



# **PUSH Business Plan Update 2010-12**

***“South Hampshire Means Business”***

## FOREWORD

PUSH continues to make significant progress and our clear goal remains to improve the economic performance of the sub-region and to narrow the gap of disadvantage that holds us back. This is all the more important in the current economic climate.

This refresh of our existing Business Plan recognises that PUSH continues to evolve its governance structures to achieve both a stronger focus on delivery and broader engagement with key partners, including major businesses and employers. For 2010-11 a budget of £2,334,000<sup>1</sup> (capital) and £2,131,000 (revenue) has been approved and the refreshed South Hampshire Agreement will support the delivery of this programme. Many of the actions from the original agreement are complete or are further advanced, including the development of the private sector-led Employment and Skills Board. PUSH's approach is to have a strong, locally led and integrated sub-regional approach to economic and spatial planning underpinned by a robust evidence base and is fully in line with the developments

However, circumstances have changed significantly since the original South Hampshire Strategy was incorporated into the draft South East Plan in 2006 and since the original MAA was signed. It is now clear, as spelt out in the Plan, that some targets are simply unachievable on the original timetables as a result of the recession. In addition there have been a number of significant developments in the policy context, with the introduction of Local Democracy, Economic Development and Construction Act strengthening the role of Local Authorities in economic development and regeneration, and the promotion of decentralisation by the new Coalition Government, including the recent announcement that the Government intend to rapidly abolish Regional Spatial Strategies. There is acknowledgement of the promotion of decentralisation by the new Coalition Government, which will give new powers to local councils, including the intention to return decision-making powers on housing and planning to local councils and the intention to provide incentives for local authorities to deliver sustainable development. PUSH accepts the need to adapt to those changes and it welcomes the fact that the Government is seeking to support the creation of local enterprise partnerships, that would enable the improved co-ordination of public and private investment in transport, housing, skills, regeneration and other areas of economic development.

The Partnership for Urban South Hampshire has a long established strategic framework within which local authorities, external partners and business are already working together on issues of economic concern and the boundaries of PUSH accurately reflects the real Local Economy. There is scope for taking this a stage further and delivering significant efficiency gains by taking on the role of a Local Enterprise Partnership and work has already started with the development of improved collaboration and connectivity between PUSH and key partners in business, universities, and other public sector organisations, delivering increased co-ordination in areas such as employment and skills, and inward investment.

Therefore, this business plan outlines how PUSH is responding to both the immediate impacts of the recession and policy change, and also to the changed circumstances affecting the longer term delivery programme. The tighter fiscal climate and the expected contraction of the public sector will present further challenges and future risks, and the public expenditure review will mean that PUSH will need to re-focus efforts on key priority areas.

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<sup>1</sup> Excludes growth point capital funding allocation of £5,336,000 – yet to be confirmed

Within the context of the impact of the global economic downturn, the UK public sector, and local government in particular, is facing a significant reduction in Government funding. With funding cuts confirmed for 2010/11 and more anticipated from 2011/12, and national political priorities focussed on reducing the public debt other public services will need to work creatively to deliver more for less, consider service reprioritisation and look to innovative funding arrangements to deliver the outcomes they are seeking. PUSH has also commissioned a refresh of the evidence base and strategy to inform a more comprehensive overhaul of the Business Plan in 2011, including developing an outcome-led approach to based on a firm evidence.

We are proud of what PUSH has already achieved for the sub-region in such a short period of time and we are committed to ensuring that we achieve ever more for the benefit of people living, working and visiting in South Hampshire.

**Councillor Seán Woodward**

**Chairman**



## **PURPOSE OF PLAN**

This refresh of the PUSH business plan updates the previous plan (2009-11) incorporating the targets and actions arising from the South Hampshire Agreement signed in July 2008, the recent refresh and taking into account progress made and significant changes in circumstances over the last 12 months. It does not seek to be a comprehensive review of previous plans (which will be undertaken for the plan to be adopted in 2011). Prior to that review PUSH has not sought to revise its short term targets preferring instead to develop a sound evidence base for doing so. Nevertheless, we recognise that the current economic crisis will mean that a number of the current short term targets and outcomes are simply no longer valid or achievable (including a number set out in the South Hampshire Agreement). Those targets considered to be unachievable as a result of the recession are highlighted in the Plan.

Each PUSH Delivery Panel is responsible for producing and maintaining a detailed delivery plan for its theme which should include detailed actions and projects, timescales/milestones and responsibilities for each action. The lead Member and Chief Executive for each Delivery Panel is accountable to the PUSH Joint Committee for implementation of those delivery plans. The delivery plans for 2010-11 are included in Appendix 2

It retains the three main purposes of the previous plan, i.e. to:

- demonstrate the ambitious vision that PUSH has for South Hampshire and the steps being taken to deliver it in challenging circumstance;
- demonstrate how PUSH is working with partners such as Government Agencies, the business community and others to delivery this vision; and
- encourage investment in South Hampshire.

The Plan does not repeat the background material included in previous plans (unless there have been significant changes in the last 12 months). It sets out the key actions to deliver the South Hampshire Strategy to be undertaken over the next two years by PUSH, its constituent local authorities and its partners both individually and collaboratively. It does not set out to detail existing “mainstream activities” of partner organisations, such as the Skills Funding Agency, Jobcentre Plus, Business Link and local authorities which would take place regardless. Rather, it sets out the transformational, additional actions and opportunities to “re-shape” existing plans and programmes to support PUSH aims and deliver the step change. The high level action plans set out in this business plan stem from, and should be read in the context of, separate strategies for specific themes such as the Green Infrastructure Strategy, the HCA Local Investment Plan, the South Hampshire Transport Strategy developed by Transport for South Hampshire (TfSH) and the emerging Economic Development Strategy refresh

This plan also outlines the resources required to deliver the plan for 2010-11, where these resources have been secured, how further resources are to be secured and the ways in which PUSH conducts its business to support delivery of the plan. It is clear that the current level of resources committed to PUSH projects is substantially less than that which is required to deliver the strategy and therefore the plan also sets out the innovative

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mechanisms PUSH is exploring to secure additional resources. It is also recognised that further consideration may need to be given to the Government announcements of £6.2 bn of savings in 2010-11, and their potential impact, as well as the forthcoming spending review that will undoubtedly inform resource allocations for future years.

In particular, it also addresses the key challenges and risks posed to delivery of the South Hampshire Strategy, including those arising from the economic recession, and details PUSH's approach to adapting to those changes and mitigating/responding to those risks.

Given the current economic uncertainty, now is not considered to be the right time for a comprehensive review of PUSH long term plans. Initial study work to inform a more comprehensive review will be initiated later in the summer to inform next year's business plan and to feed into Government policy as articulated in Policy statements such as; The Coalition: our programme for government (May 2010) and Planning Policy Statement 3 (PPS3): Housing (June 2010). Equally the forthcoming Spending Review will also provide a platform on which to consider new and different approaches to public service provision. This will challenge Local Government and delivery partners to consider fundamental changes to the way we provide services, whilst ensuring that resources are prioritised within a tighter budgetary framework, whilst securing improvements in value for money.

There is acknowledgement of the promotion of decentralisation by the new Coalition Government, which will give new powers to local councils, including the intention to return decision-making powers on housing and planning to local councils and the intention to provide incentives for local authorities to deliver sustainable development. PUSH accepts the need to adapt to those changes and it welcomes the fact that the Government is seeking to support the creation of local enterprise partnerships, that would enable the improved co-ordination of public and private investment in transport, housing, skills, regeneration and other areas of economic development.



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# 1. CONTEXT AND STRATEGY

## Adapting to changing circumstances

### Market conditions

- 1.1 PUSH recognises that the context in which this plan, and the South Hampshire Strategy that underpins it, are being delivered is ever-changing. This is particularly case with the current upheaval in the economy and the fiscal environment which brings uncertainty, makes long term planning difficult and requires flexibility and responsiveness.
  - 1.2 PUSH remains completely committed to its long term economic and regeneration goals and to the delivery of the housing, infrastructure, facilities and services necessary to achieve them. We also recognise that the current economic crisis and .the scale of the structural deficit will inevitably make some of our targets are unachievable (including a number of targets in the South Hampshire Agreement) and will therefore substantially alter the likely trajectory of progression towards our long term goals. .
  - 1.3 It has not been possible in the period of review of this Plan to undertake the fundamental review of the evidence base that would be required to revise and re-profile the delivery outputs. Nor would it be sensible or feasible to do so while the economic climate is so volatile. Therefore, we have highlighted throughout this plan those that are considered to be unachievable in the current economic climate.
  - 1.4 PUSH remains committed to its long term goals and, therefore, recognises that while there will be a severe short term impact on delivery against targets, deficits in performance in the short term are likely to be recovered in later years through prudent investments and enabling of projects that will delivery substantial longer term outcomes.
  - 1.5 Furthermore, recognising that the context (economic or otherwise) is likely to be significantly different as the economy emerges from recession, and with anew Coalition Government in place. PUSH commissioned during 2009 a review and update of the evidence base that underpins the South Hampshire Strategy. The results of that work will be incorporated into a full review and three-year roll-forward of this business plan in 2011 (including revised short-term targets) Additionally the forthcoming Spending Review will also provide a platform on which to consider new and different approaches to public service provision. This will challenge PUSH and delivery partners to consider fundamental changes to the way we provide services, whilst ensuring that resources are prioritised within a tighter budgetary framework, whilst securing improvements in value for money
  - 1.6 This does not, mean that PUSH is complacent about delivery in the short term. Rather the current challenging economic circumstances mean that we are strengthening our efforts to support the economy and people of South Hampshire and to ensuring the necessary infrastructure and investment is made to support the sub-regional economy now and as the recovery begins. To that end we have adapted
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our short term strategy and delivery focus to respond to rapidly changing market conditions. In summary, this means that PUSH will:

- Take this opportunity to enable longer-term projects that, while not viable in the current market, will become so as the economy recovers. This may involve investing in enabling infrastructure, early land assembly to take account of favourable market conditions or forward funding feasibility or design projects.
- Where it is appropriate to do so at a sub-regional level, invest in projects that aim to protect the people of South Hampshire from the effects of the recession particularly through investment in employment and skills projects. We will also be working with partners to ensure that South Hampshire is in the best possible position to take advantage of the upturn when it comes.
- As described in the previous chapters, explore with partners options for innovative funding of projects, particularly where early public sector investment can be recouped through income later in the life of a projects when the economy is in better shape, whether that return comes through land values, developer contributions or other forms of income generation.

### **The South Hampshire Strategy**

1.7 The South Hampshire Strategy sets out an ambitious 20-year vision for securing prosperity and a high quality of life for people who live in the sub-region. It aims to build on the character and strengths of the two cities of Southampton and Portsmouth and their associated travel to work areas as drivers for economic growth and physical renewal, strengthen existing communities and extend the range of housing available to meet the needs of all people who live in the sub-region. By conserving and enriching our natural and historic environment it aims to enhance the quality of life of anyone who lives in, works in or visits the sub-region.

1.8 The sub-regional strategy that has been developed and adopted by shared by the 11 local authorities<sup>2</sup> that make up the Partnership for Urban South Hampshire (PUSH), working with other public agencies and partners from all sectors. Our objectives can be summarised as follows:

- promoting economic success by seeking to create a diverse economy where business, enterprise and individuals can flourish, underpinned by modern skills;
- providing the homes we need in sustainable communities;
- building more cohesive communities and reducing inequalities, closing the gap between deprived areas and the economic performance of PUSH sub-region;
- investing in infrastructure and sustainable solutions;

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<sup>2</sup> The eleven local authorities that are members of PUSH are the district councils of East Hampshire, Eastleigh, Fareham, Gosport, Havant, New Forest, Test Valley and Winchester; the unitary authorities of Portsmouth and Southampton and Hampshire County Council



- promoting a better quality of life by safeguarding our environment and investing in our urban areas.

1.9 Our approach is one of conditional, managed growth. To be sustainable, housing and economic growth need to move in step, underpinned by the timely provision of the necessary infrastructure. This approach is woven into these objectives and underpins this business plan. This is a long-term endeavour, which requires a sustained focus over at least the next 20 years. Therefore, this plan's main aim is to set out what we will do in the next couple of years to lay the foundations for delivery.

