

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	15 March 2022
Title:	Local Regeneration and Growth Partnerships with District Local Authorities
Report From:	Director of Economy, Transport and Environment

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Purpose of this Report

1. The purpose of this report is to recommend the adoption of a new model of engagement for local regeneration and growth partnerships with the districts and boroughs of Hampshire, and, where appropriate, with neighbouring unitary authorities.

Recommendations

2. It is recommended that Cabinet:
 - a) Approves the new model of engagement for local regeneration and growth partnership working with the districts and boroughs of Hampshire and endorses the extension of this approach where appropriate to neighbouring Unitary authorities.
 - b) Approves a new approach for local regeneration and growth, based on combining a strategic view of the overall needs of Hampshire with local priorities arising in each area, and connecting need with opportunities, maximising delivery through collaboration and partnership working and determining the right and proportionate interventions based on best available evidence.
 - c) Notes the growing opportunities arising from emerging national Government policy changes, for a more active County Council in the sub national place agenda across the economic, social and environmental policy spheres and the scope for a more outward-facing and collaborative approach.
 - d) Agrees that the County Council should be represented in local regeneration and growth partnership governance arrangements by the Executive Lead Member for Economy, Transport and Environment plus a local county councillor where appropriate, and that appointment to such future partnership arrangements is delegated to the Executive Lead Member for Economy, Transport and Environment.

- e) Keeps the new model of engagement under constant monitoring and review through update reports being submitted to the Economic Development Sub Committee.

Executive Summary

3. This paper signals the growing importance of place in national Government policy and increasing expectations for regeneration and growth strategies at sub-national and local levels that will essentially breathe new life into our towns, cities and high streets, bringing about a strong economic recovery. In order to bring this about a more proactive and collaborative approach to regeneration and growth engagement with our District Authorities is essential to ensure that capacity and resources work together to make the whole much greater than the sum of the parts. There is also a case for extending this approach, where appropriate and mutually desired, to surrounding unitary authority areas on a case by case basis.
4. The County Council currently receives a wide variety of different engagements with different expectations from the District Authorities, predominantly related to economic development initiatives, including funding bids, or through planning initiatives such as local plan development work. The requests can also come into the County Council through a variety of routes, depending on the individual circumstances of each initiative. Historically initial contact has generally been made either with Economic Development, Planning or Highways and Transport in ETE or through the property and estates teams in CCBS. Increasingly the district and borough councils are seeking a single point of contact for the more wide-ranging and comprehensive regeneration and/or growth plans which typically involve a number of different County Council interests and Departments. Whilst in recent times this type of approach has usually been co-ordinated and overseen at officer level through the Corporate Infrastructure Group, it is only the Whitehill and Bordon initiative which has also had fully developed joint political management arrangements in place to date.
5. The existing operating model is primarily demand-led and can be fragmented and ad hoc in nature. The scale and scope of engagement and intervention expected, and its timing is not always shared in advance with the County Council. What then often follows is a period of negotiation and understanding to better understand the issues, draw together the relevant evidence and reach a view about a proportionate and appropriate response. The initial requests for support are often based on specific actions relating to particular service responses from within the County Council. This can constrain a more rounded approach that would allow for a more joined-up and integrated response, as well as enabling the County Council to be engaged at an earlier stage, allowing for co-design, co-development and co-delivery across the local area. The statutory requirements arising from developments or service specific issues often emerge relatively late in the process which can result in friction and conflict which could have been avoided if an earlier dialogue had been triggered.

