

# Economic Development Update

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19 April 2012

# HCC Economic Development Review

“Create the conditions in which our economy can prosper and grow at a sustainable level to maintain and improve the special Hampshire character and quality of life, to deliver economic opportunities and support the resourcing of public services for the people of Hampshire both now and into the future”.

# Key Challenges

- Creating the conditions for private sector-led sustainable economic growth in Hampshire.
- Responding to the barriers to growth identified by the two LEPs.
- At a time of broader institutional change and key economic challenges/uncertainty.

# Changing Economic Development Landscape

*“A new approach to local growth”*

*“A balanced economy... driven by private sector growth”*

*Local Growth White Paper October 2010*

- Regional Development Agencies closed.
- Abolition of Regional Planning, and Government Offices
- Public Funding Cuts and Deficit Reduction
- Establishment of Local Enterprise Partnerships.
- Primacy of the private business voice
- Regional Growth Fund
- Urban Enterprise Zones

# Approved LEPs

Thames Valley  
Berkshire LEP

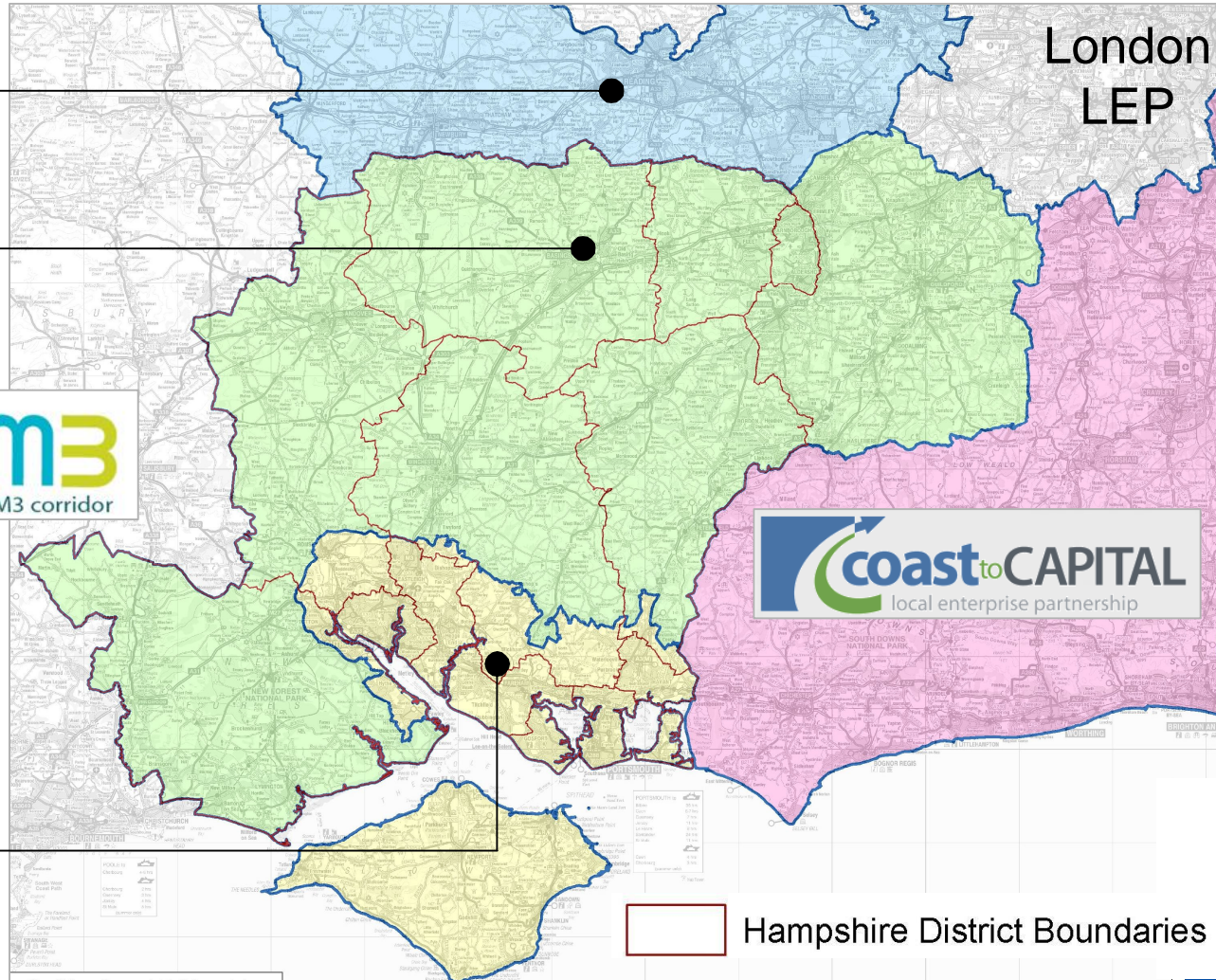
London  
LEP

enterprise **m3**  
Driving prosperity in the M3 corridor

**coast to CAPITAL**  
local enterprise partnership

 solent local  
enterprise  
partnership

 Hampshire District Boundaries



Hampshire  
County Council

[www.hants.gov.uk](http://www.hants.gov.uk)

# Local Enterprise Partnerships

- **Geography** – changing the level at which economic development activity takes place – from regions to functional economic areas.
- **Funding** – significantly decreased.
- **Delivery** – former RDA activities: some stopped, and others centralised.
- **Business involvement** – businesses to chair local enterprise partnerships.

# Calibrated Ranking of 38 LEPs – Local Futures

|                         | Solent | EM3  |
|-------------------------|--------|------|
| Labour Market           | 12th   | 1st  |
| Skills & Qualifications | 11th   | 2nd  |
| Knowledge & Workers     | 16th   | 4th  |
| Productivity            | 12th   | 5th  |
| Private Sector          | 8th    | 5th  |
| Transport Connectivity  | 4th    | 29th |
| Housing Affordability   | 23rd   | 32nd |



# Economic development Government Perspective

*“Putting in the place the powers to create economic growth in the hands of local people, businesses and councillors”*

*“Local leaders and businesses will deliver economic growth in their area through Local Enterprise Partnerships”*

*DCLG website, March 2011*

*“..Local enterprise partnerships are led by local authorities and businesses across natural economic areas. They provide the vision, knowledge and strategic leadership needed to drive sustainable private sector growth and job creation in their area”*

*BIS website April 2012*

# Economic Development

## Objectives

- Reduce barriers to sustainable growth
- Enable businesses to thrive in urban and rural Hampshire
- Maximise economic opportunities across Hampshire

## Through action on:

- Skills
- Infrastructure
- Promotion
- Business Support

# Infrastructure Funding

- Current:
  - Government Funding
  - Developer contributions (via S106)
- Future:
  - RGF,
  - European Union
  - CIL
  - New Homes Bonus
  - Business Improvement Districts (BIDs)
  - TIF (linked to Enterprise Zones)
  - Retention of proportion of business rates
  - Growing Places
  - Devolved local mayor schemes funding

# Hampshire County Council: Open for Business Agenda

- Looking beyond the efficiency and cost reduction agenda;
- Opportunities to develop new models for public service delivery;
- Localism and Big Society;
- Sustainable Economic Growth

# Potential HCC Priority Workstreams

June 2011

- A. Place Shaping - Economic Strategy & Intelligence
- B. Strategic Workforce Development
- C. Strategic Infrastructure, sites and premises
- D. Promoting Hampshire for Tourism, Investment and Business Development
- E. Regeneration
- F. Rural Development