



DRAFT PORTFOLIO HOLDER DECISION NOTICE

PROPOSED INDIVIDUAL DECISION BY THE LEADER

TOPIC – Partnership for Urban South Hampshire (PUSH) Economic Strategy: Consultation Response

PROCEDURAL INFORMATION

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Corporate Director (Governance), the Chief Executive and the Head of Finance are consulted together with Chairman and Vice Chairman of the Principal Scrutiny Committee and all Members of the relevant Scrutiny Panel (individual Ward Members are consulted separately where appropriate). In addition, all Members are notified.

Five or more of these consulted Members can require that the matter be referred to Cabinet for determination.

If you wish to make representation on this proposed Decision please contact the relevant Portfolio Holder and the following Committee Administrator by 5.00pm on Tuesday 26 October 2010.

Contact Officers:

Case Officer: Eloise Appleby, ext 2181 or eappleby@winchester.gov.uk

Committee Administrator: Nancy Graham, ext 2235 or ngraham@winchester.gov.uk

SUMMARY

The Partnership for Urban South Hampshire recently issued a draft [Economic Strategy](#).

Officers and leading Members have met to discuss the draft to ensure that the Strategy:

- a) appears sound, and is built on a robust evidence base;
- b) complements the District's own ten-year Economic Strategy, approved in June this year;

- c) makes provision for the needs of the Winchester District, in terms of the areas which fall inside the PUSH boundary, and
- d) considers the inter-relationship between the PUSH area and the rest of the Winchester District.

A response has been drafted, as attached at Appendix 1, and Members are asked to approve this as the official response of Winchester City Council.

PROPOSED DECISION

That Members approve the consultation response to the PUSH Economic Strategy as set out in Appendix 1.

REASON FOR THE PROPOSED DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Winchester City Council is a core partner in PUSH and has a responsibility to participate in this kind of consultation exercise. Whilst the consultation response has evolved during the course of discussions with officers and Members, there is no realistic alternative to propose.

CONSULTATION UNDERTAKEN ON THE PROPOSED DECISION

Many businesses and organisations in Hampshire were consulted direct by PUSH on the draft Strategy, and the document was published on the web to enable any individual, business or organisation to make their own response. The attached response is designed to summarise Winchester City Council's views, which are in turn based on ongoing consultation with our communities and our businesses. In particular, an extensive consultation exercise was carried out in spring this year to inform the final version of the Economic Strategy for the Winchester District. No additional local consultation has therefore been carried out in compiling the response to the PUSH Economic Strategy.

FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION NOTICE

N/a

DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR OFFICER CONSULTED

N/a

DISPENSATION GRANTED BY THE STANDARDS COMMITTEE

N/a

Approved by: (signature)

Date of Decision

Councillor Kelsie Learney – Leader

**Final response to PUSH Draft Economic Strategy,
October 2010
On behalf of Winchester City Council**

Officer contact: Eloise Appleby, Assistant Director (Economic Prosperity)

Questions

Q1. A future vision for PUSH is to create more local jobs and better jobs for local people. Do you support this statement?

Yes. This is in keeping with the economic strategy for the Winchester District, which seeks to make the most of employment and development opportunities for our residents. It is not apparent from the strategy that the jobs created would be 'better' than what has gone before, however.

There is also a need to consider the term 'local', because local authority areas are not discrete in terms of the way people and businesses interact. The strategy might usefully acknowledge that whilst this is a PUSH document, there needs to be flexibility to work across boundaries and to make the most of the complex relationships between people movements and supply chains.

The strategy does not make reference to the need to provide sustainable employment for the Fareham SDA, to ensure there are genuine opportunities for local people.

The draft underplays the importance of the visitor economy in providing new jobs – something which was recognised in the recent speech on tourism by David Cameron – and the speed with which this sector can grow as a direct result of the recession and the consequent 'staycation' trend. In 2009, the Winchester District saw its first rise in domestic overnight stays in several years. Tourism also provides a helpful range of part time and full time opportunities, along with a diversity of career paths suitable for all levels of qualification, and has low barriers to entry in most cases.

There is little mention in engagement with schools and universities to ensure that the education they provide is fit for the needs of employers now and in the future.

Q2. Prioritising support for and building on our key sectors and assets that exist in the area is important. Do you support this statement?

