



Report to the Partnership for Urban South Hampshire Overview and Scrutiny Committee

Date: 15 September 2015
Report of: **Gloria Ighodaro**
Subject: **PUSH Executive Director's Report**

SUMMARY

The Executive Director's report provides an opportunity for issues which are significant, but do not justify a full report in their own right, to be brought to the attention of the Joint Committee for decision or for information. The report is divided into Parts A and B accordingly.

RECOMMENDATION

It is RECOMMENDED that the Overview and Scrutiny Committee:

1. NOTES the matters for decision in Part A and matters for Information outlined in Part B of this report; and
2. NOTES the delegated authority to the PUSH Chief Executives Group and PUSH Chairman, to agree and put forward four officer nominees to represent PUSH on the newly established Solent Inward Investment Delivery Panel.

PART A: MATTERS FOR DECISION

SOLENT INWARD INVESTMENT UPDATE

1. At its meeting in March 2015, Members were informed that PUSH was now one of the key shareholders working towards the development of an Integrated Inward Investment delivery model for the Solent area. A Solent Inward Investment Board (IIB) has now been established and has to date, met twice. With a total collective budget of £515,000, the Board is making good progress towards establishing a dedicated Inward Investment Team including matters related to premises and proposition. The IIB have approved and initiated the recruitment of the Head of Inward Investment and this process is underway. The new inward Investment service is expected to gather momentum once this new resource is in place. The other four posts will be recruited to thereafter. Two premises are being explored, each based in the Cities of Portsmouth and Southampton. An initial brief for a new website is being developed for consideration by the Board in due course. PUSH local authorities will be amongst other shareholders, ensuring that the website brief is fit for purpose.
2. Representation at the 2015 MPIM UK event was agreed by the Board as an excellent opportunity to engage with and potentially secure public / private sector business investment to the Solent region. MIPIM UK is UK's largest exhibition and conference for property professionals. It provides a market place for UK players and international investors to meet discuss projects, opportunities and do business. A budget of £20,000 was agreed by the Board to invest towards the event. This investment is expected to leverage £80,000 from other partners and provide an excellent showcase for the Solent at this international event.
3. A new private sector led Inward Investment Delivery Panel (IIDP) is in the process of being established. The Panel will provide the Solent LEP Board and Solent Investment with expert advice on inward investment matters. Membership of the IIDP provides for four Local Authority representatives, and the LEP has consequently, invited PUSH to put forward its four officer nominees.
4. The Joint Committee agreed to delegate authority to the PUSH Chief Executives Group and the PUSH Chairman; to agree and put forward four officer nominees to represent PUSH on the newly established Solent Inward Investment Delivery Panel.

PART B: MATTERS FOR INFORMATION

SOLENT RECREATION MITIGATION STRATEGY/PARTNERSHIP

5. The December 2014 meeting of the Joint Committee endorsed a report about an interim strategy to mitigate the impact on the three Solent Special Protection Areas of the additional recreation activity at the coast which will be generated by new homes around the Solent. The mitigation measures in that Interim Solent Recreation Mitigation Strategy will be funded by a developer contribution from the new dwellings. The Joint Committee also endorsed the proposed Terms of Reference for a Solent Recreation Mitigation Partnership which will coordinate the implementation and monitoring of the mitigation measures. After the meeting, the Partnership established a web page to facilitate access to the interim mitigation strategy, which can be seen at: <https://www.portsmouth.gov.uk/ext/community-and-environment/environment/solent-recreation-mitigation-strategy.aspx>
6. Significant progress has been made in taking forward the interim mitigation strategy. The Solent local authorities have now transferred to the Partnership, £108,000 which they received from developer contributions up to 31 December 2014. This enabled the Partnership to draw up a budget for 2014/15. The Interim Mitigation Strategy states that a significant proportion the developer contributions received will be invested to generate interest which will fund the mitigation measures in-perpetuity. However, in order to make tangible progress with implementing the mitigation measures, the Partnership's Project Board proposes to defer payments into the in-perpetuity fund for this year only and is budgeting all the £108,000 received so far for expenditure in this financial year. However, the shortfall into the in-perpetuity fund will be redressed in future years when the amount of money available to the Partnership will be much greater.
7. Last December's Joint Committee meeting endorsed a proposal that implementation of the mitigation measures should be phased in line with the receipt of developer contributions. The budget drawn up by the Project Board will enable the Partnership to implement during this year, the mitigation measures categorised as phase 1 and phase 2 in that Joint Committee report, notably the employment of the first Partnership ranger from this summer.
8. The Interim Mitigation Strategy approved by the Joint Committee states that the £172 per dwelling developer contribution will be updated each April in line with the Retail Price Index; so consequently the figure was increased on 1 April this year to £174. (A 1.4% increase rounded to the nearest whole pound.) NB: The Partnership recognises that some authorities may not be able to implement an increase if the figure is fixed in an adopted Supplementary Planning Document (SPD) and cannot be changed without revising the whole SPD.
9. To assist the local authorities, the Partnership organised a half-day seminar in April for local authority planners and lawyers to facilitate the sharing of knowledge and experiences in implementing the various types of legal agreements which can be used to secure the developer contributions. It is also providing support to local authorities in responding to questions or challenges from developers over the need for the developer contribution.

10. Last December's Joint Committee report envisaged future reports being presented once a year to review progress and agree future proposals. Later this year, the Partnership will present to the Joint Committee, its inaugural annual report which will set out the progress made and proposed actions for the coming year.