6. In essence, the County Council and the District Authorities both want the best outcomes for their shared residents and communities. It is with this in mind that this report seeks to present a new model for regeneration and growth partnerships. It is considered that greater and earlier collaboration can enable more to be achieved from the County Council's interventions and from the plans, strategy and actions of the District Authorities, recognising that there are of course capacity and financial constraints, and that clear prioritisation and joint advance programme and capacity planning will be critical to success.
7. There have been notable successes when working in partnership between the County Council and the Districts on a wide range of activities, including major developments, growth opportunities and regeneration. There are established programmes of joint work for example in Basingstoke, the Waterside area of the New Forest, including Totton and in relation to Aldershot and Farnborough. There are also examples of joint projects such work with Gosport on the waterfront and bus station regeneration and the proposed motorway junction upgrade at Welborne in Fareham. A particularly good example of long-term collaboration and joint governance is the partnership with East Hampshire District on the regeneration of Whitehill & Bordon. The County Council has been an active partner from the early strategy stages, has participated in joint governance arrangements to oversee and co-ordinate the initiatives, and has utilised its own assets and capabilities throughout the programme to benefit overall regeneration.
8. Recently the County Council has been engaged in emerging regeneration or growth initiatives with a number of authorities, including senior Member and Officer Meetings and visits. Discussions with Test Valley Borough Council in relation to the Andover Regeneration project, with Havant Borough Council in relation to Havant Town Centre, recent announcements in the New Forest in relation to Totton and with Winchester City Council in relation to a number of potential developments in Winchester have included discussions around a governance model based on the Whitehill Bordon example. There
9. This paper suggests that this successful model of partnership is used as the foundation for collaboration with District Authorities. This proposed governance model includes the Executive Lead Member for Economy Transport & Environment representing the County Council on strategic governance arrangements, supported where appropriate by a local County Council Member, as is proposed for example for the Andover project.
10. These regeneration and growth partnerships would be supported by officers as appropriate, but this work would be overseen by the Corporate Infrastructure Group, which is chaired by the Director for Economy Transport & Environment and includes representatives from all County Council Departments, with a focus on development and regeneration activities. Due to desired outcomes of local regeneration and growth partnerships being economic in nature, and key enablers often being transport and spatial planning focussed, it is envisaged that the Economy Transport & Environment department would take the lead facilitation role and become the initial single point of contact with the District Authority. It is also acknowledged that many other services from within the County Council, including Property Services, Culture and Information Services,

Education and Skills and Participation will all need to contribute to, and potentially be impacted by, regeneration and growth initiatives across Hampshire.

The importance of Place

11. Place sits increasingly at the heart of national Government policy and strategy and in the last decade the core cities, through sub national arrangements, such as Mayoral Combined Authorities and collaborative at scale 'powerhouses', have secured disproportionate resources, influence and kudos across national programmes. In July 2021, the Prime Minister set out a vision for 'levelling up' the whole of the UK and announced the prospect for County Deals as a means to providing similar devolution opportunities across a wide array of place-based functions, powers and resources in return for enhancements to place leadership for county areas, as set out in the recent Levelling Up Government White Paper.
12. Hampshire County Council is currently providing strong leadership to bring all parts of Hampshire and the wider area through economic recovery, playing a major part in stimulating a greater role in the sub national economic agenda, including undertaking and coordinating the technical work to underpin any potential County Deal for the pan-Hampshire area, as well as seeking to collaborate at greater scale on trade, investment and competitiveness to secure greater return for the wider area, the Freeport proposals and the ambitions surrounding 'Global' Britain.
13. In doing so the County Council is aware of its changing role in terms of these future opportunities to attract and draw down from Central Government more functions, powers, resources and flexibilities by collaborating more widely both with local authorities, other parts of the public and the private sector.
14. In Hampshire, a new evidence-based approach for a new narrative was triggered in 2018 by the work of the Hampshire 2050 Commission and the recent launch in the summer of 2021 of the Hampshire Place Story.
15. The combined impact of both the covid pandemic and the UK leaving the European Union has made economic recovery a primary driver of both national and local government. In the short term the economic shock associated with both events has also combined to shift a national trend and the overall policy focus away from what is regarded as a relatively affluent south towards the north and the midlands. Combine this with the legacy since 2010 of huge budget reductions for local government regeneration and growth interventions and community-based services and there is no doubt that there is a need to embrace a new regeneration and growth collaborative approach to how we grow our competitive and local economies, raise living standards and respond to the climate emergency. This includes the regeneration of our towns, cities, market towns and high streets. It also means increasingly self-generating the solutions to these challenges by making better use of our existing assets and stimulating the strengths in our economy to breathe new life into some of our relatively 'left behind' areas and communities. As a major net contributor to the Exchequer

there is scope to provide innovative models for regeneration and major developments.

16. Whilst there are challenges, there are also opportunities emerging for areas across Hampshire to build back better. These include opportunities to capitalise on emerging macro changes to work location patterns either with workers staying more local and using our high streets, or businesses developing a hub and spoke model with satellite offices in regional locations. There are also opportunities for those able to develop a tourism, cultural or more experience-based offer with a focus on leisure as well as shopping, and the emphasis on 'stay local, shop local' also presents some opportunities for smaller retail centres.

