

**MULTI-AREA
AGREEMENT
FOR
BOURNEMOUTH DORSET &
POOLE**



VERSION 4.0 FINAL

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RAISING THE GAME

THE BOURNEMOUTH, DORSET AND POOLE MULTI AREA AGREEMENT

1. Where are we now?

- 1.1 The Bournemouth, Dorset and Poole sub-region has a population of about 700,000 and includes the South East Dorset conurbation, at nearly 450,000 the second largest urban area in the South West.
- 1.2 There is an outstanding natural environment, including: a World Heritage Coastline; very large areas of national and international heathland designations; Areas of Outstanding Natural Beauty; and significant historic and cultural assets that contribute to the character and distinctiveness of the area. These are great assets but also impose physical constraints.
- 1.3 The economy has grown significantly in recent years and for the most part unemployment is low and economic activity rates are high. However, this masks a number of challenges. The sub-region is:
 - Not as productive as it should be, with Bournemouth-Poole having a GVA per head lower than that of England, with Dorset significantly lower than that;
 - Characterised by a relatively low wage economy which with very high house prices and the relatively large stock of second homes makes the area one of the least affordable in the country;
 - Experiencing skills gaps at all levels, exacerbated by demographic change with a loss of young people and a higher proportion of retired people than in the South West region and England;
 - Being challenged to tackle the causes of multiple deprivation in deprived neighbourhoods, particularly in Bournemouth where there are 17 Super Output Areas in the 20% most deprived nationally; and
 - Coming under pressure from business and local communities to enhance the sub-region's infrastructure, particularly the need to address increasing congestion in the urban area and inadequate wider connectivity.
- 1.4 Stakeholders in the sub-region recognise that there is a compelling case for 'raising the game' and have formed a partnership to tackle those issues that need to be addressed. The Partnership is managed through a Board that comprises senior local business figures, local authority leaders, the RDA and the higher education and skills sectors. It is chaired by a private sector representative. In addition, there are theme groups that address the key issues affecting the area. The MAA is drawn from the work undertaken by

these groups.

- 1.5 We believe that these Governance arrangements can be developed to accommodate the role of sub-regional economic partnership as envisaged in the Sub-National Review.

2. Vision

- 2.1 **Our vision is to develop a strongly performing economy, characterised by a greater concentration of higher skilled, higher paid, jobs than now and to do this while respecting and protecting our unique environmental assets.**

Success will be measured by increased GVA per head (and GVA per worker) and increased average weekly earnings.

- 2.2 Building on the comparative advantages of the sub-region, set out in section 3, below, and bearing in mind the weaknesses highlighted in section 1, above, the outcomes that would characterise a successful transition to a more strongly performing economy within environmental means should include:

- A high- value **advanced engineering** sector including aerospace and a significant marine sector;
- An nationally and internationally significant concentration of **financial and business services**;
- A world class **higher education** presence with new approaches in creative media, business, speciality medical services and innovation in tourism;
- An economic, social and physical environment attractive to **young people** and where an ageing population have a good quality of life properly provided for;
- More **efficient use of land** in the urban areas, with the housing stock matched to people's needs in a higher quality urban environment;
- A cluster of newly emerging **environmental technologies** with low barriers of entry for R&D and the commercial exploitation of new ideas;
- Sustainable, reliable and efficient **transport systems** and widespread high-speed **broad-band connectivity**;
- An **airport** that is business driven and capable of sustaining a green technology business park, with **sea ports** at Poole, Weymouth and Portland that are competitive in key markets;
- An **Olympic legacy** that creates new opportunities to regenerate

Weymouth and Portland as centres of international marine and leisure excellence; and

- Greater **inter-regional cooperation**, developing complementary economic links with South Hampshire, and **international links** with Europe and emerging global economies.

