



Report to the Partnership for Urban South Hampshire Joint Committee

Date: **6 June 2013**

Report of: **Stuart Roberts, Interim PUSH Executive Director**

Subject: **PUSH Governance Review and 2013/14 Business Plan**

SUMMARY

A Leaders' workshop on 26 March discussed and reached conclusions on the future role, focus and governance arrangements for PUSH. The proposed role and focus was subsequently broadly endorsed by PUSH's three key partners and provided the basis for preparing the 2013/14 PUSH Business Plan. The latter sets out the capital and revenue projects which PUSH should pursue during the year and the resources which should be allocated to each. Funding is proposed for four new capital projects and for a range of revenue projects. Some of the latter are ongoing from last year but a number are new, notably investigating the feasibility of establishing a Hampshire Community Bank and several spatial-planning related projects. Improved communications is also proposed as a priority for PUSH in 2013/14. The Committee is invited to approve the Business Plan and as an implicit part of that, to approve the future role and focus for PUSH.

RECOMMENDATION

It is **RECOMMENDED** that the Joint Committee **APPROVE** the 2013/14 PUSH Business Plan.

INTRODUCTION

1. A Leaders' workshop on 26 March discussed and reached conclusions on the future focus and governance arrangements for PUSH. At the workshop, Leaders agreed to seek the views of PUSH's three key partners on the workshop conclusions. Those agencies views are summarised in this report.

2. On the basis of the workshop conclusions, a draft 2013/14 PUSH Business Plan – [Appendix A](#) - has been prepared for consideration by this meeting. The views of the key partners were taken into account during the preparation of the Business Plan.
3. The PUSH Overview & Scrutiny Committee considered the workshop's conclusions at its meeting on 21 May 2013. The Committee supported the workshop's conclusions on PUSH's future roles and focus, and saw benefits in PUSH and the Solent LEP clarifying their different but complementary roles. The Committee has begun a review of how it can most effectively perform its scrutiny function; once the Committee has reached its conclusions, they will be reported to this Joint Committee.
4. This meeting is asked to approve the Business Plan. The proposed 2013/14 budget, set out in the separate financial report to this meeting, mirrors the proposals in the Business Plan.

GOVERNANCE REVIEW

5. The March Leaders workshop reviewed the changed landscape in which PUSH operates, notably the establishment of the Solent Local Enterprise Partnership (LEP) and increasingly tight financial constraints facing local authorities. The former means an increased emphasis for PUSH on strategic activity and a move away from delivering projects on the ground, while the latter requires PUSH to be a more streamlined organisation operating with more limited funding. Notwithstanding this, the Leaders saw an important continuing role for PUSH as the LEP's key partner and as a vehicle to enable activities to be undertaken more efficiently or effectively on a joint basis - either between the PUSH authorities or in partnership with other agencies. More specifically, the future roles for PUSH were seen as: policy development and coordination, facilitating joint delivery, democratic leadership, supporting informing and influencing the LEP, simplifying interfaces, and raising South Hampshire's profile. Building on these roles, PUSH's broad work agenda was seen as focusing on development and infrastructure, energy and the environment, and quality places.
6. The conclusions of the workshop are reproduced in more detail within section 1 in the Business Plan. As requested by the workshop, comments on the workshop conclusions were invited from PUSH's key partners who are co-opted members of this Committee. The comments of these three key partners - the Solent LEP, Environment Agency, Homes & Communities Agency – are summarised below.
7. The Environment Agency states that collaborative working by local authorities, statutory agencies and other partners is more important than ever, while the Homes & Communities Agency comments that PUSH plays a valuable role in joint work, in demonstrating local political leadership, and in bringing together sometimes conflicting opinions to express a common voice supporting growth in South Hampshire. The Environment Agency endorses the envisaged roles for PUSH and recognises that PUSH will be valuable in helping to deliver LEP ambitions and projects. It feels that there is a need to clarify the roles and responsibilities of PUSH and the LEP; including the identification of the nominated leads for specific initiatives. The LEP recognises the lead role of PUSH on spatial planning and to underline that expresses its wish to co-invest with PUSH in officer capacity to jointly provide planning advice to both organisations. The LEP is

willing to entering into dialogue with PUSH on the two organisations respective roles which it sees as distinctive yet complementary. The Environment Agency stated that it wished to see PUSH concentrate on implementation of existing policy rather to undertake further policy development. It also urges more transparency and connectivity across PUSH. In addition, the partners made a few points on the details of the proposed PUSH future role and work focus.

8. These comments are a welcome endorsement of the overall future role for PUSH, and the detailed comments have led to a few refinements to the roles and work focus which is set out in section 1 in the Business Plan. In response to partners' comments, the Business Plan proposes the preparation of a protocol which sets out the roles and responsibilities of PUSH and the LEP, while improving communications is proposed to be a priority for PUSH in 2013/14. In relation to the Environment Agency's wish to see PUSH focus on implementing existing policy rather than to undertake new policy development, the response is that PUSH needs to do both. To underscore this, these additional words have been added to the role of 'facilitating joint delivery' in paragraph 1.7 of the Business Plan: "*and other actions to implement PUSH-wide policy/strategy*".
9. The Leaders workshop concluded that PUSH governance arrangements – a Joint Committee and Overview & Scrutiny Committee - remain appropriate for the future. Below that, there are currently, there are five topic-based Delivery Panels and consideration is now being given to whether any changes are needed to these panels. The conclusions of that review will be reported to the next meeting of the Joint Committee.
10. The landscape in which PUSH operates continues to evolve with publication of the Government's response to the Heseltine Review and the prospect of a City Deal for the area. The former heralds greater devolution of decision-making and funding from Whitehall to local areas – predominantly to LEPs but with local authorities having a key role to play. Negotiations on the City Deal are ongoing with a view to the Deal being finalised with Government in mid-summer. Both could necessitate further refinements to PUSH's role and work focus as part of the preparation of next year's Business Plan. The likelihood of continuing evolution of the external landscape means that PUSH must be able to rapidly adjust its focus if necessary and requires that the organisational structure emerges from the review described in paragraph 9 above must be flexible and adaptable.