Current situation regarding collaboration with the District Authorities

17. Any sub national system, including a two-tier local government system, is going to have a highly dynamic and complex set of interactions and interdependencies within it, and so it is difficult to quantify the sum of collaboration at any given point, especially across our towns, city centres and high streets. Nevertheless, there is no doubt that currently there is no clear 'lens' over the existing arrangements, especially in relation to regeneration and growth initiatives.
18. Appendix 1 summarises the County Council's current involvement in locally-focussed regeneration projects. The County Council is now engaged in an increasing number of projects, the majority of which are in the early stages of feasibility and master-planning. The same teams are often involved, principally Integrated Transport, Economic Development, Strategic Planning and Property Services, if Hampshire County Council assets or One Public Estate funding is involved. In many cases a District's initial ask of the County Council will be seeking to resolve a particular highway/transport problem as an enabler to redevelopment. However, this is really a means to an end and the driver for change is usually economic with the vision and desired outcomes to create a transformational step change to a place often being similar. Several Districts are now creating Cultural Strategies which the Culture and Information Services team is feeding into. Moving forward it will be important to incorporate this into our wider regeneration and growth activities given the role cultural activities and development can play in regeneration and economic recovery. Additionally, the net environmental gain and climate emergency outcomes will also need to feature in an integrated way
19. Closer and more pro-active formal liaison with the local planning authorities will also need to feature. However, where regeneration and growth collaboration enables a more pro-active partnership to happen, it is hoped that the more formal liaison on issues such as Local Plan development or planning application consultations will be better informed as a consequence of earlier co-production, co-design and co-delivery. The coordination on local planning is currently also overseen by the Corporate Infrastructure Group.

Future state of collaboration with the District Authorities

20. In order to secure better outcomes for our residents and communities, there is an opportunity to update the model of local regeneration and growth partnerships so that more is achieved in terms of the County Council's interventions, and the sum of the parts becomes greater than the whole, both internally and through greater collaboration with the District Local Authorities and wider partners. There is no doubt that the demand on the County Council and its services is increasing, particularly given the economic impact of the pandemic on towns and high streets and the importance of securing an early and strong economic recovery. A new model is required to enable the best use of limited capacity and resources. Both 'spreading the jam too thinly', investing in unviable projects, and not acting on best available evidence, are pitfalls that require a rigorous and disciplined response to ensure they are avoided.
21. Successful regeneration has the potential to significantly reduce demand for a wide-range of the County Council's services into the future and provide positive uplift as part of the levelling up agenda in areas of deprivation and economic under performance, as well as support our emerging transport priorities in LTP4 and climate change objectives.
22. Whitehill and Bordon is demonstrable good practice locally of comprehensive, coordinated proactive partnership working in a regeneration context. Partners have worked together over seventeen years to create a bold, shared vision and priorities for regeneration, strong effective working relationships built on trust, stakeholder buy in and a positive approach to planning which has delivered the required infrastructural changes upfront. The County Council has kept continual engagement with seats on the various workstreams/boards at both strategy and delivery levels.
23. Moving forward a more proactive and truly collaborative approach is advocated, akin to the Whitehill and Bordon model albeit modified to the particular local circumstances. The new model would require the County Council to actively work alongside the relevant District and other partners from the outset to create a shared understanding, formulate a regeneration and growth strategy and priorities in response to national, regional and local conditions. The model also assumes collaboration extending to support delivery of the projects and programmes. Engaging earlier will enable the County Council to be more successful in supporting and shaping regeneration projects to deliver desired outcomes and more able to be a proactive, responsive partner, which can be more reductionist if we are only brought in later as part of a statutory process.
24. The proposed new model of local engagement will entail:
- an offer of close collaborative working with all of the District Authorities;
 - multi-agency and multi-disciplinary working;
 - clarity about strategy and delivery at County and District levels; and
 - clear and collaborative governance arrangements.
25. The new model of engagement will provide a basis for prioritising resources and capacity to support their optimal deployment and maximisation of the benefits to be secured. The County Council should focus its resources on working with

those Local Authorities that wish to fully collaborate to create a shared strategy for regeneration and growth, where the County Council's resources can be used to best effect for the benefit of the economy and local residents.

26. The ability to make a tangible difference to the local economy and regeneration is an important factor that the County Council should consider in approaches for collaborative work and support by District Authorities. Additionally there are some regeneration or growth initiatives where the County Council has land and property interests which give it further points of influence. The approach, where possible, should be to use the County Council's assets and capabilities to help further the regeneration and economic ambitions of the area, in those situations where the County Council is working as a partner with the District Council. This will include taking a rounded view of all relevant considerations including the corporate objectives, climate and environmental implications and economic context in addition to the needs of the relevant service.

A strong collaborative approach

27. To support the development of the new Local Regeneration and Growth Partnerships the following principles have been created to help as a starting point guide the development of tailored terms of reference for each of them, recognising that a bespoke approach will be essential to adapt to the local needs of each area.