#### Promoting economic success

1.10 Sustained and increased economic growth is the main driver for the sub-regional strategy, in particular bringing growth rates up to and above the Regional average. The sub-region has a sound economy but it is, and has historically, lagged behind the South East and under-performed in relation to its potential. Our strategy is therefore to support the sub-regional economy during the current economic crisis and, over the medium to long term, to strengthen and enhance the South Hampshire economy; improve our skills base and tackle barriers to employment and enterprise; promote business sectors with the potential to perform well and address under-performance in others including through increase inward investment. A PUSH Business Group has been established to advise and support the Joint Committee, the Economic Development Delivery and the Programme Board. Its role will be particularly important in the forthcoming review of the economic development strategy as well as in advising on business priorities for responding to the recession.

#### **Economic outcomes as set out in SHSRS**

- Over the period 2006-26, raise Gross Value Added (GVA) from 2.75% per annum to up to 3.5%<sup>3</sup>
- Improve the relative employment rate and narrow the gap between the South East and PUSH by the creation of new jobs
- Currently the broad sectors in which employment growth is expected to occur are Advanced Manufacturing, Environmental Technologies and Digital Technologies and Adult Social Care. However, further review is being undertaken to establish the sector priorities for the future
- Provide new employment space fit for modern business needs including more space for expansion and new high-grade sites for commercial and industrial development
- More innovation and business start ups, improved productivity and effective support to growing companies, building on sectors where we excel, especially in higher value-added knowledge-based businesses. Targets include increasing VAT stock per 1,000 inhabitants from 25 to 40 by 2026
- Focusing public interventions to engineer a further step change in the skills of the resident workforce, particularly in those sectors where skills deficits are most acute,

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<sup>3</sup> The evidence base for the Economic Development strategy is being revised, and this will result in the publication of new measures.

increasing the percentage of the working age population with skills and narrowing the gap between South East skill levels and PUSH skill levels

- To improve the relative claimant count and narrow the gap between South East and PUSH percentage rates of those claiming out of work benefits
- Increased inward investment from both domestic and international companies
- A stronger support sector, for example retail and commercial services, to underpin the attractiveness of the sub-region to new and expanding businesses
- Closing the gap in those areas which are lagging behind the sub regional average and holding back the performance of the sub region as a whole

## Transport

1.11 Effective transport is one of the preconditions for economic growth in South Hampshire. Transport for South Hampshire (TfSH) is the lead organisation for delivering transport improvements<sup>4</sup> and a key partner for PUSH. TfSH's strategy seeks to *reduce* the demand for car travel, *manage* existing transport provision better, and *invest* in a targeted way in those projects that deliver most in support of the sub regional objectives and priorities.

### **Transport outcomes 2006-2026**

- Reduced reliance on the car as the travel mode of choice.
- Improved management of the road network to optimise its effectiveness.
- New and improved junction capacity on strategic highways to access major employment sites and new communities being developed.
- New and improved public transport networks, including a bus rapid transit system, to link new and existing communities.
- Better rail links within the sub-region and increased use of rail to deliver fast and efficient services both for passengers and freight traffic.
- Better information systems to allow travellers to make more informed choices.
- Integrated transport to enable travellers to make joined-up journeys without resorting to using a car.
- A freight strategy to enable economic needs to be met in a sustainable manner.

## Sustainability and Community Infrastructure

1.12 One of the constraints on the economy of South Hampshire is that infrastructure improvements have not kept pace with development in South Hampshire and there is a consequent backlog of investment and a need for substantial urban regeneration. Getting the right community infrastructure in place, both in regeneration and new communities, is crucial. Furthermore, climate change is a major challenge to the resilience of infrastructure for both existing and new communities.

### **Sustainability and community infrastructure outcomes 2006-26**

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<sup>4</sup> Transport for South Hampshire (TfSH) comprises the three strategic transport authorities in South Hampshire - Portsmouth City Council, Southampton City Council and Hampshire County Council supported by a wide range of other interested parties.

### Sustainability and community infrastructure outcomes 2006-26

- Sustainability will be at the heart of our agenda. We will develop a strategy to mitigate and adapt to the potential effects of climate change.
- Community infrastructure – schools, healthcare, law and order etc – that meets the needs of the community and enhances quality of life and opportunity.
- Green infrastructure that is accessible to users and enhances biodiversity.
- Reduced abstraction and consumption of water and a water management infrastructure operating to European standards.
- Improved flood defences to the appropriate standards that will provide better protection to existing, growing communities.
- 100MW of energy to be provided from renewable resources by 2016.
- Waste recycling and recovery facilities to minimise impact on the environment.
- Regeneration of brownfield sites, many a legacy of past industrial activity.

### Providing homes to support economic growth

- 1.13 Providing the homes we need is not just about building more homes in the area. It is also about getting the most out of the existing stock and ensuring that it is in good condition. We are committed to the delivery of sufficient additional homes in the period 2006-2026 to facilitate the economic expansion of the area.

### Housing and planning outcomes<sup>5</sup>

A *balanced* housing supply with the right kinds of homes in the right numbers in the right places.

Greater opportunity for people to buy their own homes.

Delivery of sufficient new homes each year subject to the ability of the market to deliver, and in line with the revised Economic Development strategy, with the intention that 35% of these should be affordable homes

Renewal of major estates, notably in Southampton, Portsmouth and Gosport, to improve and diversify the stock, provide additional dwellings and help reduce concentrations of deprivation.

Two new mixed communities of sustainable homes in our Strategic Development Areas

Delivery of major housing and mixed development schemes including urban extensions that will start to deliver new homes in the medium term

All existing housing stock to be decent and fit for purpose.

New homes built sustainably, initially to at least level 3 of the Code for Sustainable Homes.

A coherent set of up-to-date Local Development Frameworks to enable PUSH to be planned in an integrated way.

### Quality Places

- 1.14 We aspire to make South Hampshire an exciting and rewarding place to live and work by ensuring: the availability of the right facilities; that people feel safe; and that they live in a pleasant, well-designed environment that has adequate provision to meet the leisure and recreation needs of residents. This includes communities having a feeling of 'place', shaped by the facilities and services on offer, by the local

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<sup>5</sup> This will be reviewed in line with the publication of the new PPS 3 Housing Policy statement (June 2010), and the commitment by the coalition Government to abolish Regional Spatial Strategies

character, culture and heritage, and by the local environment. Building on our sub-region's superb natural and historic assets, and strong heritage and cultural base, our strategy is to plan for the sub-region in a way that recognises the relationships between the urban fabric and the natural environment, and retains a sense of place.

#### **Quality Places Outcomes 2006-26**

- Promotion of excellent cultural facilities which are of national, international or regional repute. These provide a building block not only for the successful integration of culture into our communities, but also for South Hampshire's worldwide 'brand'.
- Good design. This will be at the top of our agenda to create a sense of place in every new development and regenerated community.
- Ensuring we do all we can to encourage involvement and participation in culture, sport and recreation.
- Enhanced quality of life through a diverse and vibrant cultural and sporting offer, using culture and heritage to create a sense of identity and distinctiveness.
- A thriving creative businesses sector and a healthy visitor economy.

#### Priorities

1.15 PUSH works with partners in the public and private sectors to deliver shared objectives. Our spending priorities through the business plan period will be:

- developing the economic agenda and in particular supporting the sub-regional economy during the current challenging economic conditions. With partners, we will prioritise initiatives affecting learning and skills and employability;
- providing the conditions to facilitate and encourage housing delivery. This means bringing forward urban sites and regeneration initiatives, resourcing preparatory work on urban extensions and the two Strategic Development Areas, and meeting milestones in the preparation of Local Development Documents,. It is recognised that the emerging policy framework is changing, due to the announcement by the Coalition Government of their intention to abolish Regional Spatial strategies and return decision making powers on housing and planning to local councils.
- enabling transport projects that support the above in line with the TfSH strategy;
- preparing non-transport infrastructure projects for the longer term;
- measures to ensure quality places for new and existing communities; and
- exploring innovative ways to secure substantial further resources to ensure the strategy can be delivered in the short, medium and long term.

1.16 The subsequent chapters of this Business Plan sets out priority actions for each of these delivery themes together with a summary of the resources required to deliver them.

#### **The Refreshed South Hampshire Agreement**



- 1.17 The latest phase of delivery of the sub-regional strategy which this business plan addresses, is underpinned by the refresh of the South Hampshire Agreement, completed March 2010. Whilst it has not been possible to formally conclude the revised agreement, we have continued to liaise with Government colleagues and partners to deliver on the commitments that were made during the negotiations, and have progressed a number of areas as a result.
- 1.18 Much of what PUSH seeks to achieve will be accomplished by sharing common objectives and achieving better coordination with partner agencies, such as Job Centre Plus, The Skills Funding Agency, Business Link, SEEDA, Natural England, Environment Agency, Highways Agency, Network Rail, South Hampshire Bus Operators Association. On transport matters, the lead at sub-regional level rests with PUSH's 'sister' organisation, Transport for South Hampshire. The private sector will play a vital part in partnering some activity and in supporting activity to drive growth. PUSH can draw on effective business groupings to shape policy and actions. PUSH already has an agreement with Hampshire Economic Partnership – a business led strategic organisation that covers all of Hampshire including the two cities – and other key business support agencies that they will pull together the business group supporting PUSH. To strengthen further business engagement, PUSH has also established its own Business Panel and, under the auspices of the first version of the SHA, has established a business led Employment and Skills Board. There is now strong evidence of improved collaboration and connectivity between PUSH and key partners in business, universities, and other public sector organisations, delivering increased co-ordination in areas such as employment and skills, and inward investment.
- 1.19 PUSH cannot deliver this challenging agenda on its own. The eleven local authorities that comprise PUSH have committed to collaboration at the sub-regional level where this will add value to what authorities can do individually. That commitment is reinforced by the formal powers and functions accorded to the PUSH Joint Committee. Commissioning and delivery of many key actions rests with other agencies listed above. There is high level commitment by all these partners to the objectives, outcomes and targets in the PUSH Business Plan. Most of these partners are the sub-regional expression of national, Government agencies, and operating largely within target and outcome frameworks determined by sponsor Departments. Ensuring effective prioritisation of resources and joined up delivery at the South Hampshire level will be strengthened by formalisation of their shared commitment to PUSH outcomes through the refreshed SHA. There is recognition that that the Government is seeking to support the creation of local enterprise partnerships, that would enable the improved co-ordination of public and private investment in transport, housing, skills, regeneration and other areas of economic development, and PUSH welcomes this development as it will enable locally-elected leaders, working with business, to lead local economic development.
- 1.20 The refreshed SHA provides the basis for a new relationship between partners and Government through which PUSH can :
- formally to **cement a shared commitment** to delivering the outcomes of the South Hampshire sub-regional strategy;
  - **strengthen the prospects of early and certain delivery** of outcomes which otherwise may prove significantly more at risk;
  - deliver **better value for money** by re-shaping programmes and funding streams to fit the South Hampshire context;
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- preserve and enhance the **environmental assets of national and international importance**.
- **close the gap** in economic performance both within the sub region and between the sub region and the rest of the South East; and
- develop **innovative approaches** to economic growth.

1.21 As stated above, PUSH and the Government recognises that a number of these targets are now unachievable in the prevailing economic and fiscal conditions. Nevertheless we remain committed to action to deliver the best possible outcomes in challenging circumstances.

## **Risk management**

### Delivery capacity

1.22 In addition to the risks posed by the current economic and public expenditure crisis, the second headline risk to delivery of this plan is capacity within PUSH, its member local authorities and partners. Through a more prudent use of its revenue and capital resources, PUSH will support local authorities and other partners where appropriate and necessary, including by facilitating greater coordination and sharing of information to realise efficiencies of scale and/or reduce duplication of effort. However within the context of the global economic downturn, the UK public sector, and local government in particular, is facing a significant reduction in Government funding. With further funding cuts expected, and national political priorities focussed on reducing the public debt, PUSH and partners will need to work creatively to deliver more for less, consider service reprioritisation and look to innovative funding arrangements to deliver the outcomes we are seeking.

