

**HAMPSHIRE COUNTY COUNCIL****Decision Report**

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	26 July 2010
<b>Title:</b>	Economic Assessment
<b>Reference:</b>	1845
<b>Report From:</b>	Director of Economic Development

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## **1. Executive Summary**

1.1. The purpose of this paper is to set out the background to the preparation of the Hampshire Local Economic Assessment (LEA) and to present the draft assessment (attached) for approval prior to a period of consultation.

## **2. Contextual information**

2.1. The statutory duty for upper-tier authorities to produce an LEA came into force in April of this year. The purpose of the assessment, as set out in a report to the Hampshire Economic Board of October 2009, is to be a common evidence base for local authorities and their partners, enabling robust local responses to economic development challenges. It is intended that the assessment should be used in the development of strategic plans of partners, including the Sustainable Community Strategy and when deciding upon Local Area Agreement targets.

2.2. Preparation of the duty is not a one-off task; rather the statutory duty requires that it is kept up-to-date and fit for purpose. Moreover, the first year's assessment may not be perfect, but it will be further developed next year and beyond, particularly as new data becomes available.

2.3. A timeline for delivery of this year's LEA was agreed by the Hampshire Economic Board on 14 December 2009 and work commenced in January 2010. A core project team from the Economic Development Office and Environment Department manages the process, compiling the data and working with consultants, SQW, as they have developed the narrative. The consultants have worked closely with County Council officers to ensure that the work fully meets the needs of the Council and that capacity is developed to undertake subsequent updates and refreshers completely in-house.

- 2.4. A key stakeholder group has been involved from the outset, providing data and local and sectoral perspectives on the key themes. The group comprises representatives from local authorities, public and voluntary sector bodies and business representative organisations.
- 2.5. As agreed by the Hampshire Economic Board in December 2009, the LEA takes an overview of the whole of Hampshire (including Portsmouth and Southampton) and considers the sub-geographies of north, south and central Hampshire and the New Forest. Distinctive County Council level analysis has been included where appropriate, and where significant disparities have been discovered at a lower level these have also been included. The work undertaken for the Partnership for Urban South Hampshire (PUSH) strategy revision has been incorporated into the data evidence base to present a coherent picture of the south of the county.
- 2.6. The duty requires that links are made with adjoining authorities to discover common or linked issues of significance. To this end there has been a dialogue with upper-tier neighbouring authorities, which will also be invited to respond to the consultation on the draft assessment.
- 2.7. The guidance for the duty identifies a number of themes for inclusion but allows authorities to add to these as appropriate for local circumstances. The Hampshire LEA addresses the following themes:
- Overall competitiveness
  - Economic geography
  - Business and enterprise
  - People and communities
  - Sustainable economic growth.

Within these themes a series of topics have been investigated through available data, in order to explore a set of propositions for each theme.

- 2.8. The main Assessment document is underpinned by a series of technical annexes containing a wide-ranging database that can be readily extended and updated as and when new data becomes available.

### **3. Finance**

- 3.1. The financial implications of the LEA were outlined at a meeting of the Hampshire Economic Board on 20 October 2009. At that time it was unclear how Government would fund additional burdens arising from the duty but this decision has since been made. Government has allocated £65,000 to upper-tier authorities which has been distributed as part of the area-based grant.

- 3.2. These funds have been received by the County Council for the 2010 assessment but the arrangements for subsequent years have not yet been confirmed.

#### **4. Next steps**

- 4.1. A period of consultation will follow the approval of the draft LEA by the Cabinet. A consultation launch event will take place to which representatives have been invited from all Hampshire authorities, adjoining upper-tier councils, statutory economic agencies, business organisations and chambers of commerce. They and other interested parties will be invited to comment by the end of September 2010. All comments received will be studied by the Project Team during October and will help to shape a revised document which will be presented for approval in December 2010.
- 4.2. The LEA will form the evidence base for a sustainable economic strategy which will be developed once the LEA has been finalised.

#### **5. Recommendations**

- 5.1. That the draft Hampshire Local Economic Assessment be approved for consultation prior to a final draft being presented for approval in December 2010.
- 5.2. That the Director of Economic Development, in consultation with the Executive Member for Economic Development and Rural Affairs, be delegated authority to approve the technical annexes of the Assessment, including a worklessness assessment and to make any minor wording changes needed to the attached Assessment.

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

<b>Hampshire safer and more secure for all:</b>	No
Corporate Improvement plan link number (if appropriate):	
<b>Maximising well-being:</b>	Yes
Corporate Improvement plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	Yes
Corporate Improvement plan link number (if appropriate):	

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Economic Assessment Duty	1003	20 October 2009
Action Plan for delivering the Economic Assessment Duty	1105	14 December 2009
<b>Direct links to specific legislation or Government Directives</b>		
<u>Title</u>	<u>Date</u>	
Local Democracy, Economic Development and Construction Act	November 2009	

**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. Equalities Impact Assessment:**

- 1.1. The assessment explores deprivation and inclusion under the 'People and Communities' theme.

### **2. Impact on Crime and Disorder:**

- 2.1. No impact.

### **3. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

Not applicable.

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

Not applicable.