SOLENT ASSET OPPORTUNITIES SEMINAR

11. In May 2015, PUSH hosted a workshop in partnership with the Solent Strategic Land and Infrastructure Board (SSLIB), bringing together all twelve Local Planning Authorities, Homes and Communities Agency, Ministry of Defence (MOD), Local Government Association (LGA), NHS representatives, Network rail and Cabinet Ministers to name but a few. Chaired by a representative from the Government Cabinet Office, Bruce Mann (also Chairman of the SSLIB); the purpose of the event was to facilitate a discussion amongst key partners to better understand and explore how as a region, we make best use of public and land assets for the best outcomes. This initial workshop will help to inform the work of the SLLIB in its quest to produce a Joint Asset Plan for the Region, an output which, is anticipated will help to inform the PUSH Spatial Strategy Review.

SOLENT GROWTH DEAL UPDATE

12. In December 2014, the Joint Committee received an update on the Solent area's Growth Deal settlement of £124.8m secured in July 2014 as part of the round one Growth Deal process. Coupled with the additional £27.1m confirmed in January 2015 as part of the second wave of Growth deal announcements, this brings the total investment committed by Government for the Solent area to £151.9m to help boost transport and create new jobs and businesses in the area. Over the lifetime of its £151m Deal (2015-2021) the Solent LEP estimates that up to 6,000 new jobs could be created, 11,000 homes built coupled with the potential to generate £400m public and private sector investment.
13. The projects to be funded with the £27.1m investment include:
 - The next phase of work to improve transport and infrastructure in the Fareham and Gosport Peninsula, which will cut journey times, attract new businesses to the area and support the Solent Enterprise Zone and new housing delivery at Welborne.
 - Bringing forward a National Maritime Systems Centre of Excellence in Portsmouth, creating up to 95 jobs and developing skills in a key sector for the area.
 - Improving access to Southampton Western Docks, one of England's largest trade ports.
 - A flexible programme of skills and innovation projects, to improve skills and promote innovation in the Solent area.
14. This complements the range of schemes that were announced in July 2014, which include transport improvements at North Whiteley, Cross-Solent connectivity improvements, two skills centres at Eastleigh and the Isle of Wight College, and a Solent Growth Fund to offer grant funding for local small and medium sized businesses.

15. In addition to the direct investment through the Local Growth Deal, the Solent LEPs negotiations with Government have resulted in securing commitments for a range of strategic transport schemes in and around the Solent area during 2014. These are estimated to be worth around two thirds (£400m). Schemes to be delivered under this funding arrangement include:
- M3 junctions 9 to 14: upgrading to smart motorway, linking with the smart motorway scheme on the M27.
 - M27 junctions 4 (M3 Interchange) to 11 (Fareham): upgrading to smart motorway, linking with the smart motorway scheme on the M3
 - M3 junction 9 (A34, Winchester) improvement: comprehensive package of improvements, to include new links and widening and remodeling of junction 9 to allow more free-flowing connections and reduce congestion.
 - M3 junction 10 (Winchester) to 11 (Winchester North) improved slip roads: improvements for merging traffic to include technology, widening and lane realignment to smooth flow of traffic onto the M3 and assist flow to Southampton port.
 - M3 junctions 12 (Chandler's Ford) to 14 (M27 Interchange) improved slip roads: junction 14 (M27 interchange) to junction 12 (Eastleigh) northbound: carriageway widening and junction reconfiguration to improve capacity through the junction.
 - M27 Southampton junctions: junction 5 (Southampton Airport) to junction 8 (A3024): widening and signalisation of slip roads and access routes to junction 8, and replacement of rail bridges in Southampton (on local road network) to reduce pressure on the motorway.
 - M271 / A35 Redbridge roundabout upgrade: junction improvements to provide a dedicated left turn lane for traffic leaving the M271 for Southampton Port and free flow traffic from the port onto the M271
16. The Solent Growth Deal is part of a long term plan to devolve at least £12 billion from central government to local economies. The plan aims for every part of the country to be a motor of growth for the national economy – building on the strength of the Solent area.

EUROPEAN STRUCTURAL INVESTMENT FUND (ESIF) UPDATE

17. The Solent area's ESIF Committee have met three times to date and have been working through the various European regulations and guidance associated with the three European funding streams available to the Solent LEP area. These funding streams include the European Regional Development Fund (ERDF); European Social Fund (ESF) and European Agricultural Fund for Rural Development (EAFRD). Each funding stream as a separate managing authority which is responsible for issuing calls for proposals. The calls will be made on a national web based portal. I and other PUSH representatives on the ESIF Committee will continue to alert and signpost local authorities to the appropriate information to enable authorities to review and potentially submit bids to the various funding calls as and when announced.

18. To date, two calls for proposals which are now closed, have been announced under the ERDF: **SME Support** (funding up to £1.8m) to support small to medium enterprise businesses and promote entrepreneurship in the Solent area through a Business Growth Service) and **Research and Innovation** (funding up to £1.5m). The latter aims to strengthen and promote research, technological development and innovation in the Solent area.

RECOMMENDATION

It is RECOMMENDED that the Overview and Scrutiny Committee:

19. NOTES the matters for decision in Part A and matters for Information outlined in Part B of this report; and
20. Notes the delegated authority to the PUSH Chief Executives Group and PUSH Chairman, to agree and put forward four officer nominees to represent PUSH on the newly established Solent Inward Investment Delivery Panel.

Background Papers:

- Joint Committee Meeting: 2 December 2014 – Item 10: Solent Recreation and Mitigation Plan
- Joint Committee meeting: 2 December 2014 - Item 8: Solent Growth Deal and ESIF Governance Update
- Joint Committee Meeting : 2 December 2014 - Item 8: Solent Growth Deal

Reference Papers:

- Transforming Solent: Inward Investment Strategy, October 2014

Enquiries:

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