

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	14 November 2016
Title:	PUSH Business Plan 2016/18 and the Solent Growth Forum
Reference:	7733
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

- 1.1 The main purpose of this report is to seek Cabinet's agreement to recommend the latest Partnership for Urban South Hampshire (PUSH) Business Plan (2016/18) to the County Council for formal approval. The business plan was approved by the PUSH Joint Committee on 7 June 2016.
- 1.2 The report also seeks the County Council's formal authority to sign and enter into the revised Joint Agreement, as attached at Appendix 1 of this report, which sets out the revised governance arrangements for PUSH necessary to accommodate the addition of the Solent Growth Forum role.

2. PUSH Business Plan 2016/18

- 2.1. The County Council is a member of PUSH which is a statutory Joint Committee composed of twelve¹ local authorities in the South Hampshire and Solent area. It is a condition of the operation of the Joint Committee that each member authority reviews and formally ratifies each update to the business plan.
- 2.2. The business plan for the period 2016 – 2017 was approved at the PUSH Joint Committee meeting on 7 June 2016. The plan can be viewed at http://www.push.gov.uk/item_9_annex_a_-_push_business_plan_2016-18.pdf.

¹ Hampshire County Council, Isle of Wight Council, Portsmouth and Southampton City Councils, all of Eastleigh, Fareham, Gosport & Havant Boroughs and the southern parts of Test Valley, Winchester and East Hampshire District Councils and the Waterside area of New Forest District.

- 2.3. Similar reports to this one were brought to the County Council's Cabinet in September 2012 and October 2013 in respect of the 2011-2013 and 2013-2015 PUSH business plans. This report addresses the 2016-2018 business plan update.
- 2.4. The 2016-2018 business plan reflects on the aims and objectives of PUSH. It touches on the work of the Solent Local Enterprise Partnership (LEP) and the LEP's Solent Strategic Economic Plan as a driver for its work going forward, not least in terms of translating this economic ambition into spatial planning guidance for South Hampshire. It also reflects on the changing context for PUSH's work brought about by the devolution agenda.
- 2.5. The business plan identifies the following objectives for the next two years:
- Raising South Hampshire's profile with Government and other bodies to secure a better deal for the sub-region
- Policy development and coordination, particularly on spatial planning and infrastructure provision
- Continue to support, influence and facilitate joint delivery in collaboration with the Solent LEP, particularly on matters related to inward investment, infrastructure, employment and skills
- Democratic leadership – facilitating dialogue, brokering joint approaches and collaboration between the PUSH authorities and other bodies
- Simplifying interfaces by engaging with partners on behalf of the South Hampshire & the Isle of Wight authorities, providing a common voice, a single point of contact and a coordinated position.
- 2.6. Building on these objectives and the outcome of the PUSH governance review endorsed in January 2014, the following business plan priorities have been identified:
- Planning & Infrastructure – policy research, strategy formulation and future investment prioritisation to be determined in collaboration with the LEP and other PUSH partners. Business priorities for 2016/17 include concluding work on the PUSH Spatial Strategy Review (subsequently re-labelled the PUSH Spatial Position Statement and agreed for publication by the PUSH Joint Committee on 7 June 2016), updating the PUSH Green Infrastructure & Implementation Plan and conducting an Integrated Water Management Study.
- Energy & the Green Economy – driving the work of Future South (formerly known as Future Solent) to deliver low carbon and energy efficiency initiatives. Priorities for the year 2016/17 include developing Greentech South (low carbon technology & information cluster) into a financial self-sustaining and internationally renowned environmental technologies cluster, providing business support to 100 companies, completing the

establishment of the Hampshire Community Bank loaning £120m per annum to local businesses and significantly improving energy efficiency in the sub-region.

Culture, Creative Industries & the Built Environment – initiatives that engender and reinforce a sense of place, improve the quality of the natural and built environment help develop cultural and sporting facilities and foster creative industries and tourism. Given the successes in the past few years with the PUSH design charter and quality place guidance, priorities for 2016/17 are focussed around further increased understanding and take-up of these initiatives through training, education and the continuation of the Solent Design Awards.

European Collaboration Group – although not a formal PUSH Delivery Panel, PUSH will link with the Solent EU Collaboration Group to identify good practice, seek advice and information on European matters and create more opportunities for Solent businesses and enterprises to access EU funding, though clearly this will become more constrained following the decision taken to leave the EU.