### Other external factors

1.23 There are various other external factors or risks that have the potential to impede delivery of this plan and these are summarised in the table below:

<b>Risk</b>	<b>Consequences</b>	<b>Level</b>	<b>Response</b>
Inability to secure funding from other sources.	Insufficient or late infrastructure, social housing or other facilities to underpin or enable development or insufficient investment in economic development both leading to non-achievement of objectives.	H	The PUSH programme is a long-term programme and therefore delivery trajectories may need to be adjusted to recognise the profile of availability of resources:  We will work with partners and with a range of funding programmes so as to spread the risk and to develop innovative funding mechanisms as outlined in previous chapters.

<b>Risk</b>	<b>Consequences</b>	<b>Level</b>	<b>Response</b>
Poor collaboration from partners.	Inability to realise some objectives or late delivery of some targets.	M	<p>We have refreshed the South Hampshire Agreement as a tool to lever collaboration from central government agencies, and we will look at emerging opportunities under the new Government to further develop our partnership framework</p> <p>Other local mechanisms such as the new PUSH governance structure, the Business Forum and the Employment and Skills Board will provide forums in which such difficulties can be resolved.</p>
Economic indicators, infrastructure or housing programmes get out of alignment.	Various including greater levels of in-migration, economic increasing disparities within the sub-region, more congestion, high levels of pressures on public services and over- or under-supply of housing leading to a distorted housing market	M	<p>PUSH will continuously monitor the sub-region's performance across a wide range of indicators and respond appropriately, e.g. by redirecting investment to correct a disparity or through accelerating or decelerating the release of land for development.</p> <p>PUSH has commissioned a review of the evidence base, which is now complete. It is expected that we will adopt a revised Economic development strategy to provide a more robust base on which to formulate actions.</p>







## ECONOMIC DEVELOPMENT

### Strategy summary

2.1 The recession of 2009 has necessitated a review of the South Hampshire economy, and refresh of the economic strategy. At the time of writing this chapter, our appointed consultants DTZ and Oxford have been reviewing the evidence base and are undertaking work to refresh the long term economic strategy, this combined work will have a significant impact on the business plan for 2011/12. However, in the interim, this chapter continues to build on the adopted strategy for the sub-region, in this case the Economic Development Strategy<sup>6</sup>. It summaries our economic aspirations as follows:

	2006-2011	2011-2016	2016-2021	2021-2026
GVA growth rate	2.75%	3.0%	3.25%	3.5%
Productivity growth rate	2.0%	2.4%	2.6%	2.7%
Employment	+18,000	+14,000	+13,000	+14,000

2.2 As stated in chapter 1 and due to the recent recession, these targets are unlikely to be achieved in the short term (2006-11) and the review will refine future targets

2.3 The current economic downturn makes it even more imperative that the economy of the sub region is strengthened so as to match the rest of the South East by 2026. Our economic goals remain inextricably linked and can only be reached by achieving our regeneration goals, particularly by raising levels of economic activity and the skills of the residents, both those who are employed and those currently outside the jobs market. The current downturn in employment provides additional challenges both to retaining those newly unemployed people within the sub region and increases the competition for the jobs available in the market place providing additional barriers to employment for people living the most deprived communities. Over the period of this business plan, PUSH will respond to projections and evidence provided by our consultants and refresh the long term economic strategy and begin to put an interim plan in place to support the overall vision for the growth. Our overall ambitions to long term economic outcomes are set out below:

#### Economic outcomes as set out in SHSRS

- Over the period 2006-26, raise Gross Value Added (GVA) from 2.75% per annum to up to 3.5%<sup>7</sup>
- Improve the relative employment rate and narrow the gap between the South East and PUSH by the creation of new jobs
- Currently the broad sectors in which employment growth is expected to occur are Advanced Manufacturing, Environmental Technologies and Digital Technologies and Adult Social Care. However, further review is being undertaken to establish the sector

<sup>6</sup> Economic Development Strategy

<sup>7</sup> The evidence base for the Economic Development strategy is being revised, and this will result in the publication of new measures.

priorities for the future

- Provide new employment space fit for modern business needs including more space for expansion and new high-grade sites for commercial and industrial development
- More innovation and business start ups, improved productivity and effective support to growing companies, building on sectors where we excel, especially in higher value-added knowledge-based businesses. Targets include increasing VAT stock per 1,000 inhabitants from 25 to 40 by 2026
- Focusing public interventions to engineer a further step change in the skills of the resident workforce, particularly in those sectors where skills deficits are most acute, increasing the percentage of the working age population with skills and narrowing the gap between South East skill levels and PUSH skill levels
- To improve the relative claimant count and narrow the gap between South East and PUSH percentage rates of those claiming out of work benefits
- Increased inward investment from both domestic and international companies
- A stronger support sector, for example retail and commercial services, to underpin the attractiveness of the sub-region to new and expanding businesses
- Closing the gap in those areas which are lagging behind the sub regional average and holding back the performance of the sub region as a whole

### **The South Hampshire Agreement - targets and enabling measures**

2.4 The South Hampshire Agreement was refreshed during 2009/10 and in the reporting progress of the first agreement we noted some significant progress that had been made, despite a period of economic downturn. In the last agreement we included a number of absolute targets and it was recognised that the recession had a major impact on our ability to achieve those targets, and in the refreshed agreement the proposal is to move towards relative targets. We also noted a significant level of local collaboration and partnership working that had been achieved and that had resulted in multiple benefits that have been secured both for residents and businesses in South Hampshire, examples are set out below:

- A **skills system** increasingly focused on the needs of the economy of South Hampshire region and the skills of the resident workforce. We have been able to deliver flexible training options for individuals and employers through this period of economic downturn
  - The enabling measures for **Train to Gain** and the increase in **Apprenticeships** has encouraged more people to participate, with an additional 470 Apprenticeship starts and 98 Advanced Apprenticeship starts as well as a 216% increase in completions achieved through Train to Gain
  - A private sector led **Employment and Skill Board** has been established and is operational
  - **Integrated Employment and Skills Pilot:** PUSH was part of a county wide pilot, as a precursor to the introduction of the Adult Advancement and Careers Service (AACS), which has provided access to skills advice and guidance delivered by
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## PUSH Business Plan: Economic Development

dedicated advisers in Jobcentres. 2,520 customers have benefited from the service

- Successfully secured **Futures Jobs Fund** bringing in additional resources of £5.85m that will create 950 jobs for 18-24 year old unemployed young people
- A **Multi Agency Task Force** established to provide an integrated package of measures between skills and employment services. It has responded to major redundancies and acute skills shortages
- Establishment of **Solent Innovation and Growth Network** to provide intensive support to high growth companies creating new generation of businesses. The service will work with 250 high growth firms
- A partnership bid has been submitted to BIS to secure “**Low Carbon Economic Area**” designation for South Hampshire and Isle of Wight
- Relaxations of “**Hybrid Market Penetration**” targets have allowed Business Link Advisers to work with a higher number of “intensive assistance” customers, with an uplift of 12% achieved. Overall achievements remain higher than original targets (39% of IDBR against a target of 38%)

2.5 In the refresh of the Agreement, we have addressed worklessness by focussing activities to increase the skills and employability levels in the most disadvantaged areas, so that we can address the variances and have a positive impact upon the growth of the sub region and improve the quality of life of its residents.

2.6 There is an on-going commitment that over the period to 2011, skills levels will continue to improve and that as a result the gap between the South Hampshire average and the South East region average will narrow as follows:

		2006 Baseline	2011 MAA Target
Level 2	%	-4.4% behind SE region	SE regional average
Level 3	%	-4.6% behind SE region	2% behind the SE regional average

### Key themes and priority actions

2.7 Recognising the current economic climate we will be focusing on the following strategic areas for economic development. We are now focused on putting business at the heart of economic growth in South Hampshire, enabling this globally competitive region to realise its potential Within this framework the Economic Development Panel will develop specific projects and initiatives to meet the outcomes outlined in the remainder of this chapter.

- implementing the skills and employability strategy and in particular supporting the Employment and Skills Board;



- inward investment and business retention;
- key sites strategy;
- innovation and greater engagement of the Higher Education sector and specifically supporting the Innovation and Growth Team (IGT);
- focussing on support to growth sectors;
- responding to the conditions created by the recession and creating the conditions to secure long term and sustainable recovery; and
- Securing better employer engagement

2.8 **Skills & Labour Market:** Developing the workforce is vital to underpinning our growth aspirations whilst improving the quality of life for all our residents. In the current economic recession, it is particularly important that we extend our work on supporting those who are out of work, upskilling our resident population and building on the higher level skills in the workforce to support new growth sectors. Our strategy is to raise the numbers of residents attaining higher level skills (NVQ2, 3 and 4+); better coordination amongst public sector agencies to engage with those in our communities currently excluded from the workforce; and looking for ways to support initiatives to tackle low achievement in schools so as to ensure that our future workforce is given full opportunity to access relevant learning and develop skills important to the sub-region in the future.

2.9 To ensure a well coordinated, multi-organisational approach to adult skills and training provision that meets the needs of employers and the economy. We have created an Employment and Skills Board (ESB), with 50% employer membership. ESB employer membership reflects the make up of the South Hampshire economy and significant employers, from both the private and public sector are represented. The ESB also includes senior representatives from partner organisations and together they are empowered to construct a joint investment framework, with joint investment planning.

2.10 An important priority for 2010/11 was to secure an approval for ESB to be made a specified body under Section 24A of the Learning and Skills Act<sup>8</sup> in order that it can take the lead for:

- coordinating and aligning resources and policy for adult skills
- the delivery of the adult skills and employability strategy
- maximising private sector leverage
- making interventions based upon local intelligence

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<sup>8</sup> Subject to review by the Coalition Government

- developing the training infrastructure to deliver sustainable numbers of skilled employees

However it is also recognised that the Government is seeking to support the creation of local enterprise partnerships, that would enable the improved co-ordination of public and private investment in transport, housing, skills, regeneration and other areas of economic development. Therefore PUSH is committed to responding to this emerging agenda, thereby building upon development of improved collaboration and connectivity between PUSH and key partners in business, universities, and other public sector organisations, delivering increased co-ordination in areas such as employment and skills, and inward investment.

- 2.11 **Enterprise, Innovation & Business Support.** Enterprise and innovation are key drivers of productivity and economic growth. We have some excellent growth sectors, such as marine and advanced engineering and we will be guided by the current DTZ review to determine what public sector interventions may be needed to support future growth sectors. The presence of a strong HE sector, a high level skills and knowledge base, good networks and key sites for new developments, means that we are in a superb position to build these sectors, particularly in relation to innovation and new growth areas. There are clear links with the IOW in terms of key sectors, and a number of areas such as inward investment and low carbon economy have been identified as area for close collaboration. Representatives from the IOW participate on the ED Panel for our mutual advantage.
- 2.12 We want to: ensure we understand the business needs of our key sectors; target support in the way *they* need it; promote specific initiatives that will strengthen knowledge transfer from PUSH's four universities and encourage spin-off enterprise, ensure South Hampshire is one of the best connected parts of the UK in terms of access to ICT, wireless and broadband infrastructure; and unlock the potential for South Hampshire to be at the cutting edge of the environmental technologies sector, contributing both to the economy and supporting sustainability objectives .
- 2.13 Business retention and Inward investment. To deliver economic growth it is vital that investment in businesses grows, and that we retain and support local businesses. PUSH and its partners are committed to raising the game on Inward Investment and have agreed to establish a single gateway and a co-ordinated service for Inward Investment. 2010/11 will be a transitional year and will towards creating greater alignment and streamlining across South Hampshire and a clearer strategic approach, more dedicated development capacity, better support and after-care services to encourage relocating companies to grow, and exploring branding and marketing potential.
- 2.14 Sites and premises. We will also support the bringing forward of suitable employment sites and premises across the sub-region including within the proposed two new strategic development areas, urban extensions and key regeneration sites.
- 2.15 We will also invest to support work in cross-cutting areas of economic development such as: supporting key sectors and clusters; engaging the business community, improving coordination of public sector activity; ensuring capacity to deliver (PUSH
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now has a dedicated Economic Development Director); sustainability not economic growth cannot be at all costs equality & targeting to ensure our aspirations are delivered in a way that is inclusive and provides opportunity for all including maximising the contribution of our existing resident population.

