative boundaries (*paragraph 9*) and this principle is amply demonstrated by the PUSH sub regional strategy
- need to support sub regional priority areas (*paragraph 9*). PUSH has demonstrated that the sub region will deliver more collectively than if local authorities pursued individual strategies. PUSH agrees that there should be a transparent relationship with all funding partners subscribing to sub regional targets and aligning funding streams (ideally into a single pot) (*paragraph 16*). Further discussion is required as to the allocations between sub regional and local delivery partners.
- SEEDA will prioritise its investment to the 4 Diamonds for Investment and Growth and 3 further areas (*paragraphs 17 and 18*). However, PUSH would caution against this list becoming too broad as this will then dilute the contribution (and therefore the impact) from SEEDA. PUSH welcomes the proposal for support for partnerships; for a standing task force which will include a dedicated lead officer; and a statement on the level of funding to be allocated to specific geographical areas/specific partnerships. Clearly the debate will continue as to the levels of support and funding.

With regards to SEEDA's specific role in delivering sub regional priorities PUSH recommends that SEEDA and other partners agree 5year and annual business plans. SEEDA then allocates resources to deliver against the agreed targets. PUSH also welcomes SEEDA working alongside it in seeking increased freedoms and flexibilities. Initially PUSH would call for SEEDA's support in seeking alignment of funding streams from central government departments including DFES, DfT, and CLG.

Responses to specific questions:

What partnership arrangements and structures are necessary to support the delivery of the RES in your area?

PUSH has been in place for over 2 years and has identified a robust, evidence-based strategy for delivering GVA growth of 3.5% by 2026. This is an ambitious target, which takes PUSH way beyond its current performance level and indeed beyond the performance of the SE as a whole. An ambitious strategy demands a step change not only in performance but also in thinking; in delivery; in partnerships – the same old partnerships and mechanisms will not serve our aspirations. Therefore, uniquely, the 11 local authorities have successfully charted a course for the future within an informal partnership framework, which has involved SEEDA and GOSE. However, to move forward from planning to delivery a new partnership/governance model is required that maintains democratic accountability; satisfies funders that sub regional and local needs/opportunities/challenges have been identified and are being delivered against; positively and fully engages the business sector; adds value; whilst minimising bureaucracy and duplication.

As for the PUSH partnership specifically, the partnership arrangements will evolve over the next 12 months and be guided by the following principles:

- PUSH needs to evolve from an exclusive local authority partnership to a more inclusive model, but retaining the democratic accountability that is a strength of the present arrangements.
- There needs to be more involvement from business and other sectors. It is suggested that PUSH defines the strategic, commissioning and delivery levels and invites involvement accordingly. For instance, PUSH could establish a Joint Committee/PUSH Board including membership by SEEDA, SEERA and GOSE. Businesses would also be represented at this level. Recognising that there are strong business partnerships already working effectively in the sub region, it is suggested that the current business foras of HEP, Chamber, FSB decide how best this can be managed and delivered. Executive decisions would remain with the local authority Leaders.
- To deliver its strategy in an integrated manner, PUSH needs a significantly increased central capacity, indeed PUSH cannot deliver its ambitious programme without it. Priorities would include:
 - Governance of an MAA could rest with the PUSH Board, or it could be devolved e.g. to a CDC that is accountable to the PUSH Board
 - Secondees from key agencies such as LSC, JC+, SEEDA, BLW and local authorities could be co-located and placed under dedicated and unified management to shape, commission and performance manage delivery of the ED / MAA. This could either incorporate the functions of existing AIF partnerships or relate to them as commissioner
- Delivery of interventions would rest with appropriate partnerships and agencies (from all 3 sectors), through mainstream programmes and directly commissioned activity.
- Governance and decision-making for Economic Development activity needs to be well integrated with arrangements for other aspects of the PUSH strategy, notably in relation to transport, infrastructure and delivery of sustainable communities.
- PUSH would welcome SEEDA becoming a strategic partner sitting alongside the sub regional partnership, agreeing common goals and actions both to meet local needs and to deliver the RES.
- We would want SEEDA to endorse, support and apportion funding through PUSH, leaving decisions on how resources are used to commission activity at the sub-regional and local level with PUSH. We would recommend that funding be needs led and based on local priorities. PUSH would want to negotiate funding levels as part of the business planning process as this would both give clarity to all partners and enable the MAA process to progress. However, further thought is required as to the allocation of funding between the MAA and separate LAAs.

Furthermore, PUSH shares with SEEDA the proposal for funding to be delivered through the MAA. PUSH acknowledges that there is huge potential in a MAA process and looks forward to working with SEEDA and GOSE on

piloting the process. The MAA would in effect be a translation of the EDE elements of the 5 years/annual business plans, which would have been agreed by all partners and therefore, in effect, triggers the release of investment by our partners.

What activities in the draft RES Implementation Plan do you believe should be focused on this new arrangement?

PUSH would have a role in delivery of many of the RES 14 key targets. In some instances it will commission delivery, in others it would be an adviser on sub regional needs. As set out in our strategy our economic priorities include economic activity, skills, innovation and enterprise, inward investment and the need to bring forward employment land. Of course, however, much of the economic success will be dependent upon investment in infrastructure and sustainable development.

How can these arrangements best provide strong business leadership and representation?

See responses earlier.

In addition, in PUSH we would work closely with existing business representative forums such as HEP, Chambers of Commerce, FSB, Business Southampton and City Growth Portsmouth to identify how best these would engage at the strategic, operational and delivery levels. PUSH wants to avoid duplication and additional bureaucracy so is committed to working positively with existing local/areas partnerships as is appropriate.

How can these arrangements and structure made more effective?

We would contend that the PUSH proposals enable a single focus of the delivery of sub regional priorities.

Which areas are in a position to work together beyond local (and, where appropriate, regional) boundaries, underpinned by enhanced support from SEEDA?

See PUSH proposals outlined above

Who else should be funding these arrangements alongside SEEDA?

PUSH believes that all partners should be aligning priorities and funding to the PUSH priorities including LSC, JC+, Business Link and would ask for SEEDA support in pursuing this objective.