3. Closing the Gap – Realising Potential

- 3.1 The sub-region has great potential: its importance is recognised as one of the South West RDA's Key Areas; Poole is a designated Growth Point; and the MAA is one of the 13 national pilots. We are not starting at the bottom. We are seeking to realise potential.
- 3.2 The sub-region contains the second largest urban area in the South West. It is diverse and enjoys a superb natural environment. It is also relatively close to London and the South East. There is a growing regional airport, three sea ports and an expanding, better quality, higher and further education sector.
- 3.3 The area is already home to very successful businesses, including Barclays, JP Morgan, Cobham, Sunseeker, Siemens, and growing concentrations of businesses in marine, high technology manufacturing, financial and business services, food and drink, leisure services and the creative and cultural sector. Weymouth is hosting the Olympic sailing events at the 2012 Games.
- 3.4 The area has many of the key ingredients to build a successful, knowledge-based and higher-value, economy:
 - Despite skills deficits in the working age population, pupil attainment in local schools and the HE/FE sector is excellent.
 - Emerging high value sectors that have the potential to add to the diversity of the economy include creative industries 'spinning out' of the sub-region's Higher and Further Education facilities.
 - A major opportunity to build on public sector research and development specialisms (e.g. Winfrith Technology Centre, CEFAS at Weymouth).
 - Concentrations of high technology manufacturing in Poole and East Dorset that are regionally significant including aerospace and marine.
 - Proposals to bring forward further development land at Bournemouth Airport needed to grow the cluster of aerospace-related businesses in the sub-region and catalyse skills.
 - Opportunities for further growth of the marine sector in Poole and Weymouth and Portland around the success of Sunseeker International Ltd and others.

- The provision of employment land and the Weymouth and Portland National Sailing Academy at Osprey Quay, Portland, the Full Sail Ahead regeneration scheme in Poole, and employment sites and deep-water harbour facilities at Portland Port.
- Tourism remains a vital sector across the sub-region - the first Hotel School in the country at Bournemouth has the potential to raise standards across the sub-region and help attract further investment into the sector.
- The potential for the development of higher value tourism building on conference facilities centred on Bournemouth; the designation of the Dorset and East Devon Coast World Heritage site which provides further potential for tourism growth.
- A strong financial and business services sector which in a recent report by Cambridge Econometrics is capable of adding more value to sub regional growth if properly supported.
- A strong public sector which is an important generator of economic activity across the sub-region, with concentrations of activity occurring both in the South East Dorset conurbation and in the Dorchester and Weymouth travel-to-work area.

3.5 On the basis of the analysis of key issues and potential, set out above, five strategic priorities for action have been agreed. They are:

- **Business Growth and employment land;** To achieve a long-term sustainable growth in productivity, increase levels of enterprise and innovation and reduce sub-regional disparities in business formation and growth and ensure a supply of marketable employment land and high quality business space.
- **Skills;** To provide a flexible and adaptable workforce able to meet employers' skills needs now and in the foreseeable future in supporting the transition to a high value knowledge driven economy.
- **Transport and Connectivity;** To create an efficient and reliable transport and communications system that improves inter-and intra regional and sub-regional connectivity in getting people to jobs, raw materials to production, and finished goods and services to market.
- **Housing;** To ensure that the provision of new homes supports the sub region's economic aspirations and respects the need to conserve the high quality local environment.
- **Environment;** To accommodate high level GVA growth within sustainable environmental means.

- 3.6 The document that accompanies this MAA submission sets out the Partnership's delivery plans for each theme, with short, medium and long term aspirations as appropriate. Much of this delivery activity does not need to be included in the formal MAA; it will not require freedoms and flexibilities from Government. However, the wider delivery plan is galvanising the partnership and demonstrates that objectives can be achieved through stakeholders working together. Nevertheless, some activities in the wider delivery plan but not featuring in the MAA are likely to require enabling measures and when further development work has been undertaken the MAA will be supplemented.
- 3.7 The MAA now submitted for sign-off in June 2008 therefore focuses on a request for three freedoms and flexibilities under three of the five key themes; transport, skills and environment. It is anticipated that housing and additional transport and environmental themed activities together with their associated freedoms and flexibilities will be submitted later.