## Resources

2.16 For the most part, the actions identified – many of which will continue over the longer term – will be resourced by PUSH partners from their own resources. Currently secured and further required resources are summarised in the tables below:

<b>Summary of secured resources</b>		<b>£000</b>
<b>Activity</b>	<b>Funding Source</b>	<b>2010-12</b>
ED delivery panel programme	NGP/LA contributions	560
Enabling Infrastructure, studies and delivery capacity at Eastleigh Riverside	NGP (capital)	125 <sup>9</sup>
<b>Summary of further resources required</b>		<b>£000</b>
<b>Activity</b>	<b>Funding Source</b>	<b>2010-12</b>
Skills & labour market	SEEDA, JCP, SFA, LAs	Currently being quantified
Enterprise, innovation & business support	SEEDA, LAs, Business Links	Currently being quantified
Inward investment & business retention	LAs	Currently being quantified
Sites & Premises	LAs, SEEDA	Currently being quantified

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<sup>9</sup> NGP Capital allocation not confirmed yet, and subject to the outcome of the current public expenditure review.

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# TRANSPORT

## Transport for South Hampshire Strategy summary

- 3.1 Transport for South Hampshire (TfSH) is PUSH's partner in delivering economic and housing growth in the sub-region and leads on addressing existing and future transport requirements. It is the over-arching strategy, bidding and delivery agent for sub-regional transport projects, programmes, policies and strategic operational matters. The transport partnership has its own business plan which includes a number of key proposals on which TfSH will be working with PUSH in order to implement the South Hampshire vision. Its overall approach is to emphasise the need for a reduction in the need to travel, better public transport options and improved management to optimise use of the network (road and rail), as well as selective and targeted investment in additional road capacity particularly on the strategic corridors (including M27, M3 and A3(M)).
- 3.2 TfSH operates by assembling funding from a number of sources, in order to progress the delivery of its strategies. An example is the £20million Community Infrastructure Fund obtained from the Communities and Local Government department to construct the first phase of Bus Rapid Transit. This link between Fareham and Gosport is seen as part of a much wider network to serve the growth points of South East Hampshire, as well as providing an attractive alternative to the private car in combating the growing problem of peak hour traffic congestion.
- 3.3 PUSH has provided funding from the New Growth Point fund to support the work of TfSH in recognition that transport can be an impediment to growth, without imaginative measures being implemented. During 2009/10 PUSH made a grant of £250k revenue to TfSH, which was usefully allocated to four projects:
- Bus Rapid Transit – A series of feasibility studies to refine the options available for extending the network to cover the wider area and best serve planned development sites.
  - Access to Southampton – The development and calibration of a micro-simulation model, together with a topographical survey, of the eastern access route into Southampton. Also consideration of the position of the statutory utility companies in relation to the Northam railway bridge improvements.
  - Access to Gosport – A consultants study to consider the opportunities and alternatives available in addressing the issues surrounding transport and access problems on the Gosport peninsula, with particular reference to the development sites.
  - Reduce strategy – Following the drafting of a strategy on smarter choices and other measures to Reduce the need to travel, thereby easing pressure on the road network, the strategy was subjected to a peer review. This was carried out by a leading academic, an authority on alternatives to travel. This review confirmed the direction of the draft strategy, prior to its wider adoption,
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emphasising the role that demand management measures can bring to bear on transport choices.

- In addition, PUSH made a capital grant to TfSH in 2009/10, which was allocated to three key projects:

3.4 In addition, PUSH made a capital grant to TfSH in 2009/10, which was allocated to three key projects:

- Junction 5 of M27. £1,747,000 was used for the implementation of phase 1 of this project to improve access to Eastleigh and Southampton Airport at this busy junction. This first phase involved widening the slip roads for traffic heading from the east, turning towards Southampton. The work is planned to be completed in three phases.
- Access to Tipner. £1,100,000 was used for the preparatory work in designing and consulting upon the additional junction on M275 to serve the planned development at Tipner, as part of Portsmouth's Western Corridor improvements.
- Access to strategic sites. £700,000 was carried forward from the previous year and allocated to the collection of traffic data in a series of roadside interviews and coupled with the assembly of other evidence to support the Sub-Regional Transport Model Suite. This model will be critical in evaluating options and determining the business case for schemes to provide access to the strategic development sites.

3.5 The valuable support from PUSH continues with revenue and capital grants in 2010/11. The £250k revenue grant will be allocated to two areas:

- Developing the Evidence Base £150k – Building the sub-regional model suite, with further data in order to run scenario tests and appraise packages of options for different transport interventions.
- Access to strategic sites £100k – Feasibility studies to develop access plans in more detail for strategic development sites, as part of the master planning process.

3.6 The New Growth Point capital allocation of £1,915,000 in 2010/11 for M27 junction 5 phase 2 was conditional on confirmation of £1m funding from the Regional Transport Board (RTB) and funding of £400,000 for M27 junction 5 phase 3 is conditional on a further £2.5m funding from the RTB. This match funding is currently being pursued, in order to complete the improvements at this junction. Additional funding of £3.9m was sought from PUSH for further works at Tipner. However, as a result of the reduction in Government funding for PUSH, a further £500,000 only was allocated to the scheme in 2009/10, with an additional £992,000 in 2010/11. This would contribute to the costs of design and construction of the slip roads on M275, but is conditional on Portsmouth City Council / TfSH being able to meet the funding shortfall from other sources of funding. It also should be noted that the PUSH NGP Capital funding is not yet confirmed and until the public expenditure review for

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2010/11 is concluded, we will not be able to confirm the allocations of £1,915,000, £400,000 and £992,000. Equally there is further uncertainty created by the public expenditure review that may impact on funding expected from RTB.

### **The South Hampshire Agreement**

- 3.7 The South Hampshire Agreement submitted to Government in July 2008 included a Transport Chapter, which focussed on issues related to the highway network. A Memorandum of Understanding was signed with Government and the Highways Agency (HA). As a result of this closer working, the HA has provided a financial contribution to the South Hampshire Sub-Regional Transport Model, undertaken dialogue on the potential for Active Traffic Management and shared data.
- 3.8 The refresh was prepared in early 2010 and submitted to Government, focussing on public transport. The new Transport Chapter has led to the signing of a Rail Communication Protocol with Network Rail and South West Trains and a formal Bus Partnership Agreement with the newly formed South Hampshire Bus Owners Association. The key outcomes of these agreements will be to lay the foundations for increased capacity and ridership of the rail and bus networks.

### **Performance indicators**

- 3.9 The TfSH Joint Committee has agreed that work is required to harmonise the different data sets that are collected on trip making and the use of various transport modes between the different authorities. Usable indicators need to be created for the sub-region to enable progress and changes to be monitored and suitable targets to be set.
- 3.10 TfSH have established a working group with officers from the three authorities, together with the transport operators and Government agencies, to develop both indicators and targets. It is expected that these will be assembled into common data sets for the principal indicators that can provide a 'dashboard' of performance and trends in the future. It is planned to conclude this complex exercise, which will involve changes in the way traffic and travel data is collected and reported, in time for approval by the TfSH Joint Committee in September 2010.

### **Resources**

<b>Summary of secured resources</b>		<b>£000</b>
<b>Activity</b>	<b>Funding Source</b>	<b>2010-12</b>
Transport feasibility studies	NGP Revenue	250
M27 Jn 5 completion	NGP capital	167



## **SUSTAINABILITY AND COMMUNITY INFRASTRUCTURE**

### **Strategy summary**

- 4.1 Sustainability and quality of life are at the heart of the PUSH vision. To ensure both these objectives are met and that action is taken to mitigate and adapt to the effects of climate change and deliver the community infrastructure needed for existing and growing communities, we will:
- safeguard the environment by protecting and enhancing treasured landscapes, heritage, designated sites and habitats, by creating new assets such as accessible green spaces, and securing the highest design and environmental standards in new developments;
  - work to ensure that existing and new developments are resilient to climate change and that wherever possible investment in new development and improved community infrastructure mitigates the impacts of climate change and contributes towards reducing our carbon footprint;
  - ensure that South Hampshire communities whether in existing or new developments are well served in terms of education and learning facilities, healthcare, public and community services and facilities, shops, access to employment and green infrastructure; and
  - aim to ensure that the economic benefits of developing new (environmental) technologies are retained in the sub-region including through creation of new jobs.

### **South Hampshire Agreement - targets and enabling measures**

- 4.2 The South Hampshire Agreement currently includes the following enabling measures in respect of infrastructure. These have been reviewed through the new draft agreement refresh submitted to GOSE in early 2010 and PUSH has now included additional areas such as the natural environment and green infrastructure. The approach to the refresh has been informed by and significantly based on a Memorandum of Understanding (MoU) that PUSH has developed on environmental issues with the Environment Agency and Natural England. This MoU was signed by these parties and by GOSE on 18 March 2010.

## **PUSH Business Plan: Sustainability and Community Infrastructure**

Enabling measure/targets	Partners
<ol style="list-style-type: none"> <li>1. A commitment from the relevant Government Departments and agencies to develop an action plan to build on the key principles enshrined in the MoU, in particular to reflect the agreement in the MoU that flexible and creative approaches are needed to meet the requirements of the South East Plan including an approach that achieves environmental gain overall, but accepts what might be a compromise in certain areas as a consequence.</li> <li>2. Agreement from DEFRA to explore positively and constructively proposals for allowing flexibility in the national funding formula for coastal defences to ensure investment is targeted both to protect existing and proposed new communities (supplementing developer contributions where appropriate).</li> <li>3. A commitment from relevant Government Departments to support PUSH in influencing OfWat to ensure that future funding rounds for water companies take full account of the need for appropriate investment and that they are timed to coincide better with development planning timescales.</li> </ol>	DEFRA, EA, Natural England

### **Priority actions**

#### Social Infrastructure

- 4.3 We are committed to developing new homes in South Hampshire on the assumption that the economy and infrastructure can support them, and to ensuring that new development delivers resilient, sustainable communities, We will engage effectively with partners in public, private and third sectors to develop with them the right level of community infrastructure requirements and prepare a programme of investment that can be funded by developer contributions (including via a community infrastructure levy) and mainstream service investment or other sources of funding that may be identified over the business plan period.

#### **SSI1 Social Infrastructure**

- Draw up an overview of community infrastructure requirements over the medium and long term to inform discussion with the local and national providers.
- Prepare a prioritised programme of investment in community infrastructure.

#### Climate Change

- 4.4 Preparing a Climate Change Strategy for the Sub Region, building on strategic wide ranging studies and initiatives already undertaken by PUSH, is essential both to establish principles for long-term planning beyond 2026 and providing a basis for managing growth effectively over the next 20 years. We will also be seeking to exploit the business opportunities created by reducing carbon emissions and waste generation, as part of our ambition for South Hampshire to be a centre of excellence in environmental technologies.

#### **SSI2 Strategy**

- By collaborative work with Hampshire County Council to prepare a climate change strategy for the sub-region and the wider Hampshire area that will set out targets for mitigation and adaptation,

## **PUSH Business Plan: Sustainability and Community Infrastructure**

reducing carbon emissions across new and existing developments, targeting reductions in water consumption and increased waste recycling.

- Work in partnership with other appropriate partners to develop renewable energy initiatives and other environmental technologies to exploit the potential for economic development benefits.

### Green Infrastructure

- 4.5 The evidence base for a Green Infrastructure (GI) Strategy has been developed by PUSH and this has now been taken forward through the preparation of a new Green Infrastructure Strategy which will serve as a policy framework for South Hampshire to drive investment in key priority projects and to inform Local Development Frameworks. The GI Strategy will be implemented progressively over the next 20 years and will seek to provide new green infrastructure assets as well as enhancing existing assets in order to provide a quality environment for the residents of South Hampshire and to mitigate the impact of growth on valued and protected habitats. It will also assist in maintaining separation between settlements and preserving wildlife corridors.

### **SSI3 Green Infrastructure**

- Establish appropriate governance and project management arrangements for the implementation of a Green Infrastructure Strategy for South Hampshire
- Identify and prioritise green infrastructure projects in which to invest in the future which will make a contribution to improving the quality of place, enhance biodiversity and assist in the mitigation of the impact of new development.
- Develop an effective implementation plan
- Secure coordination for Green Infrastructure implementation with a range of key partner organisations that can assist in the implementation of Green Infrastructure projects or their subsequent management
- Take an overview of LDFs to ensure a consistent approach to green infrastructure.
- Advise on natural environment aspects of all major development masterplans.