- 2.7. It should be noted that since the work was carried out on the Business Plan, further information on the performance of the local economy and delivery of housing and employment land has become available which indicates that the County Council's long held concerns about the realism of PUSH's ambitions and targets were well founded. Therefore it is reasonable for the County Council to note in its response to PUSH that the economic growth ambitions and targets are unrealistic, and increasingly out of step with what is happening on the ground, whilst still signing up to the principle of continued participation in PUSH.
- 2.8. The business plan notes that the PUSH core team has reduced substantially in size compared to previous years when the Partnership had access to multi-million pound revenue and capital Growth Point funding from Central Government. The PUSH core team now (at the time the business plan was reported to the Joint Committee) comprised an Executive Director, a PA and a seconded planning officer from one of the districts to lead the work on the PUSH Spatial Strategy Review. Since the Joint Committee, the seconded officer has returned to his host Council and the Executive Director has resigned from her post.
- 2.9. Nonetheless, the PUSH governance and organisational structure continue to exist albeit with no dedicated officer support to facilitate its operation. This will place greater responsibility on the PUSH member authorities and, in particular, the 'theme lead' officers to drive forward the project work identified in this updated business plan. It also reduces the cost of PUSH and it has recently been agreed that a "payment holiday", on contributions from member authorities will be implemented for 2017/18.

3. PUSH and the South Hampshire Spatial Position Statement

- 3.1. Although not explicitly forming part of the PUSH Business Plan it is considered appropriate to update Cabinet on the PUSH Spatial Position Statement. The County Council, when commenting on previous PUSH Business Plans, has voiced concerns about the unrealistically high GVA growth targets and the credibility of the proposed housing and commercial floorspace targets assumed in the PUSH spatial strategy work.
- 3.2. PUSH has been working on an update to its 2012 interim spatial strategy to reflect updated population and household forecasts and new Government planning policy set out in the National Planning Policy Framework (NPPF). It commissioned a consortium of consultants, led by GL Hearn, to carry out various evidenced based studies to inform a new spatial strategy for South Hampshire.
- 3.3. In its final stages the work became entangled in the work on housing being undertaken for various alternative devolution proposals such that it was not possible to finalise and agree a PUSH-wide spatial distribution of housing. This meant it was not possible to finalise the spatial strategy.
- 3.4. Given that the evidence based studies will be of use to the PUSH district councils in preparing reviews of local plans and, rather than see the loss of two years work, PUSH took the decision at its 7th June Joint Committee to publish the work as it stood as simply a "Position Statement". The position statement was neither agreed, endorsed nor adopted by PUSH but was simply published, along with some of the key evidence based background reports.
- 3.5. The Position Statement has no formal status as a planning strategy given that it has not been subject to any public consultation or independent testing. However, it will form a starting point for the districts in preparing their local plans, as is currently the case with the emerging Eastleigh, New Forest and Havant district local plans. It also helps demonstrate that the South Hampshire local authorities have met the NPPF's 'Duty to Co-operate'.
- 3.6. Whilst the County Council has previously expressed misgivings about the delivery of the amounts of housing proposed in previous PUSH spatial strategies, ultimately, the level of housing to be provided is a matter which individual councils have to justify and argue through the process of preparing local plans. This Position Statement will be one of very many factors which inform the preparation of those plans; it does not dictate a housing target to any individual council.

4. PUSH and the Solent Growth Forum

- 4.1. At the PUSH Joint Committee meeting on 24 March 2015 PUSH, it was advised that the previous PUSH Joint Agreement, agreed in December 2014, was in need of a review following a request made by the Solent LEP to ensure that the Joint Agreement was fit for purpose to host the Solent Growth Forum ("SGF"). The main purpose of the review was the need to

explicitly provide a mechanism that enabled both PUSH Joint Committee and the SGF to function as separate and distinct entities in their own right, operating under the one Joint Agreement. Councillor Perry is the County Council's representative on the SGF.

4.2. The SGF has the following purposes:

- to review projects funded under the Solent Growth Deal;
- to provide recommendations, expert advice, and guidance on any matter relating to Strategic Economic Plan, the work of the Board, and the Delivery Panels;
- to advise on the policies and programmes outlined in the SEP;
- to review the delivery of the SEP;
- to receive updates on the delivery of the European Structural Investment Funds;
- to encourage optimal delivery of the strategic priorities across programmes, and the optimal delivery of strategic priorities; to provide a strategic review of the development and delivery of the multi-year strategic economic plan.

