

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	28 October 2013
<b>Title:</b>	Update on the Partnership for Urban South Hampshire Business Plan (2013 - 2015)
<b>Reference:</b>	5189
<b>Report From:</b>	Director of Economy, Transport and Environment

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#### 1. Executive Summary

1.1. The purpose of this paper is to seek Cabinet's agreement to recommend the Partnership for Urban South Hampshire (PUSH) Business Plan to the County Council for formal approval. It also highlights the on-going concern about the the level and credibility of the housing numbers targets set out in the revised South Hampshire Spatial Strategy, given the delivery record and the prevailing economic climate.

#### 2. PUSH contextual information

2.1. The County Council is a member of PUSH, a statutory Joint Committee composed of eleven<sup>1</sup> local authorities in the South Hampshire and Solent area. Cllr Keith Mans is the County Council's representative.

2.2. PUSH was set up to improve the economic performance of the South Hampshire area, which has lagged behind the South East average in recent years. Its role has necessarily changed since the introduction of Local Enterprise Partnerships, which have been given the lead responsibility for driving local economic growth by the Coalition Government, especially following the publication of *No Stone Unturned*, the review of economic growth strategy by Lord Heseltine. Growth funding will now increasingly be channelled through LEPs and, while PUSH is a member of the Solent LEP Board, it is increasingly focusing on a reduced strategic planning role.

2.3. A condition of continuing membership of PUSH is that each authority reviews and formally ratifies the partnership's Business Plan on an annual basis. The

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<sup>1</sup> Hampshire County Council, Isle of Wight Council, Portsmouth and Southampton City Councils, all of Eastleigh, Fareham, Gosport and Havant Borough Councils, and the southern parts of Test Valley, Winchester and East Hampshire District Councils and the Waterside area within New Forest District Council's area.

main elements of the 2013-14 Business Plan are set out below, along with additional contextual information.

- 2.4. The Business Plan, which may be read at <http://www.push.gov.uk/priorities/business-plan.htm>, is substantially shorter than in previous years. It shows that PUSH has had to reduce capacity and is focusing on a few core activities, and states that its agenda focuses on three areas: infrastructure and development, energy and environment, and quality places. The County Council is active in all of these areas, both within and outside the PUSH context, and works to ensure that PUSH activities complement rather than duplicate existing activity.
- 2.5. The Plan confirms that PUSH will have “very limited resources” in the future. Its only source of income is membership fees, which have been reduced in 2013/14 to reduce pressure on members’ budgets, and it is only able to sustain non-administrative activity by carrying over sums from previous years. The County Council now contributes around £53,000 per annum to PUSH as well as officer time.
- 2.6. The Plan states that it has a short-term focus given the current discussions about a Portsmouth and Southampton City Deal, about which the Cabinet has previously been briefed. Governance arrangements for City Deals remain uncertain and the role of PUSH may need to change again, depending on the final Deal that is agreed.
- 2.7. The County Council has voiced concerns about PUSH Business plans in the past, in particular on the basis of unrealistically high GVA growth targets and the credibility of the proposed housing and commercial floorspace targets in the final South Hampshire Spatial Strategy. Housing targets, set out in the Strategy, are for 3,707 dwellings per year to 2026. Housing delivery over the last four years has averaged 2,254 dwellings per year, with delivery last year being almost half what it is now required each year going forward. The PUSH current annual target has only been met or exceeded twice in the last 12 years, which spans periods of both strong economic growth as well as recession. The housing completion figures are set out further in Appendix 1.
- 2.8. The revised Spatial Strategy for 2011-26 has now been adopted by PUSH, although the County Council, which is not a local planning authority, did not participate in the Joint Committee vote to adopt.

### **3. Finance**

- 3.1. Approval of the Business Plan signifies continuing membership of PUSH and therefore acceptance of the £53K partner contributions required. This contribution represents a significant reduction (around 40%) compared to previous PUSH subscriptions.

### **4. Recommendations**

- 4.1. That the Cabinet recommends to the County Council that the PUSH Business Plan be supported for 2013/14

- 4.2. That Cabinet also recommends that the County Council makes clear its continuing concerns about the level and credibility of the housing targets set out in the revised South Hampshire Spatial Strategy, given previous housing performance and the prevailing poor economic climate.