### Flood protection

- 4.6 PUSH has undertaken a Strategic Flood Risk Assessment (SFRA) for the sub-region. This shows that some areas, particularly in Portsmouth and Southampton, may be prone to unacceptable risk without further investment in flood protection. PUSH is working with the Environment Agency, on ways to improve flood protection including in areas that are already defended but to a standard that should be improved and where new development is proposed as part of urban regeneration. A flood risk protocol is being developed collaboratively with the EA to inform decision making in Local Development Frameworks. If necessary, we will redirect development to less flood-prone locations on the basis of the approach in the protocol.

### **SSI4 Flood Protection**

- Work with the Environment Agency to develop a flood risk protocol to inform decision making within Local Development Frameworks
- Commission detailed SFRA for major development areas.
- Work with partners including Environment Agency to establish standards of flood protection and priorities for investment in additional flood protection.
- Work with partners to establish financing options for priority flood protection projects.

### Water management: supply and waste water disposal

- 4.7 PUSH, working with the Environment Agency, has approved an Integrated Water Management study into the requirements for water supply, water quality, drainage and disposal of waste water, and for designated conservation sites, on a sub-regional basis. Together with other work done by the Agency and the water companies this will inform investment in water related infrastructure over the next 25 years, including addressing existing inadequacies in such infrastructure such as severe capacity constraints in drainage and surface run-off infrastructure. We will also promote sustainable drainage schemes where possible to assist in our biodiversity objectives as well as minimising flood risk.

#### **SSI5 Water management**

- Implement the key actions identified in the Integrated Water Management Study
- Work with partners to agree water consumption reduction strategy in the light of water abstraction targets
- Establish water 'retrofit programme' with RSLs and local housing authorities to reduce consumption in social housing
- Work with partners to support investment in Havant Thicket reservoir and consider new water supply options
- Work with partners to establish a waste water strategy in conformity with Habitats Regulations
- Work with partners to identify sewage treatment options and new investment needs

### Sustainable construction

- 4.8 A PUSH policy framework on **sustainable construction** has been adopted and will be implemented through local development frameworks. To date 2 authorities, New Forest DC and Southampton CC have already successfully promoted such policies in their adopted Core Strategies. All of the other PUSH authorities are moving forward with these policies in their respective local development frameworks. Developers will be required to build all new housing developments to the standards of at least level 3 of the Code for Sustainable Homes and moving progressively to level 6 by 2016 in line with Government policy. Particular attention will be given to the two Strategic Development Areas and urban extensions. A similar approach will apply towards non-residential development.

#### **SSI6 Sustainable Construction**

- Oversee adoption of PUSH sustainable construction policies in all LDFs, supported by guidance
- Plan the Fareham SDA, the N/NE Hedge End SDA and urban extensions to the highest environmental standards.
- Undertake a pilot project to build to level 6 of the Code for Sustainable Homes at the development west of Waterlooville.
- Use the experience from the pilot project to inform our approach to sustainable development in the SDAs and other major development projects.
- Develop initiatives to reduce the arisings of construction waste from new developments.

### Energy

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## ***PUSH Business Plan: Sustainability and Community Infrastructure***

- 4.9 PUSH is contributing to regional targets to secure an increasing supply of renewable and low carbon energy over the business plan period. A study has been completed which provides a comprehensive review of energy needs across the sub-region and a stock-take of the current baseline supply position. The study also provides a strategic action plan to inform the PUSH Climate Change Strategy and secure a reduction in the carbon footprint of the sub region.

### **SSI7 Energy**

- Explore the creation of local energy supply networks (ESCo) to provide renewable and low carbon energy sources. Over the business plan period we will be developing proposals and putting them to tender.
- Develop a Combined Heat and Power installation at Millbrook, Southampton and use this as a pilot scheme to promote CHP in appropriate locations across the PUSH area within major development schemes.
- Working in collaboration with SEEDA and relevant partners assess the feasibility of securing new investment in renewable and low carbon energy generation in South Hampshire.
- Working in collaboration with SEEDA and Energy Companies develop a programme of investment in energy efficiency retrofitting of domestic and non domestic property using CERT Obligation funds.

### Waste and Resource Recovery

- 4.10 Through the collaborative partnership that operates in Hampshire known as Project Integra, together with work on minerals and waste planning South Hampshire authorities already have demonstrable achievement in the recycling of domestic waste. Work is currently taking place to build on the success of these partnerships by the development of an integrated approach towards the total waste stream. The overall aim is to minimise waste arisings but also to secure energy from residual waste incineration. PUSH will also be working with developers to minimise construction waste from new development schemes.

### **SSI8 Waste and resource recovery**

- Prepare effective waste flow mapping and develop initiatives for the reuse of materials and generation of energy from incineration of residual waste.
- Establish strategy and targets and investment needs for waste recovery and recycling in new developments.

### **Resources**

- 4.11 Resources to invest in sustainability and community infrastructure are largely provided by central Government working through local agencies such as the Primary Care Trusts, the Environment Agency and county/unitary authorities. In addition, much investment comes from utility companies through the regulatory process and pricing. Our role is to help ensure the relevant organisations are engaged with the local development framework processes and able to plan provision accurately for the future to ensure that funding and investment matches the progress of development. Developer contributions will make a major contribution to providing relevant infrastructure on development sites. There is a continuing need for revenue funding to finance studies to plan infrastructure requirements and provision. The source of all of this has not yet been identified.. These projects will act as pilots for future

## **PUSH Business Plan: Sustainability and Community Infrastructure**

projects. The tables below summarise the secured and required resources for this theme.

<b>Summary of secured resources</b>		<b>£000</b>
<b>Activity</b>	<b>Funding Source</b>	<b>2010-12</b>
Forest park for Southern Test Valley	NGP (Capital) <sup>10</sup>	
Renewable Energy evaluation pilot	NGP (Capital)	20
Portsmouth E/W Sewers/Water separation	NGP Capital	29
Studies including green infrastructure Strategy and implementation planning	NGP (Revenue)	130

<b>Summary of further funding required</b>		<b>£000</b>
<b>Activity</b>	<b>Funding Source</b>	<b>2009-11</b>
Investment in social infrastructure	Government programmes/developers	To be quantified
Investment in Havant Thicket reservoir	Water utilities	To be quantified
Investment in energy supply	Energy companies/developers	To be quantified
Investment in waste recycling and energy generation	Waste utility	To be quantified
Investment in flood protection	Environment Agency/developers	To be quantified

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<sup>10</sup> NGP Capital allocation not confirmed yet, and subject to the outcome of the current public expenditure review

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## **HOUSING AND PLANNING**

### **Strategy summary**

- 5.1 PUSH's prime objective is to improve South Hampshire's economic performance. This in turn requires a balanced housing market, responsive to the need for economic growth. Achieving this will require additional housing, making best use of existing housing and tackling pockets of deprivation and mono-tenure housing where there are concentrations of economic inactivity, and a ready supply of appropriate employment land. PUSH will continue to act as a facilitator, working with developers, the Homes and Communities Agency (HCA) to maximise potential investment to deliver these goals.
- 5.2 Successful delivery of housing and employment sites will depend particularly upon effective and coordinated local planning, including timely progress on their local development frameworks by planning authorities across South Hampshire. PUSH will support local planning authorities using New Growth Point funding in relation to strategic projects or where common or coordinated approaches are critical to delivery of PUSH objectives. Where appropriate it will also provide supportive representations on key draft Local Development Documents and may provide a witness at the ensuing public inquiry.
- 5.3 PUSH has established a comprehensive picture of housing need through an independent Housing Market Assessment (HMA) commissioned in 2005/6 now with annual updates (the last being in 2009). This showed Housing markets in South Hampshire have been affected by the downturn in the national economy and housing market. The negative impacts of this may have peaked but problems remain:
- Prices across the PUSH sub-region have fallen by up to 13% over the year since Quarter Two 2008. House price falls are amplified in reductions in land values and this impacts on the viability development.
  - The number of home sales in the PUSH sub-region has fallen by a further 25% since the report last year.
  - The volume of property transactions reached their lowest point in Quarter 1 2009. House sales fell to less than one third of volumes in the 'normal' market. It is far from certain that sales will recover to the levels associated with the decade to mid 2007.
  - The private rented market has seen an increase in the availability of rental properties and this has placed a downward pressure on rents. Demand has increased as households come out of the mortgage market.
    - Repossession amongst home owners peaked in 2008. Possession orders fell 15% and 24% in Portsmouth and Southampton County Court areas.
- 5.4 A multi-tenure Sub-Regional Housing Strategy, *Homes for Growth*, has been prepared for 2007-2011 that sets out priorities for addressing housing needs across
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the 10 participating housing authorities. PUSH's first strategic housing priority is to *provide a balanced housing supply with the right kinds of houses in the right number and in the right places*. This work together with the HMA update has informed the 'Single Conversation' which has led to the development of a Local Investment Plan between PUSH and the HCA, This document highlights the housing and regeneration priorities for investment in the PUSH area:

- Supporting developments in the pipeline
- Renewal of major estates
- Supporting the development of the two Strategic Development Areas
- Delivery of major housing and mixed development schemes in urban extensions
- Supporting intermediate housing/shared ownership
- Promoting and using opportunities to develop a professional private rented sector
- Local authority new build programme and public sector land
- Ensuring all existing housing stock to be decent and fit for purpose
- Facilitating the development of Supported Housing
- Homes for older people and freeing up the stock
- Quality, sustainability and efficient use of energy

5.5 Into inform the preparation of Local Development Documents, PUSH adopted a Policy Framework on Employment Floorspace in 2008 sets the amount and time period for employment floorspace provision for offices, manufacturing and warehousing. This document is successfully providing the basis for planning inspectors to endorse the employment land provision proposed in LDF Core Strategies.

5.6 PUSH is also considering special purpose vehicles to facilitate investment into employment sites and premises and will provide funding for addition staff capacity to take forward work on the SDAs and Eastleigh Riverside.

### **South Hampshire Agreement - targets and enabling measures**

5.7 The South Hampshire Agreement currently includes the following target (now considered to be unachievable in the current economic climate and therefore shaded red in the table below). and enabling measures in respect of housing and local planning. Through the refresh PUSH has agreed a Local Investment Framework with HCA, and await the publication of the Local Investment agreement for 2010-11.

### **Priority actions**

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5.8 All planning authorities that are partners in PUSH are currently engaged in putting their Local Development Frameworks in place. PUSH and its partners will implement the following actions:

#### **HP1 Planning and Local Development Frameworks**

- Monitor progress against project milestones for developing strategic sites (detailed in Appendices 6 and 7 of the PUSH Programme of Development of October 2007 that will be continually updated);
- Ensure a PPS3-compliant supply of land with planning permission or allocated for house building, working with landowners, developers and other stakeholders to facilitate their development.
- Prepare and adopt Local Development Documents which allocate sites, including urban extensions where relevant, to meet the housing requirements in the sub-region
- Take an overview of the core strategies to ensure that they deliver a consistent, joined up planning vision for South Hampshire and make appropriate representations on key draft Local Development Documents.

#### **HP2 Strategic Developments**

- Establish structures and local working arrangements to progress initial planning work on the proposed strategic development areas at Fareham and N/NE of Hedge End and to support work on urban extensions and other major developments including the procurement of RSL partners.
- Ensure that the planning policy framework for the strategic development areas can be progressed through the relevant authorities' local development frameworks and that capacity and action plans are in place for delivery of these sites.
- Support the resourcing of local delivery teams to implement strategic development schemes (including the SDAs, Eastleigh Riverside and Tipner).
- Develop proposals for the establishment of management arrangements and delivery agencies for strategic developments (including the SDAs, Eastleigh Riverside and Tipner).

#### **HP3 Employment Land (see also SP1 & SP2)**

- Ensure the inclusion in LDFs of appropriate land allocations which can be developed in the required timeframe together with an effective framework for monitoring and reviewing take-up (related to SP1 & SP2).
  - Identify the constraints to development of key employment sites and secure the commitment of the relevant agencies and landowners to the timely removal of those constraints.
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#### **HP4 Housing policy and strategy**

- Develop a PUSH response to the economic downturn.
- Implement the Local Investment Plan with the HCA.
- Encourage developers to adopt policies to support the use of local labour in construction.