4. The Multi Area Agreement

- 4.1 MAA aims, targets, activities and partners for each theme are set out in Tables 1-3, below. Each table is cross-referenced to the complete list of enabling measures (freedoms and flexibilities) as set out in Table 4. The outcomes to be delivered as a result of the freedoms and flexibilities being granted are set out in Table 5
- 4.2 **Skills:** The MAA builds on the Regional Economic Strategy by securing better performance in terms of higher skills attainment (Level 4+) and graduate retention and employment as part of the development of a comprehensive skills strategy for BDP. This will be enabled through the introduction of greater flexibility in terms of HEFCE funding models that incentivise training by small and micro businesses. Implementation of the skills proposals within the MAA will be driven forward by an employer led Skills & Employment Board as envisaged in the Leitch Report.

Resources to be found from within existing allocations: £535,000 + in-kind contributions for all programmes (2008-2011)

- 4.3 **Transport:** Addressing accessibility issues is a long-term process. The MAA has identified key issues for the sub region, relating to congestion, access to employment and connectivity. This submission therefore recognises that during the 3-year MAA period the Partnership will need to achieve certain milestones, including a sound delivery programme for major transport improvements and parallel development. In particular, the partners must have a closer working relationship with the Highways Agency on the South East Dorset Multi Modal Transport Study and in considering planning applications for key employment sites.

Resources to be found from within existing allocations : £80,000,000

4.4 Environment

The MAA seeks to develop an environment programme that meets the objective of promoting growth within environmental means and which contributes to increasing sub regional productivity. The MAA focuses on maintaining the attractiveness of the environment as a key driver of growth; promoting growth within environmental means and recognising that the environment is a key contributor to economic performance. The programme has been developed in conjunction with Dorset Business, the Federation of Small Businesses and Marks and Spencer, and seeks to deliver a range of strategic initiatives, e.g. eco business parks and improvements to SME environmental practices, e.g. waste recycling.

Resources to be found from within existing allocations: £1,912,000 (2008-2011)

- 4.5 **Housing:** The full partnership Action Plan recognises that the local planning authorities will prepare LDF's that will provide for levels of residential development consistent with the adopted SW Regional Spatial Strategy. In addition, Poole is negotiating an NI 154 trajectory aligned to its Growth Point status. However, the housing element of the MAA to be submitted in autumn 2008 will focus on affordable housing where there are key delivery obstacles that require freedoms and flexibilities.

It would also assist in sensibly planning for affordable housing if the NI 155 target related to units **secured** rather than **completed**. The need for national consistency is recognised and no request will be made for an enabling measure. However, we do request that consideration be given to the use of securing units as a better measure of performance in this area.

Activities will focus on:

- Achieving an increase in the provision of affordable housing through, for example, the application of a more robust planning obligations policy and more flexible use of Housing Corporation funding; and
- Increasing the stock of intermediate accommodation and reducing the demand for social rented accommodation, setting up a local housing company or other vehicle to promote a range of products enabling households to access intermediate or market solutions to meet their housing needs.

Potential freedoms and flexibilities relate to the cross-boundary application of policy, amendments to the Use Classes Order, a more strategic application of PPS25, a broader application of the ability to allow for affordable housing exceptions sites in rural areas, and more flexible Housing Corporation funding arrangements.