4.3. At the meeting of the PUSH Joint Committee on 24 March 2015, the Joint Committee considered and approved the revised Joint Agreement between PUSH and the SGF ("the revised Joint Agreement").

4.4. The County Council has now been approached by the accountable body for the SGF (Portsmouth City Council) to sign and enter into the revised Joint Agreement. Before the County Council can do so, and therefore remain a member of the SGF and PUSH, the necessary formal authority needs to be obtained.

4.5. The revised Joint Agreement allows for PUSH and SGF business to operate as separate and distinct entities in their own right, recognising that the parties are entering into the Agreement to record their respective rights and obligations to each other in pursuance of their powers under the Local Government Acts of 1972 and 2000 and all other enabling powers. Through the underpinning PUSH Joint Agreement, the SGF will provide the required standards of transparency and collective engagement of Local Authority Leaders on growth priorities.

4.6. The main revisions to the revised Joint Agreement can be found at section 8 and section 9 and also at Appendix 1, 3 and 4. Section 8 has been amended from the previous Joint Agreement to now reflect that there will be two Joint Committees established – PUSH and the SGF. Section 9 has been amended from the previous Joint Agreement to now include reference to the SGF. Furthermore, the contextual information set out in Appendix 1 has been expanded to include information on the South Hampshire Strategy. Appendix 3 is new in its entirety from the previous Joint Agreement. This

appendix sets out the strategic priorities and targets of the Solent LEP. Appendix 3 Appendix 4 has been amended to include the Terms of Reference of the SGF. The revised contextual information contained within the appendices was all current at the time the revised Joint Agreement was approved by the PUSH Joint Committee in March 2015. However, due to the length of time between the date of this approval and the receipt of the request from Portsmouth City Council for the parties to sign the revised Joint Agreement, the contextual information contained in the Appendices is no longer current.

- 4.7. Underperformance in the south Hampshire economy relative to the rest of Hampshire and the South East has been consistently recognised as an issue, but the divergence in economic performance has widened as the institutional focus on south Hampshire has become geographically narrower. The relative economic performance of southern Hampshire has not improved significantly through the PUSH/Solent LEP era, with the most recent economic indicators demonstrating that southern Hampshire has been outperformed by the UK average in job growth for example, and continues to lag behind the regional average on productivity. The area has also performed poorly on inward investment in recent years. The fact remains that the economy of the proposed Solent CA area is dependent on relationships with the wider Hampshire area and economy.
- 4.8. The County Council could reasonably conclude that much of the revised contextual information, set out in the appendices to the revised Joint Agreement is now inaccurate, incorrect, out of date or simply unrealistic in terms of the likelihood of delivery. Nevertheless, the County Council should still consider signing the revised Joint Agreement, in order to ensure that its voice continues to be heard in relation to local Government's engagement with the Solent LEP on the LEP's local growth fund, economic strategy and ambitions for the southern Hampshire area. This may be particularly important in the coming months as the LEP carries out a review and update of its Strategic Economic Plan.

5. Recommendations

- 5.1. That Cabinet recommends to the County Council that the Partnership for Urban South Hampshire (PUSH) Business Plan for 2016-2018 be approved, but that the County Council reiterates its view that the targets for economic growth and related housing development are unrealistic and are not being delivered.
- 5.2. That authority is given for the County Council, as a member of PUSH, to enter into the revised legal agreement between PUSH and the Solent Growth Forum (SGF), as attached at Appendix 1 to this report, but that the County Council does not accept or agree with all of the contextual information contained in the appendices to the Joint Agreement, much of which is out of date, inaccurate or repeats unrealistic ambitions around growth and development.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Update on the Partnership for Urban South Hampshire Business Plan (2013-2015)	5189	28 October 2013
Updates on the PUSH and TfSH Business Plans (2011-2013)	4287	24 September 2012
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	
National Planning Policy Framework - https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf	March 2012	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

It is considered that this report will have no adverse impact or cause no disadvantage to groups with protected characteristics as it merely seeks to comment on a plan/strategy produced by an organisation of which the County Council is a member which seeks agree future priorities and actions. Those individual priorities and actions will be assessed in EIA terms by the relevant delivery organisation.

2. Impact on Crime and Disorder:

2.1. This report raises no issues related to crime and disorder.

3. Climate Change:

3.1. How does what is being proposed impact on our carbon footprint / energy consumption?

3.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

This report raises no issues in respect of climate change resilience or adaptation, energy consumption or impact on our carbon footprint.