Yes, we support the sectors in general terms. We believe that there is a need to reflect our creative and knowledge industries more clearly in terms of their future growth potential, and the speed of that growth. These sectors can underpin the reputation of an area as a base for modern and creative business, and play an important part in attracting other entrepreneurs and organisations to an area. They also allow for rapid start-ups, and for sympathetic employment in rural areas.

See also comments above about the visitor economy, which should also be included as a key sector.

It is also important to consider that there will be huge change over the life of this strategy. Consequently, there is a clear need both to stimulate diversity and to embrace a broad portfolio of sectors during this time to ensure that our economy evolves and thrives over the long term.

Q3. We must make sure we do all we can to secure our ambition for a high quality of life for residents, workers and visitors. This will require us to ensure that new developments contribute to the quality of the place and that we protect and enhance our important natural assets, such as the coastline and nearby national parks. Do you support this statement?

Yes. This could be reinforced by a greater commitment to developing a low carbon economy, one of the four key outcomes of the economic strategy for the Winchester District.

The strategy does acknowledge the contribution made by 'quality of life' factors to the economic success of the area. Investing and developing sectors such as culture and education are critical to the long term success of an area, and we feel there is further scope in the strategy to make links – and provide support for – work being done by PUSH and others in these areas. Winchester's creative economy is highly relevant to the rest of the PUSH area, despite being based largely outside the former PUSH boundary.

Quality places can be created or enhanced in unexpected ways – such as the Spinnaker Tower. There is sometimes a need for boldness to drive forward innovative schemes which reap long term benefits at the cost of some short term resistance and 'nimby-ism'. As a potentially objective authority for the area, PUSH may have an important role in encouraging some future-focused risk taking if South Hampshire is to continue to be a place of choice for the next generation to live and work.

As a largely rural district, we would also like to see an acknowledgement of the important character of our market towns and villages, and the potential for the further development of green infrastructure.

Q4. PUSH's policy is to maintain a supply of homes to support the housing needs of local people in the area. This includes meeting a shortage of quality housing across all housing sectors and increasing access to affordable housing. Do you support this statement?

Yes, in principle. However, the withdrawal by the Coalition Government of previous housing targets and the introduction of 'localism' will almost certainly present challenges in applying this policy. The strategy may need to be reviewed in the light of this new approach, as it will have an impact on floorspace requirements for employment as well as total housing numbers

and population projections. We understand that the PUSH Planning Officers Group is liaising with DTZ to look at these issues and would stress the importance of a robust evidence base and justifiable assumptions.

Q5. To support the growth of our economy it is vital that we facilitate the development of appropriate sites and premises. This will require us to align our planning functions and infrastructure and site investments to our overarching strategy. Do you support this statement?

Yes, but see response to Qu 4 above which suggests clarification of site pre-existing floorspace requirements and the continued potential for allocation under new localism.

Given the character of the Winchester District, we would propose that there is scope for greater consideration of the rural areas. The strategy should acknowledge the character of the market towns, in particular, and consider opportunities for the development of more 'local' strategies to provide for greater containment of settlements. Containment requires the effective integration of economic activity into local communities which may not sit comfortably with the overall thrust of the PUSH strategy towards building on the potential of the Solent cities.

We would also urge that plans for future sites and premises do not undermine existing and planned developments, such as those at Whiteley and West of Waterlooville.

There is no reference to the PUSH hotel sector study and its findings. There is a chart on page 15 of your draft which had no title, but it seems to suggest no need for ensuring sites and premises for the tourism sector. We would argue that this is something to include, given the relative difficulty of allocating appropriate sites for hotel development in areas where there is strong housing or other business growth. Hotels also support the operation of the wider business world by providing venues for meetings (especially for the kind of networking referred to as a priority in this draft strategy) and accommodation for overseas associates as we seek to build our 'world class' industries. We cannot foster an active and modern business community if we do not have modern and attractive facilities to support it.

Greater alignment of planning functions will be challenged by localism, too, with the likely introduction of very specific policies, potentially on a parish basis, in some places. Overall, there needs to be some early action-planning to reconcile PUSH's overarching ambitions and 'top down' approach with a more community-led approach to planning.

Q6. The Economic Development Strategy identifies 7 transformational actions. Do you support these actions?

These are not, strictly speaking, actions. They are programmes of work, and in themselves highlight a lack of action planning within the strategy as a whole.