2013/14 BUSINESS PLAN

11. The conclusions of the March PUSH Leaders workshop provided the overall framework for the preparation of the 2013/14 Business Plan, while the individual projects proposed in it largely emanated from the PUSH Delivery Panels/Theme Lead Officers. The Business Plan - [Appendix A](#) to this report - aims to be concise whilst still setting out the vision and role of PUSH and the proposed work programme under each topic theme. The draft Business Plan was endorsed by the PUSH Chief Executives at their meeting on 10 May 2013.
12. The Plan includes the capital projects to which PUSH is already committed and for which funding has been carried forward from last year. It also proposes that PUSH should help fund four 'new' capital projects:-
 - Gosport town centre public realm enhancements;

- Southampton station quarter north side public realm enhancements;
- 'Cell Block Enterprise' – the creation of workspaces and virtual premises for creative firms in Portsmouth;
- Hayling Island access trails.

13. The first three will help stimulate economic development/regeneration and the fourth will help deliver the PUSH Green Infrastructure Strategy. These four were selected by the PUSH Programme and Information Manager in consultation with the PUSH Chief Executives group, from ten projects put forward by PUSH Delivery Panels, by PUSH Theme Lead Officers and by Transport for South Hampshire & Isle of Wight (one project). The selected four were judged to deliver most in terms of value for money, alignment with PUSH objectives, transformational impact, and leverage of funding from other sources. The proposed contributions to the four projects will fully allocate the remaining PUSH capital funding, thus finally bringing PUSH's capital programme to a close.

14. The Business Plan proposes a range of revenue projects. Some such as the Solent Green Deal are ongoing from last year, but others notably in the spatial planning arena are new reflecting the need and Government requirement (in the 'duty to cooperate') to tackle many planning issues on a pan-authority basis. An unusual proposal is the budgetary provision for a potential financial contribution towards investigating the feasibility of establishing a community bank in Hampshire. A recent presentation to the PUSH Economic Development Panel excited those present about the idea and a similar presentation is to be made to this Joint Committee meeting.

15. Improved communications is proposed as a priority for PUSH this year and thus the Business Plan proposes a small budget of £10,000 for that purpose. Proposed initiatives include an upgrading of the PUSH website, a regular e-bulletin to members and officers (the first will be despatched shortly after this meeting), an intranet site, and an annual report. The latter would be a free-standing document designed for an external audience which would be published after approval by the Joint Committee. It would replace the current annual reporting to the Joint Committee and would thus utilise the same resources in a more effective way.

16. The tables in the Business Plan set out the PUSH financial resource which is proposed for each project: they are budgetary provision figures and are not estimates of money which will actually be spent. Better estimates will emerge as the projects are developed in more detail and thus the actual spending may turn out to be lower than these budgetary provision figures.

17. Implicit in the Business Plan is a change of approach in respect of budgetary management, with all revenue funding now being held centrally rather than devolved to Delivery Panels i.e. that revenue funding will in future be managed in the same way as capital funding always has been. This change reflects the substantially reduced overall budget and the consequent need to be able to quickly re-allocate any unspent funds to reflect changing requirements. Under the current approach, any re-allocation from one delivery panel to another can be a slow and time-consuming process and there has been a tendency for some panels to hold onto money even though it may not actually be spent. Moreover in the short term, there is uncertainty about the future of the Panels (see paragraph 9 above) making it difficult to devolve funding.

18. In view of the current financial climate facing all authorities and that PUSH in future will be a slimmed-down more strategic organisation, it is intended to significantly reduce the level of financial contributions from local authorities to PUSH. The resulting lower PUSH income will cover little more than the costs of the core team and other central overheads. This is not a problem this year due to the substantial carry-forward of funds from last year. The revenue projects in the draft 2013/14 Business Plan are wide ranging but also strike a balance between expenditure this year and keeping some of that carried-forward money in reserve for future years. In the medium term once that inherited funding is exhausted, the cost of projects would need to be funded by project-specific requests for additional contributions from authorities.

CONCLUSION

19. The March Leaders workshop resulted in a future role and focus for PUSH which was broadly endorsed by its key partners. That role and focus provided the basis for, and is reproduced within, the proposed 2013/14 PUSH Business Plan which sets out the projects which the Partnership should pursue during this financial year and the resources which should be allocated to each. The Committee is invited to approve the Business Plan and as an implicit part of that, to approve the future role and focus for PUSH.

RECOMMENDATION

It is RECOMMENDED that the Joint Committee **APPROVE** the 2013/14 PUSH Business Plan.

Background Papers:

None

Reference Papers:

None

Enquiries:

For further information on this report please contact

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