#### **HP6 Housing conditions**

- All 6 stock holding LAs to have made all of their stock decent by 2010.
- Promote estate renewal in areas of mono-tenure and investigate with HCA funding mechanisms to deliver new homes of diverse tenure.
- Implement a sub-regional Private Sector Renewal project funded by the Regional Housing Board to tackle poor conditions in the private sector and promote energy efficiency.
- Undertake work to improve water efficiency in existing social housing.
- Promote energy efficiency and tackle fuel poverty by working to attract additional financial resources for PUSH.

#### **HP7 Meeting housing need**

- Work with Housing Associations to encourage RSLs to fund adaptations to encourage those living in their housing stock to live independently.
- Promote greater choice in housing options; seeking to develop cross border letting across the PUSH area and investigating cross boundary nominations.
- Tackle under-occupation and make better use of the housing stock by developing initiatives to encourage housing solutions to be developed for older people.

#### **Resources**

5.9 PUSH and local planning authorities will be agreeing developer contributions towards the provision of affordable homes and will also be developing proposals for joint ventures with developers and landowners. Resources required to put Local Development Frameworks in place will be the responsibility of each local authority.

The table below summarises the resources (secured and required) to deliver PUSH activities over the life of this business plan.

<b>Summary of secured resources</b>		<b>£000</b>
<b>Activity</b>	<b>Funding Source</b>	<b>2010-12</b>
Revenue projects including establishing project teams and	NGP (revenue)	289

## PUSH Business Plan: Housing and Planning

Summary of secured resources		£000
Activity	Funding Source	2010-12
boards to deliver SDAs and MDAs		
Estate Renewal: Portsmouth, Gosport and Southampton	NGP (capital)	1,240 <sup>11</sup>
Gosport Waterfront	NGP (capital)	37

Summary of further resources required		£000
Activity	Funding Source	2010-12
Affordable housing	Housing	50,000
Intermediate housing	Corporation (bids)	13,000
Decent homes: private sector	RHB (assumed)	17,200
Decent homes: social sector	RHB (assumed)	3,532

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<sup>11</sup> NGP Capital allocation not confirmed yet, and subject to the outcome of the current public expenditure review

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## **QUALITY PLACES**

### **Strategy summary**

- 6.1 The enhancement of Quality of Place is core to the ambitions of PUSH. It is imperative that, when delivered, economic development and housing growth in South Hampshire contributes to improved quality of life for existing and new residents. It is also crucial to ensure that the sub region's reputation, as an excellent place to live, work, and invest, is enhanced rather than diminished.
- 6.2 South Hampshire has long held a reputation as a highly desirable place to live and work. Historically this area is the cradle of the English language, the home of the Navy, the embarkation point for the Pilgrim Fathers, and the birthplace of cricket. South Hampshire residents enjoy access to a top quality professional, cultural, and sporting offer with a wide and varied range of opportunities. Residents also live within easy reach of the coast, and two national parks, and some of the nation's most prized historic environments.
- 6.3 The Quality Places Delivery Panel work programme has been designed to ensure that South Hampshire will be well placed to take full advantage of its strengths in offering new, and existing residents, high quality places in which to live, work, and invest. The programme aims to
- Maximise the benefits to the of a range of assets which at national level are regarded as excellent, e.g. The Portsmouth Historic Dockyard, the Rose Bowl Cricket Ground, and The Solent, which is the nation's most popular sailing venue.
  - Promote access and participation in a wide range of cultural activities.
  - Develop cultural and creative industries, both as drivers of the economy and as contributors to Quality of Place
  - Enhance tourism and the visitor economy.
  - Ensure new developments conform to the high standards of design in the built environment so as to increase liveability in the sub region.

### 6.4 Priority Actions

#### **QP1 – Delivery of the Quality Places Work Programme**

- To establish the Quality Places Delivery Panel as an effective forum bringing together key stakeholders from local government, education, and the cultural sector, in order to support the collaborative delivery of Quality Place offer in South Hampshire.

#### **QP2 - Developing Excellence**



- To build a consensus relating to the strengths of South Hampshire, and the way Quality of Place can be used, to reinforce the belief that South Hampshire is a great place to live, work, and invest.
- To work with partner Local Authorities, the Historic Dockyard, the Mary Rose Trust, and other stakeholders, to maximise the economic and social benefits associated with Portsmouth Harbour and its role as the Home of the Navy.
- To work with Southampton City Council to support the development of the Southampton New Arts Complex (SNAC) and the Sea City project.
- To promote collaboration between Southampton City Council, Portsmouth City Council, and partner Local Authorities, in order to promote the cultural offer in South Hampshire and build on successful collaboration which has led to the development of the joint Portsmouth / Southampton City of Culture proposal.

### **QP3 – Access and Participation**

- To develop and implement the South Hampshire pilot of the South East Cultural and Creative Opportunities framework in order to provide web based analysis of cultural and sporting provision serving the South Hampshire area.
- Use a web based tool to assess the availability of cultural and sporting offer to all South Hampshire residents.
- To support cultural education initiatives serving the South Hampshire area, such as Find Your Talent, and Creative Partnerships.
- To work in partnership with Hampshire County Council, Portsmouth City Council, and Southampton City Council in order to maximise opportunities for culture and sport arising from the Building Schools for the Future programme, and other investment programmes which could promote co-location as a means of enhancing the cultural offer available to South Hampshire residents.
- To ensure that opportunities for cultural and sporting engagement are considered as part of the master planning of all major developments in south Hampshire.
- To work with partner Local Authorities in order to promote South Hampshire Cultural offer to all residents.

### **QP4 – Advocacy**

- To review funding mechanisms to support the development of cultural and sporting offer in South Hampshire.
  - To prepare a suite of planning guidance to support the Quality Place Agenda in South Hampshire. This guidance will cover enhancement of the green infrastructure offer, sensitive use of the historic environment, quality place design
-



in the built environment, and the promotion of a range of services accessible to all communities including sport and culture.

#### **QP5 – Supporting the Creative and Cultural Economy**

- To develop and implement the South Hampshire Creative Industries Framework.
- To strengthen provision of business advice, building on the success of the CIBAS model developed by Portsmouth University.
- To work with the Arts Organisation and partner organisations to ensure access to creative workspace across South Hampshire.
- To work with South Hampshire Colleges and Universities to support the development of skills within the creative sector and to develop opportunities for school leavers, apprentices, and graduates, to gain placements within the creative sector in South Hampshire.
- To work with Universities to support their role in incubating and growing the creative sector, including knowledge transfer and technology transfer.

#### **QP6 – Supporting the Visitor Economy**

- Promote the visitor economy within South Hampshire.
- In partnership with SEEDA implement Solent Corridor Gateway Project in order to promote the South Coast reputation as a destination for sail tourism.
- Implement South Hampshire Greeter project and celebrate the region's cultural offer.

#### **QP7 – Creating Quality Place**

- Publish Quality Place and Built Environment Design Guidance
- Launch South Hampshire Design Awards
- To implement a programme of skills development and capacity building across the South Hampshire Authorities to develop a greater understanding of the Quality Place Agenda within planning authorities.

6.5 PUSH has been identified by Living Places partner agencies, Arts Council England, Sport England, Museums Libraries and Archives Council, and English Heritage, as a Priority Place. Partner agencies, together with Hampshire County Council Culture, Community, and Rural Affairs Directorate (HCCCRA), Tourism South East, and SEEDA, have jointly financed the appointment of the Quality Place Delivery Manager in order to provide the Panel with the capacity to deliver its work programme. Partner agencies will also seek to engage with the stakeholders in South Hampshire in order to assist in the delivery of this work.

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- 6.6 The Delivery Panel's work programme will also seek to influence how partner local authorities spend. The key role of the Quality Place Panel will be to consider how Developer contributions, including those made through the planned Community Infrastructure Levy, can best be used to fund projects which contribute to Quality Place, Culture, and Sport.
- 6.7 The Quality Place Delivery Panel also seeks to engage in master planning and design work, associated with individual developments, and in particular the strategic development areas within the South Hampshire area.

**Summary of Secured Resources.**

<b>Summary of secured resources</b>		<b>£000</b>
<b>Activity</b>	<b>Funding Source</b>	<b>2010-12</b>
Quality places work programme	NGP (revenue)	211
Portsmouth Creative industries – project completion	NGP (capital)	232



## **Supporting Delivery and Partnership Development**

- 7.1 The eleven local authorities participating in PUSH have formed a Joint Committee under section 101 of the Local Government Act 1972 to direct and monitor the initiative. The Joint Committee comprises the eleven Council leaders or their representatives, who have been delegated powers and functions to exercise on behalf of their Councils in the Joint Committee. The scope of the Joint Committee's activities is determined by the Joint Agreement (its constitution) and this business plan which is approved annually by each of the constituent authorities. Representatives from SEEDA, SEERA the Government Office for the South East, and the PUSH Business Forum are co-opted (non-voting) members.
- 7.2 The Joint Committee is supported by a Programme Board of officers from local authorities and partners. In addition, there are five member-led delivery panels involving representatives from across stakeholders. Their role is to take ownership, and drive delivery of the relevant part of the PUSH strategy. The panel themes are:
- economic development;
  - housing and local planning;
  - community infrastructure and sustainability;
  - quality places;
  - external funding and resources;
  - in addition, Transport for South Hampshire has its own Joint Committee and governance arrangements (as a separate organisation) but works in partnership with PUSH on the strategic transport aspects of the sub-regional strategy.
- 7.3 A business group has been established as an advisory and consultative forum, to engage business and the HFE sector in shaping policy and approaches to implementation, to build wider ownership of PUSH strategic objectives, to bring business perspectives and expertise to bear wherever it can make a contribution and to grow effective networks. Furthermore an Employment and Skills Board was established in accordance with the provisions of the South Hampshire Agreement.
- 7.4 These governance arrangements are represented diagrammatically in appendix 1. It is recognised that Government is seeking to support the creation of local enterprise partnerships, that would enable the improved co-ordination of public and private investment in transport, housing, skills, regeneration and other areas of economic development, and PUSH welcomes this proposal as it will enable locally-elected leaders, working with business, to lead local economic development.

### **Strategic role of PUSH**

- 7.5 The key roles of PUSH continue to be:
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## ***PUSH Business Plan: Supporting Delivery and Partnership Development***

- promote, commission, monitor and account for activities to deliver the vision. Actions may be delivered directly by PUSH, by one of its constituent local authorities, by a partner agency or commissioned from third parties (whether public, private or third sector organisations);
- lead and coordinate strategic infrastructure issues and services, in conjunction with partners where appropriate, such as Transport for South Hampshire (TfSH) for strategic transport;
- lead on sub-regional policy issues and strategy preparation, working with and mobilising the relevant partners;
- agree and coordinate common objectives, principles and policy frameworks for the PUSH area, such as the provision of affordable housing or climate change;
- coordinate and broker external funding, including central Government and regional funding streams;
- build relationships with central Government, the Government Office and Regional Agencies such as SEEDA;
- ensure that there is the capacity and a pool of expertise to deliver development on the ground.

### **Priority governance and management actions**

7.6 During this Business Plan period, PUSH will implement the following actions:

#### **PUSH1 – Core Capacity and Partnership Development**

- Continue to develop mechanisms for wider stakeholder engagement
- Continue to develop PUSH core staffing and administration arrangements.

#### **PUSH2 – Supporting Local Delivery**

- Ensure sufficient capacity to work with and in support of local project teams.

#### **PUSH3 – Business Planning and Outcome Frameworks**

- Further develop programme & performance management, monitoring and evaluation arrangements;
- Review PUSH Business Plan and underpinning evidence base

### **PUSH team resources**

7.7 The PUSH central team and corporate activities will continue to be financed by a combination of partner local authority contributions, New Growth Point funding and SEEDA allocations.

<b>Summary</b>		<b>£000</b>
<b>Activity</b>	<b>Funding Source</b>	<b>2010-12</b>
PUSH Central Activities	PUSH LAs, NGP (revenue),	855

## **Financing the strategy**

8.1 Most of the public spending in South Hampshire will come from mainstream programmes relating to, for example, education, employment, skills, health, transport, housing, social care and law and order. Some of these programmes are funded by central Government on a formulaic basis. Therefore, it remains important for PUSH member authorities to continue to lobby public service funders and respond to all consultations on funding changes to ensure that the sub-region's future funding needs are considered in the most informed way and in the best possible light. With the funding cuts recently announced and further funding cuts expected for the period commencing 2011/12, PUSH will need to work more creatively to deliver more for less, consider service re-prioritisation and to look to innovative funding arrangements to deliver the outcomes we are seeking.