Table 1 - Skills

Aim	Target	Activities / Milestones	Partners	Enabling Measure
To secure a higher proportion of the population aged 19-64 qualified to at least Level 4 or higher	NI165 – improve performance from Q4 2006 baseline of 29.6% to Q4 2011 target of 35.1%	A pilot programme to incentivise the engagement of small and micro-businesses in co-funding training at higher levels (Level 4+). A new coordinated, employer-led higher skills programme as part of a comprehensive skills strategy for Bournemouth Dorset & Poole to be taken forward by a new Skills & Employment Board reporting to the main board of the MAA'	HEFCE, Local authorities, HEIs, other training providers, SW Lifelong Learning Network, Sector Skills Councils, LSC, South West RDA, Business Link, Dorset Business, local employers	S1
To improve graduate retention and employment within the local economy	As above	Pilot 'STRIDE' graduate and post-graduate placement programme offering a 4-8 week 'trial' placement opportunity Mentoring of students, student enterprise projects (live projects with companies) and other enterprise projects	As above	S1

Table 2 – Transport

Aim	Target	Activities/ Milestones	Partners	Enabling Measure
Reduce growth in congestion	NI 167	Activity 1: South East Dorset Multi-Modal Study (SEDMMTS). Model by summer 2009. Access for new key employment sites identified by summer 2010, by joint working arrangements with Highways Agency. Delivery strategy for A31 improvements by summer 2010.	Local Transport Authorities Highways Agency, SWRDA, SWRA, GOSW	T1
		Activity 2: Bus Showcase Corridors. All buses GPS fitted by end 2010. Poole-Boscombe journey reliability improved by Summer 2011. Major scheme business case submitted by end 2010. Additional P&R Sites identified by summer 2010.	Bus operators Local Transport Authorities Highways Agency	T1
Provide new key employment sites with good access		Activity 1: See above.	See above	See above
Improve access to employment by public transport	NI 176	Activity 1: See above.	See above	See above
		Activity 2: See above.	See above	See above
Improve connectivity to South Hampshire and London		Activity 1: See above.	See above	See above
Improve connectivity to Bristol and the North		Activity 1: See above	See above	See above

Table 3 – Environment

Aim	Target	Activities	Partners	Enabling Measure
<p>Promote the environment as a key contributor to the economic performance of the area.</p>	<p>To meet the aspirations of NI targets 192 & 193 To achieve Waste Strategy 2007 recycling & composting targets of >40% by 2010 and >45% by 2015 and to achieve >53% municipal waste recovery by 2010 and >67% recovery by 2015.</p>	<p>Encourage and support SMEs to improve their waste management practices by providing advice and guidance on recycling schemes available in the BDP catchment area, including provision of information seminars and leaflets. Investigate the feasibility of allowing SMEs to deposit waste for recycling at local authority disposal sites.</p>	<p>Waste Disposal Authorities</p>	<p>E1</p>

