



Report to the Partnership for Urban South Hampshire Joint Committee

Date: **29 January 2013**

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

Subject: **Interim Executive Director's Report**

SUMMARY

This report covers matters which are significant and merit reporting to the Joint Committee, but do not justify a full report in their own right. These can be issues on which a decision is needed (Part A of the report) or matters for information (Part B).

On this occasion, there are only matters for information: these concerns the prospective City Deal, the announcements in the Chancellor's Autumn Statement which are of particular relevance to PUSH's activities, and an update on transport issues.

RECOMMENDATION

It is **RECOMMENDED** that the Joint Committee should **NOTE** the matters for information, contained in part B of this report.

PART A: MATTERS FOR DECISION

None

PART B: MATTERS FOR INFORMATION

City Deal

1. The last Joint Committee meeting received a report on the Government's assessment criteria for the wave two city deal proposals and the next steps in the process for the Portsmouth and Southampton joint bid for a city deal. A further workshop was held on 8 January 2013 to which the Leaders of all PUSH authorities were invited: it helped shape the preparation of an Expression of Interest (EOI) in a city deal for this area. The Government's deadline for the submission of all EOIs was 15 January 2013. At the time of writing this report, the EOI for a city deal for this area was still being finalised and consequently a verbal update on this matter will be provided at the Joint Committee meeting.
2. The Centre for Cities organisation was commissioned jointly by PUSH and the Solent LEP to assist with the work. Their commission has two elements: the preparation of an audit of the South Hampshire's economy (which will update the previous report compiled in early 2010¹) and facilitating the workshops being held to shape the EOI. Their audit report is currently being finalised and will be presented to the next Joint Committee meeting.

The Chancellor's Autumn Statement

3. My report to the last Joint Committee meeting mentioned the report by Lord Heseltine of Thenford on how wealth might more effectively be created in the UK. The Chancellor of the Exchequer in his Autumn Statement to Parliament on 5 December 2012 announced some changes and proposals which respond to some of Lord Heseltine's recommendations. The Chancellor's changes/proposals which are of particular relevance to PUSH are:-
 - Local Enterprise Partnerships will be asked by Government to draw up strategic growth plans for their areas consistent with national priorities;
 - Each LEP will be able to apply to Government (from April this year) for up to £250,000 to support the preparation and delivery of their plan (this is in addition to the £250,000 per year of core funding for which LEPs can draw from Government);
 - There will be a single funding pot for local transport, housing and other projects which will be distributed to LEPs from April 2015;
 - There will be an extra £350 million for the Regional Growth Fund "to provide support for jobs and growth across England".
4. The single funding pot is likely to include funding for skills and other local growth initiatives, but the Chancellor gave no indication of the size of the pot. Government officials have stated that the LEP growth plans could include plans for infrastructure, housing and transport. Treasury documents released alongside the Chancellor's Statement say that in drawing up their "multi-year plans", LEPs will be expected to consult with all relevant partners. The plans must "build on any existing plans and include coordination with any ongoing public

¹ Charting the course: Growing South Hampshire's economy.
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programmes". These comments mean that PUSHs South Hampshire Strategy could have any influential role on the Solent LEP's plan. The document also states that local authorities will deliver any programmes or projects outlined in the growth plans rather than LEPs, in order to ensure there are proper accountability structures in place.

Transport matters

5. There have been several recent successes in securing funding for transport improvements in South Hampshire, with the Highways Agency confirming funding for improvements to junctions 3 and 5 on the M27 motorway, and the Transport for South Hampshire (TfSH) area receiving 40% (more than any other area) of the South East Region's 'pinch point' funding. Last month, the Government awarded Southampton City Council a further £5.3 million from the Regional Growth Fund for a major road improvement which, in addition to improving accessibility, will unlock development potential in part of the city. At the same time the Government confirmed the final full approval for the Tipner scheme in Portsmouth, thus allowing work to begin. The Department of Transport will provide £19.5 million towards the total cost of £28 million scheme to create a new motorway junction and park-and ride facility.
6. The Government is seeking to establish Local Transport Bodies (LTBs) reflective of the geography of the Local Enterprise Partnerships (LEPs). LTBs will have a single remit: to prioritise local major (capital) transport scheme investment. This will involve identifying priorities, awarding funding and programme managing the fund. Each LTB must include the local transport authorities and the LEP; the involvement of other bodies is discretionary in each area but there is a Government expectation that other bodies would be able to attend meetings and feed into the process. Meetings will be open to the public.
7. The Government has indicated that the Solent LEP area will receive an allocation of £29 million over the period 2015-2019 (£7.25m per year). Discussions are continuing on the establishment of a LTB for the Solent LEP area, with detailed proposals for its composition etc due to be presented to the TfSH Joint Committee on 5 February 2013. The aim is for the Solent LTB to submit a provisional list of prioritised schemes to Government in April 2013. That prioritisation will be informed by the TfSH Transport Delivery Plan – see report elsewhere on the agenda for this meeting.

Recommendation

It is RECOMMENDED that the Joint Committee should **NOTE** the matters for information, contained in part B of this report.

Background Document:

Chancellor of the Exchequer's Autumn Statement 2012 – can be viewed at http://www.hm-treasury.gov.uk/as2012_index.htm

Enquiries:

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