8.2 In addition, PUSH will have available to it a number of further sources of funding including:

- Government funding programmes such as New Growth Point funding for 2010/11 only. It should be noted that the capital allocation has not yet been confirmed.
- contributions from each of the 11 authorities participating in PUSH;
- developer contributions and in the future, the prospect of a Community Infrastructure Levy or strategic tariff;
- funding from public sector partners including SEEDA, HCA, JCP the SFA and arts and cultural agencies. Through the agreement PUSH will be seeking to agree Joint Investment Frameworks with key Government agencies;
- further freedoms and flexibilities arising through discussions with HM Treasury including potential pilot bids against a single capital appraisal framework with or without Tax Incremental Financing / Accelerated Development Zones;
- private sector partners, including utilities; and
- in addition, there may be options such as joint management companies with developers to manage new developments to a high standard over the longer term allowing infrastructure spending to be incurred ahead of an income stream from the site, possibly through prudential borrowing. There may also be the potential for joint ventures with partners to enable site development (such as the one already in place at Tipner in Portsmouth).

8.3 The refreshed South Hampshire agreement provides an important mechanism for linking the level of Government funding to performance targets and additional flexibility in the way we implement the sub-regional strategy.

### **New Growth Point (NGP) funding**

8.4 The Government has not announced any NGP funding allocations beyond 2010-11, and has even reduced funding in 2010-11 from the original allocation. The Business

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## PUSH Business Plan: Financing the Strategy

Plan cannot assume any further resources will become available. As such the Joint Committee has planned to spread its resources over the next two financial years as best as possible, to try to ensure that PUSH's capacity for delivery is not lost during the absence of funding information for future years. The table below summarised the current position. All projects are subject to appraisal compliant with HM Treasury Green Book standards.

	£000 2010-11 Provisional	£000 2010-11 Final	£000 2011-12 Indicative
<b>NGP Capital</b>	5,336	2,334 <sup>12</sup>	-
<b>NGP Revenue</b>	578	578	-
<b>Total</b>	<b>5,914</b>	<b>2,912</b>	-

### Total secured funding

8.5 Taken together with other sources of funding available to PUSH including contributions from member local authorities and partners, the total resources currently available to PUSH are summarised in the table below.

Funding source	£000 2010-11	£000 2011-12
<b>Revenue</b>		
Core funding (local authorities)	315	315
NGP (revenue)	578	-
SEEDA core contribution	41 <sup>13</sup>	-
Interest on balances	20	5
Other local authority funding	15	-
Cultural Coordinator contributions	55	-
SEEDA contribution: Quality Places launch	5	-
Previous year's underspend	636	-
Planned carry forward	466	376
	<b>2,131</b>	<b>696</b>
<b>Capital</b>		
NGP capital	<sup>14</sup>	-
Planned underspend from previous year	370	-
Additional carry forward from 2009-10	1,964	-
	<b>2,334</b>	-
<b>Total resources</b>	<b>4,465</b>	<b>696</b>

<sup>12</sup> Carry over from 2009/10, as growth point capital funding for 2010/11 not confirmed

<sup>13</sup> SEEDA funding not yet confirmed

<sup>14</sup> growth point capital funding for 2010/11 not confirmed

## Allocated funding

8.6 These resources have been allocated by the PUSH Joint Committee as follows

Theme/delivery panel	£000 2010-11	£000 2011-12
<b>Revenue</b>		
Economic Development	360	200
Sustainability and Community Infrastructure	130	-
Housing and Planning	289	-
Quality Places	196	15
Transport for South Hampshire	250	-
External Funding and Resources	75	40
Central Costs	455	400
Balance	376	41
<b>Total revenue resources</b>	<b>2,131</b>	<b>696</b>
<b>Capital</b>		
Economic Development	125	-
Sustainability and Community Infrastructure	49	-
Housing and Planning	1,277	-
Quality Places	232	-
Transport for South Hampshire	167	-
Balance to be allocated	484	-
<b>Total capital resources</b>	<b>2,334<sup>1b</sup></b>	<b>-</b>

## Further sources of funding

8.7 The current resources available to PUSH and its partners are substantially less than required to ensure the South Hampshire Strategy is delivered in the short, medium and long term. PUSH has therefore recently established an additional delivery panel (with £75,000 of revenue resources in 2010/11 and a further allocation of £40,000 in 2011/12) to explore and secure further sources of funding for delivery of the PUSH strategy and this business plan. The primary challenge for PUSH relates to providing more certainty for delivery for major infrastructure and high quality development. The UK public sector, and local government in particular, is facing a significant reduction in funding for 2010/11, with further cuts expected in the period 2011/12 onwards.. The remit of the external funding delivery panel is therefore even more crucial in this environment and the Panel will explore innovative ways of funding and delivering the strategy, working closely in partnership with HCA, SEEDA, CLG and other partners. It will also identify, and agreed with strategic partners, the key strategic projects on which PUSH will focus capacity and resources over the medium term.

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<sup>15</sup> There is a degree of uncertainty surrounding the NGP capital fund and SEEDA contribution for 2010/11. Until these are confirmed, PUSH cannot commit funding to any programme dependant on that funding. The revenue and capital budget in table 8.6 represent confirmed resources only.

Priority Actions

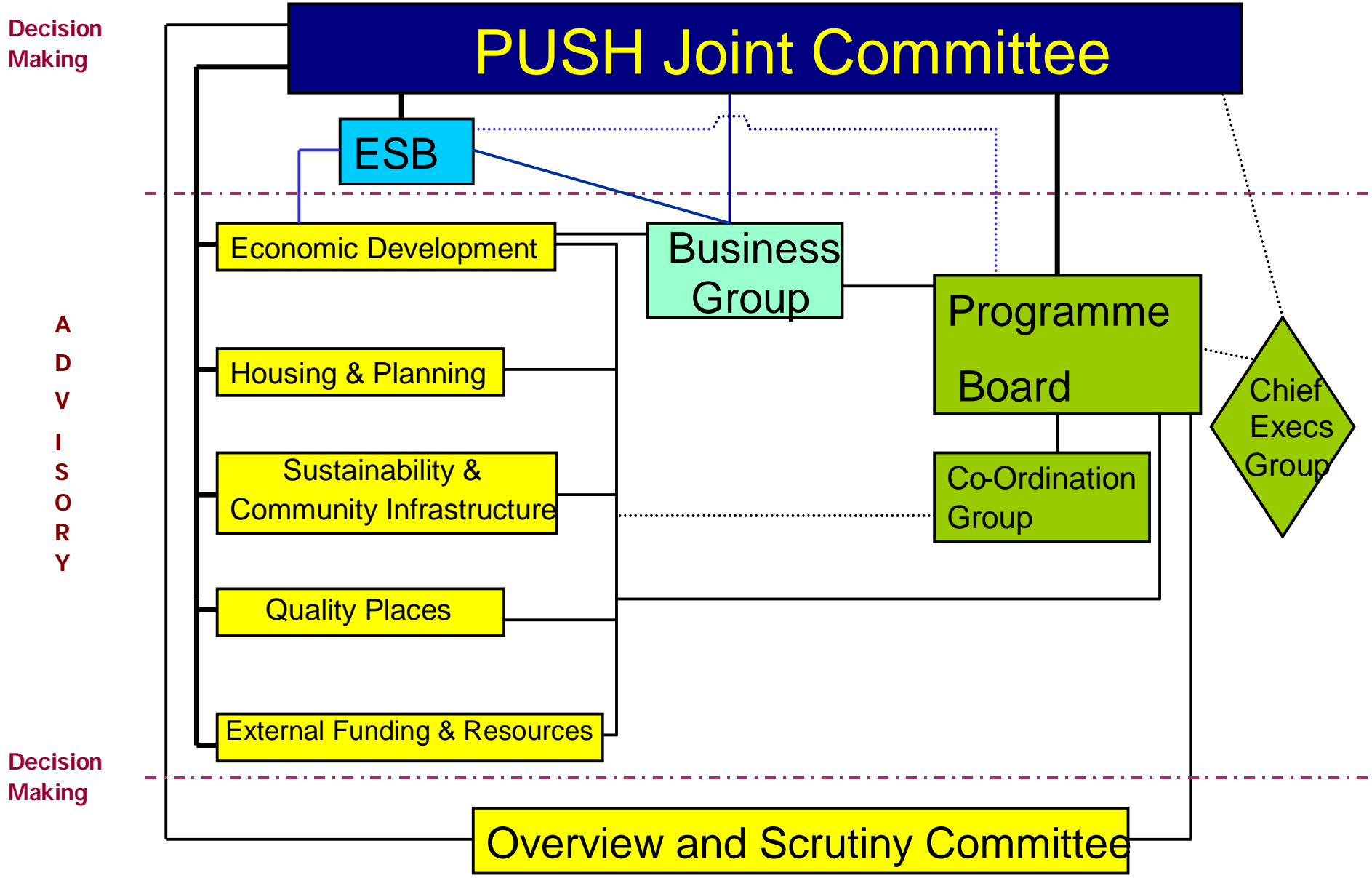
- Develop a strategic investment framework
- Continue dialogue with HM Treasury over MAA flexibilities including a single appraisal framework and TIF/ADZ pilots.
- Identify key strategic projects and seek appropriate funding strategies.
- Develop proposals for alternative funding arrangements for development sites needing infrastructure investment ahead of developers making contributions

**Additional emerging activities**

- Support bids by the utilities to their regulators to enhance investment in the PUSH area.
- Consider joint ventures with development partners and explore options and feasibility of SPVs.
- Review commonality of policies on developer contributions.
- Consider the development of proposals for a Community Infrastructure Levy / tariff to finance strategic infrastructure.









Economic Development Delivery Plan 2010/11 Annex A						
Project Name	Approved Grant	Project Description	Aims	Objectives	Outcomes	Milestones
Family Intervention Project	£100,000	Family Intervention Projects (FIPs) work with the most challenging and vulnerable families in our communities. The project delivers a multi-agency support package, led by a key worker, which addresses the needs of the whole family. Both Portsmouth and Southampton are running successful FIPs. because other more significant issues that needed to be overcome.	This pilot programme will provide a progression path to the existing successful Family Intervention Programme (FIP), it will be known as FIP +. It uses the Total Place concept to target families and requires strategic alignment of funding from central Government departments and local agencies reducing their dependency on public sector services and notionally ring fence those savings	FIP+ will identify and work with up to 40 families in the pilot period across Portsmouth and Southampton and possibly extend to Havant and Gosport at a later stage. The intervention will involve a greater emphasis and involvement from JCP and other employment and skills support agencies with the expectation that they will align their funding in terms of integrated employment and training packages for all members of the families of learning and working age, with a view to progressing the families to the next stage of gaining sustainable employment and breaking the cycle of poverty and benefit dependency.	The project will initially be delivered in Portsmouth and Southampton, work with up to 40 families and deliver a range of outcomes:	April / May 2010 - Recruit additional FIP+ support staff in both Southampton and Portsmouth . July 10 MAA refresh enabling measures agreed. July 2010 HM Treasury agree methodology for measuring savings.