An action plan would be a helpful addition to the document, even at headline level, showing elements of the strategy that are currently noticeable by their absence – for example:

- a) SMART objectives for each of the seven transformational programmes;
- b) accountabilities – who is responsible for the activity needed to deliver these programmes? PUSH is a partnership, but the partners and their stakeholder agencies need to be committed to making time and resources available for these programmes. And if we are genuinely involving businesses, what role will the private sector take in driving forward the programmes?
- c) performance indicators, through which we can measure overall progress towards the three key PUSH ambitions for the strategy.

Action 1 – Leading on employment and skills: see response to Qu 1 above.

Action 2 – Supporting the growth of our cities: see response to Qu 5 above and general comments about the lack of differentiation across the PUSH area below. There is no mention of our rural economy, but a large part of Winchester’s rural area falls into PUSH.

Action 3 – Ensuring sites and premises to facilitate growth: see response to Qu 5 above.

Action 4 – Establishing a single inward investment and place marketing function: this is an area where PUSH can add value, as Tourism South East did some years ago with its hotel investment website. Providing a more streamlined approach to inward investment marketing and enquiry handling makes sense of this larger area.

We would not, however, support the development of place marketing in terms of leisure visitors, across the PUSH/South Hampshire/Solent area. Much research has been carried out on this subject, and it is clear that we should use existing strong brands (Portsmouth, Southampton, New Forest, Winchester and Hampshire) to attract visitors, and not try to create a new brand which is almost certain to be a waste of resources. Using ‘attack’ brands has been the favoured strategy of national tourism bodies for some years.

PUSH can helpfully support a more integrated approach to the management (as opposed to the marketing) of tourism and support for projects which add value across the area rather than those which are done very professionally by local authorities and agencies (eg Tourism South East) already working in the area. Hampshire Tourism Officers would, we are confident, welcome further dialogue on this front.

Action 5 – Developing our world leading sectors: yes. However, there should be a greater commitment to building a ‘green collar’ sector for tomorrow than is demonstrated by the strategy as it stands.

Action 6 – Strengthening innovation networks to drive productivity growth: yes. Thought needs to be given to doing this, at a time when attendance at networking meetings appears to be declining (according to the FSA and other local business contacts). How will we incentivise businesses to take part in broad discussions without frustrating them with bureaucracy and process? There are some useful lessons to be learned from existing networks (eg Café Culture for creative industries in Winchester, now spreading to Basingstoke and Andover). How can we ensure that these networks also ‘add value’ rather than compete for attendance and overlap or duplicate provision? And can we link up networks which are local to ensure there are proper ‘conversations’ taking place between innovative businesses across the PUSH area?

Action 7 – Driving innovation in delivery and funding models: this is an area where PUSH should be able to add genuine value, if it can establish itself as an impartial and strategic body that not only involves but integrates the private sector into its leadership. The reference to Total Place is appropriate, and there is a need to learn from the lessons of existing pilots as soon as possible.

General Comments:

We would not disagree with the aspirations or the principles on which this strategy is based. It is well timed to support the economy as the area climbs out of recession, and its focus is welcomed.

However, we would like the strategy to show more clearly how the work of PUSH will add value to the work of the local authorities and agencies in the sub region. It is not clear from the draft how PUSH has defined the areas of work which will benefit from joint effort, as opposed to those areas best led at a local, County or indeed sub-national level.

This is important in determining whether we will actually ‘deliver more and better for less’. Winchester, and probably most other councils, is thinking about how to redesign services which may well lead to reductions in scope or quantity but an improved focus on outcomes. How will PUSH be able to make the most of the opportunities for economic development work that service redesign presents, rather than being sidelined as public bodies contract both in terms of people and budgets? Partnership is regularly named as the key to surviving the recession, but LEP submissions for Hampshire demonstrated the potential to enhance current arrangements to ensure the best results for our businesses and our communities.

Moreover, it refers to the PUSH area as one whole without attempting any differentiation – in terms of profile and priorities – between the different constituent parts. Can it do more to acknowledge the varying needs between, for example, districts as diverse as Winchester and Gosport? In Winchester’s own economic strategy, there is spatial as well as sectoral analysis to define key issues.

On a minor point, there is over-use of the word 'fantastic' – which has no place in a strategy of this kind. It appears around ten times, which both devalues the word and diminishes the aspirations of the strategy. How realistic is it to aim for 'fantastic' quality of life, given the economic context and challenges ahead?

We hope these comments are considered to be constructive, and would be happy to discuss any of them with you. We look forward to receiving a copy of the revised draft in due course.

Thank you for consulting Winchester City Council.

Ends
ECA/04Oct10