- Bold and ambitious shared collaborative place leadership
- Clarity of joint and individual responsibility and accountability
- Shared set of partner behaviours and values
- Clear and effective collaborative working and governance arrangements
- An outcome-based focus
- A high-level place-based focus on Strategy covering multiple strategies, disciplines and partners
- A high-level place-based focus on Delivery covering the same strategies, disciplines and partners

28. As a stronger place-based approach is put in place, the first step is to build from the existing foundations in local areas and establish strong collaboration and economic priorities around the Local Regeneration and Growth partnerships with willing individual councils and the County Council.

29. A Partnership Board will be established to support these partnerships, and join up the links between local projects. This Board will have local government leadership and representatives from across the engaging partnerships.

30. A pan-Hampshire Regeneration & Growth Board will also be established, particularly as relationships develop and grow, with representatives from key businesses and skills communities. This will have an overview of the projects being developed, but crucially work with business to maximise the overall value of the existing and emerging opportunities.

31. In addition, this approach could also usefully allow foundations to be laid and agility secured as part of our responsiveness to the continuing opportunities presented in the Levelling Up White Paper, both in terms of meeting Government's challenges to work at scale as well as clarify the benefits arising from putting to good use additional functions, powers, resources and flexibilities that a Deal with Government will bring. A sophisticated approach will be required that operates at multiple scales to maximise the opportunities on offer.

Proposed Governance

32. It is important that the County Council is able to provide a coherent approach across the whole of Hampshire. To do so requires both a Member and Officer contribution that is fully aligned and appropriately integrated to ensure that overall policy and strategy is implemented. On this basis it is proposed that there is an overall consistent Member and Officer representation across the full range of partnership and collaborative arrangements.

33. Given this, it is proposed that the County Council is represented in the Strategy development via the Executive Lead Member for Economy, Transport and Environment and the Delivery arrangements via the Economy, Transport and Environment Department, given the central role that economic development, transport infrastructure and spatial planning take in these regeneration/place making programmes. Additional representations and substitutions will be subject to local negotiation and vary according to local and area-based need and requirements.

34. This will enable more efficient, effective, and integrated regeneration and growth partnership working. Other service areas including Property Services, Culture and Information Services, Education and Skills and Participation will be fully engaged. The interaction will be coordinated to make us more engagement friendly, and so that the County Council's position at a service level is viewed in the context of wider implications and considerations, so that cross-departmental benefits can be maximised.

Resources

35. This proposed approach to engagement will likely at times be more resource intensive for the County Council and in particular the Economy, Transport & Environment department. Focus within the service will be adjusted to absorb this increase in workload where possible, however it is acknowledged that capacity and work areas will need to be prioritised. Where possible work will be undertaken on a cost recovery basis, for example where an initiative has the benefit of external funding to support its development or delivery, or where costs can be recovered against capital funding, to ensure that capacity is maximised to provide the optimal level of engagement in the future.

Consultation and Equalities

36. This is a strategic report proposing a new approach to County Council local engagement on regeneration and growth strategies and projects and therefore doesn't require a specific consultation at this point.
37. Proposals for individual regeneration schemes will undertake their own specific consideration of equalities issues. This report has no direct effect on service users, so has a neutral impact on groups with protected characteristics.

Climate Change Impact Assessments

38. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
39. The tools employed by the County Council to assess impacts on climate change adaptation and mitigation were utilised and found not to be applicable on grounds that the decision relates to a strategic approach rather than specific interventions. The tools will be applied to specific regeneration schemes and more detailed proposals in the future to assess any impacts and ensure they are reported, as appropriate.

Conclusions

40. Nationally, sub-nationally and locally there is a growing importance of regeneration and growth strategies, programmes and projects. Hampshire County Council has assets, expertise and capacity that can add value to local regeneration and growth across the county, working in partnership with the districts and boroughs of Hampshire.
41. In order to optimise these initiatives the most appropriate external governance and internal processes need to be in place. In addition, due to the varying level of input sought from District Authorities, the extent of tangible change that the County Council thinks can be achieved through each intervention, and the capacity within the County Council, clear and careful prioritisation will be required. The new model of engagement will help provide the foundations to secure more proportionate and appropriate responses, with a view to seeking increasing levels of co-production, co-design and co-delivery against the local growth and regeneration strategies and plans of the District Authorities.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

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.)

Document

Location

None

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

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 by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

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

- The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- 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.

2. Equalities Impact Assessment:

This is a high level strategic report proposing greater collaboration with boroughs and districts in Hampshire. The decisions in this report are strategic, and mainly relate to in-house management ways of working with partners, rather than decisions on specific initiatives and therefore have a neutral impact on groups with protected characteristics.