<p>ED Core Team Inward Investment</p>	<p>£120,000</p>	<p>Funding to support the core team in particular to meet the costs of the ED Director.</p>	<p>To support the development and delivery of the economic strategy for South Hampshire</p>	<p>needs to be added</p>	<ol style="list-style-type: none"> <li>1. Development of the Economic Strategy</li> <li>2. Development of the Action Plan</li> <li>3. Delivery of Key initiatives</li> <li>4. Co-ordination of Economic Development across South Hampshire</li> </ol>	<p>June – Draft Evidence/ Scenario. July – Draft ED Strategy. Aug/Sept – Consultation. Sept – Approval of Strategy. Oct – Action plan</p>
	<p>£60,000</p>	<p>Needs to be added</p>	<p>To oversee the development and delivery of a high quality and proactive customer focussed Inward Investment service to attract business investment from the UK and overseas into South Hampshire, in line with PUSH's economic growth objectives.</p>	<p>1)To develop and implement a PUSH Inward Investment strategy within the context of the overall PUSH Economic strategy 2)To develop a “single gateway” service that promotes and responds to potential investors looking to relocate to South Hampshire 3) To develop, oversee and monitor an implementation plan to deliver the Inward Investment Strategy 4) To maximise and build on the contacts and networks of the partners including the private sectors and HE sectors to support PUSH’s effort for attracting inward investment, particularly to the</p>	<ol style="list-style-type: none"> <li>1. Transitional service established</li> <li>2. Inward Investment board established</li> <li>3. Single gateway plan developed</li> <li>4. 2 Proactive missions</li> <li>5. Number of new Inward investments to South Hampshire</li> </ol>	<ol style="list-style-type: none"> <li>1. Principle agreement to the model by the Joint Committee – March 2010</li> <li>2. Governance in Place – June 2010</li> <li>3. Strategy developed – Aug 2010</li> <li>4. Transitional arrangement in place by June 2010</li> <li>5. Agreement with SEEDA - July 2010</li> </ol>



international markets

		funding to support the implementation of Low Carbon Economic Area proposal for the development and growth of the sector	To increase the sectoral performance of the Low Carbon industry as a contributor to the South Hampshire economy	1. To fund pilot programmes to support the delivery of LCEA bid. 2. To create a database of companies involved in Environmental Technology industry. 3. To establish a sectoral steering group to oversee the work.	1. Increase in the number of businesses involved in Environmental Tech. 2. Increase in numbers of job creation. 3. Contribution to increase GVA	1. June – ERDF bid developed 2. July/Aug – Staff recruited 3. July/Aug – Government decisions 4. Sept – Action plan developed
LCEA	£20,000	Funds to support the development of PUSH's work within Europe	To develop a sub-regional service to influence and secure resources from EU and EU programmes	1. Provide sub-regional membership to key organistaion e.g. South East and Euro cities. 2. Raise awareness and capacity building on European issues among PUSH partners. 3. Provide resources for bid preparation and match funding.	1. Secure additional EU resources 2. PUSH wide Europe service established 3. Increase awareness of European issues among PUSH partners	June - ERDF bids submitted. July - Network arrangement submitted. Sept Conference on EU.
European Funding Match	£20,000	To be defined following publication of new ED strategy				
Sector support PUSH ahead and collaborate to innovate	£20,000	Innovation and knowledge economy initiatives				
	£20,000					
<b>TOTAL</b>	<b>£360,000</b>					



Sustainability and community Infrastructure Delivery Plan 2010/11 Annex B						
Project Name	Approved Grant	Project Description	Aims	Objectives	Outcomes	Milestones
Access to Nature Project – Hampshire Wildlife Trust	£60,000	Environmental and conservation enhancement works within South Hampshire to be managed by HWT. Targeted at using young people (NEETS) to gain employability skills in environmental project work. PUSH Contributions will in turn leverage potentially £300,000 to £400,000 of grant funding from the main sponsor English Nature.	To protect and enhance natural environment of South Hampshire and improve the employment prospects of young people with limited skills and qualifications	Enhanced natural environment <ul style="list-style-type: none"> <li>• Improved access to open space and natural environment</li> <li>• Supporting the PUSH Green Infrastructure Strategy</li> <li>• Improved skills and employability of young people (NEETS)</li> <li>• Targeted towards areas of deprivation</li> <li>• Supportive of the PUSH Economic and Skills strategy</li> </ul>	5,000 young people will participate and gain experience of the natural environment <ul style="list-style-type: none"> <li>• 2,000 young people will gain active experience of conservation and volunteering activity in relation to conservation projects</li> <li>• 400 young people will participate in creative media projects</li> <li>• 50 young people will gain an accredited qualification</li> <li>• Local conservation and natural environment projects in South Hampshire will be enhanced</li> </ul>	Decision by main sponsor – Natural England, on the award of funding to be taken August 2010 <ul style="list-style-type: none"> <li>• More detailed project milestones to be developed once funding secured</li> </ul>

SFRA Web Site	£2,000	To provide a stable hosting arrangement for the data and mapping information regarding flood risk across South Hampshire	To move the hosting arrangements from the consultant that undertook the original work to Hampshire County Council's web site	To reduce the ongoing cost of maintaining the data <ul style="list-style-type: none"> <li>• To ensure easy access for partners and relevant users of the data</li> <li>• To provide a stable environment in which the data can be maintained</li> </ul>	<ul style="list-style-type: none"> <li>• The SFRA data will be moved to its new permanent base</li> </ul>	The contract with the consultant has been extended to October 2010 <ul style="list-style-type: none"> <li>• The new hosting arrangements with HCC need to be agreed and actioned by October 2010</li> </ul>
Green Infrastructure Strategy - Implementation	£48,000	The PUSH Green Infrastructure Strategy is anticipated to be approved in June 2010. The strategy now needs to be implemented and this requires a dedicated resource. This project is to provide that dedicated resource by appointing a Green Infrastructure Implementation Coordinator who will then work with partners to take forward agreed projects and initiatives.	To secure appropriate skilled resource to manage the implementation of the strategy	To define the job requirements <ul style="list-style-type: none"> <li>• To advertise and recruit the right person</li> <li>• To ensure appropriate accommodation, management and liaison arrangements are in place for the appointed person</li> <li>• To develop an implementation plan focussing on agreed projects and initiatives</li> <li>• To work closely with a range of partners on the implementation plan</li> <li>• To ensure the appropriate delivery arrangements are in place for implementation of projects</li> </ul>	Enhanced and new green infrastructure of a high quality will be provided in accordance with the Green Infrastructure Strategy <ul style="list-style-type: none"> <li>• Local communities will benefit from improved access to high quality Green Infrastructure</li> <li>• The strategic objectives and outcomes defined in the Green Infrastructure Strategy will be achieved</li> </ul>	The Green Infrastructure Implementation Coordinator will be appointed and in post by July 2010 <ul style="list-style-type: none"> <li>• An implementation plan will be agreed by March 2011</li> </ul>



Integrated Water management strategy implementation	£20,000	Implementation of the Integrated Water Management Strategy(IWTS). In approving Strategy a number of actions where agreed. The project for 2010/11 is to progress those actions	To implement the IWTS and develop the resilience of South Hampshire with respect to water supply and flooding	To establish a forum for discussing water resources issues <ul style="list-style-type: none"> <li>• To promote best practice with regard to conservation measures</li> <li>• To raise awareness of the importance of the water environment and the need to conserve water resources in South Hampshire</li> <li>• To undertake a review of the risk of flooding to key infrastructure</li> </ul>	An established forum which brings together key partners <ul style="list-style-type: none"> <li>• A number of best practice events for key staff</li> <li>• A co-ordinated campaign of awareness raising</li> <li>• An analysis of the impact of flooding on key infrastructure to inform future planning decisions</li> </ul>	Water forum in place July 2010 <ul style="list-style-type: none"> <li>• Events held in third and fourth quarter 2010/11</li> <li>• Draft program for raising awareness agreed Sept 2010</li> <li>• Review of key infrastructure issues Dec 2010</li> </ul>
<b>TOTAL</b>	<b>£130,000</b>					





Housing and Planning Delivery Plan 2010/11 Annex C						
Project Name	Approved Grant	Project Description	Aims	Objectives	Outcomes	Milestones
Housing Monitoring Report	£20,000	Annual update on the Housing Market in South Hampshire	Comprehensive review of across housing of all tenures in PUSH to develop a good understanding of how housing markets operate. It promotes an approach to assessing housing need and demand which can inform the development of planning and housing policies in PUSH	Comprehensive review of across housing of all tenures in PUSH to develop a good understanding of how housing markets operate. It promotes an approach to assessing housing need and demand which can inform the development of planning and housing policies in PUSH	Housing Market Monitoring Report produced	Commission Oct 2010 - Delivery Dec 2010
SDA project manager support	£125,000	Support for two project managers to undertake feasibility work	Development of SDA planning		Completion of feasibility studies for Fareham SDA and Hedge End SDA	Autumn 2010
SDA feasibility study work – Hedge End	£30,000	Carry forward activity from 2009/10				Publication on PUSH website July 2010
Hotel needs study	£15,000	Carry forward activity from 2009/10	Completion of hotel needs analysis to 2026	Completion of study to inform Led's by Summer 2010		Consideration by Joint Committee September 2010
Habitat regulations	£20,000	Second of two annual contributions – see 2009/10				

OLA funding for HRA	£15,000	Carry forward activity from 2009/10
LDD timeline	£8,000	Carry forward activity from 2009/10
HCA single conversation implementation work	£56,000	Detail to be advised once HCA Local Investment agreement issued
<b>TOTAL</b>	<b>£289,000</b>	



Quality Places Delivery Plan 2010/11 Annex D						
Project Name	Approved Grant	Project Description	Aims	Objectives	Outcomes	Milestones
<b>QPDP 1 - Delivery of Quality Places work programme</b>	£57,000	Quality Places Delivery Manager	The Quality Places Delivery Manager provides capacity to support the delivery of the Quality Places work programme	o facilitate the delivery of the Quality Place element of the PUSH work programme	1) The efficient running of the delivery panel 2) The delivery of the Quality Place business plan	2010/11
QPDP 2 - Developing Excellence	£19,000	South Hampshire Identity Project	Inform Inward Investment strategy and place marketing			Joint Commission with ED panel and carry over from 2009/10
QPDP 2.2 - support key projects which contribute to the perception that PUSH offers an excellent quality of life	£5,000	To support Gosport / Portsmouth Harbour economic development and regeneration conference	o work in partnership with Gosport Borough Council, Hampshire County Council, and Tourism South East, and host a conference to build consensus on the potential to develop the visitor economy in Gosport. In particular focusing on the potential of the Gosport element of Portsmouth Harbour.	To deliver conference by December 2010		

## Appendix 2

QDPD 5 - Supporting the Cultural and Creative Economy	£25,000	Grants to CIBAS and ASPAC to support infrastructure bodies engaged in the development of the creative economy in South Hampshire		Network and sector development in Creative industries	Report back December 2010
QDPD 7 - Creating Quality Places through Design of the Built Environment Supporting the cultural economy and access for all	£41,000	The development of design guidance and training and the establishment of a design award to support the Design in the built environment agenda.	To develop three training course and deliver them in 2010. To host a design wards evening in 2010-06-18 To publish guidance on design by Dec 20101	The engagement and commitment of all PUSH authorities to principles relating to Design of the Built Environment by the end of 2010	Report back January 2011
	£49,000	A range of studies, and initiatives to promote wider engagement, to include the development of apprenticeship opportunities in the creative and cultural sector – to be further defined			
<b>TOTAL</b>	<b>£196,000</b>				

External funding Delivery Plan 2010/11 Annex E						
Project Name	Approved Grant	Project Description	Aims	Objectives	Outcomes	Milestones
The development of a Strategic Investment Framework (SIF) covering all aspects of infrastructure needs within South Hampshire	£75,000	SIF will prioritise investment vs. outcomes Key themes to include: <ul style="list-style-type: none"> <li>• Employment sites</li> <li>• Housing including estates renewal</li> </ul> Transport			To provide more certainty of delivery for major infrastructure and development to ensure that investment funding is deployed to maximum effect and to secure flexibilities in the use of funding, piloting new approaches as appropriate. Pilot a single appraisal process for spending proposals across different Whitehall departments facilitating a move towards a single pot allocation process.	<ul style="list-style-type: none"> <li>• Development of investment framework and matrix for key areas of ; Employment sites Housing Transport Summer 2010<sup>16</sup></li> <li>• Commission work on SIF Autumn 2010</li> </ul>
Engage in HMT discussions to explore piloting single appraisal approach to capital funding, and other funding	tba	HMT –Led project to jointly develop an agreed single assessment format based on existing best practice.				Initial HMT meeting Spring 2010  Test and evaluate model  By end of 2010

<sup>16</sup> Note frameworks to be advised by T (Transport), DTZ employment sites work (employment sites) and HCA LIP (Housing)

flexibilities including innovative funding mechanisms for the delivery of critical infrastructure in the sub-region

Immediate Investment Opportunities

Budget provision for external commission from £75k revenue allocation

Develop a range of ready to go projects /investment opportunities simply pending assembly of appropriate project funding arrangements

- Identify list of “ready to go” sites where infrastructure investment is required  
Summer 2010
- Review projects and develop individualised funding strategies  
Autumn 2010
- Approve Final list of Immediate Investment Opportunities  
EF Panel Autumn 2010

**TOTAL**

**£75,000**