Table 4 - MAA Core Freedoms & Flexibilities		
Ref:	MAA 'Ask'	Background (Evidence)
T1	<p>Rules Governing Inter Agency co-operation & Funding - Development of the Department for Transport and the Highways Agency (HA) relationship with the sub regional partnership in Dorset to facilitate a balanced approach to the delivery of the sub-regional strategy, and management of the South East Dorset transport and highway network as a whole to achieve economic growth and manage journey time reliability. This to be achieved by:-</p> <ul style="list-style-type: none"> • developing a formal Memorandum of Understanding as a framework within which the parties will operate and develop their approaches; • working together on the establishment of a robust and comprehensive sub-regional evidence Base, including the completion of the multi modal study. 	<p>Recent experience with the SE Dorset Multi Modal Transport Study shows that some government agencies cannot commit to programmes of funding over more than one year, whereas local authorities can. Also, the financial rules governing the Highways Agency conflict with the project guarantees required to obtain RDA grant. It does not concern the local authorities how much is funded by each Government agency. There is a serious risk of delay, and greatly increased study costs, if this is not resolved. A joint protocol with Highways Agency (similar to those in Hampshire and Thames Valley) is sought to ensure a joint strategy for the four Highway authorities in dealing with major development, and key employment sites in particular.</p>
S1	<p>Funding for Level 4+ Training - BPD and HEFCE will work together to develop a more flexible approach to supporting higher-level training for workers in small businesses.</p> <p>BD&P propose an approach that is business-focused and demand led (and therefore consistent with the Leitch Implementation Plan) and which would involve collaboration between the HEIs and FE colleges, working together through the SW Lifelong Learning Network. The proposal is to bring together HEFCE's work with institutions to improve the supply of higher level training, with the evidenced demand from employer in the sub-region, and ensuring that barriers to delivery are overcome.</p> <p>BD&P (through partner HEIs) to work in collaboration with HEFCE to develop their plans to provide a greater incentive to small businesses (employing up to 49 people) to co-fund their workers for higher level (Level 4+) training.</p> <p>In return, BD&P offers improved performance in Level 4+ attainment (measured by NI165 - improve performance in BDP by 5.5% from Q4 2006 baseline of 29.6% to 35.1% in Q4 2011) and the establishment of an employer-led Skills & Employment Board as envisaged in the Leitch Report to drive forward improved performance.</p>	<p>The sub-region does not perform as well as the South West in terms of the attainment of higher skills at Level 4+ (29.6% of the 19-64 population in BDP compared to 32.5% in SW (APS, 2006)). The local authorities, HEIs and FE colleges working within the South West Lifelong Learning Network, local employers and other partners are committed to working together on a number of innovative projects to address this issue. However, the area is dominated by small and micro businesses (97% of all businesses in BDP employ up to 49 people and 86% employ only 1-10 (ABI, 2006)). Those businesses experience difficulties in raising finance to co-fund higher skills development. Flexibility in HEFCE funding models is required to incentivise small and micro businesses to engage with HE providers in the first instance to spread understanding, experience and value of higher level skills to strengthen co-funded provision in the future. This is particularly important in view of the projection of more difficult trading conditions nationally in the short term.</p>

E1	<p>Co-operation of DEFRA and DEFRA NDPBs – The Councils ask DEFRA and its NDPBs the Environment Agency and Natural England, to confirm their support for, and commitment to, the successful delivery of a populated, working environmental model and to the development of an approach suitable for use by others.</p> <p>Bournemouth, as the project lead, has reached outline agreement with the Environment Agency (SW) to develop the model over the next three years, building upon EAs existing work. The Council are concerned that the project could be at risk if priorities change or if resources are squeezed</p>	<p>Through the MAA, the Councils are working to create a strongly performing economy while respecting and protecting their unique environmental assets.</p> <p>The Councils have agreed in principle with the Environment Agency (SW) to co-operate to produce an assessment of the current state of the environment. The expectation is that this baseline assessment can then be used to show the environmental impacts of different future scenarios for economic growth. The information provided by the baseline assessment and scenarios will be used to assess the economic opportunities offered by environmental capital and to ensure that economic and environmental impacts of decisions are considered together.</p> <p>The Councils have agreed to use the matrix model set out in the paper Planning for One Planet: Widening the application of Environmental Limits¹. The intention is to populate the model using existing data held by the Environment Agency, Natural England and others.</p>
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Table 5

The partnership proposes to deliver

Outcome	Baseline	April 2009	April 2010	April 2011	PSA/DSO
Business Growth					
GVA per employee % growth		Interim GVA calculations in years 1&2		+0.3737% relative to England's performance	PSA 7 – reduce gap economic performance
Convergence between median earnings in Great Britain and Sub-Region		0.225% to 2011			
Skills					
To secure a higher proportion of the population aged 19-64 qualified to at least Level 4 or higher (NI 165)	Q4 2006 baseline 29.6%	32.1%	33.5%	35.1%	PSA 2 – Improve the skills of the population
To improve graduate retention and employment within the local economy	Baseline to be determined.	+1.8% participants on post-graduate STRIDE placement programme +1.8% students successfully completing mentoring programme +1.8% student enterprise projects completed.	+1.8% participants on post-graduate STRIDE placement programme +1.8% students successfully completing mentoring programme +1.8% student enterprise projects completed.	+1.8% participants on post-graduate STRIDE placement programme +1.8% students successfully completing mentoring programme +1.8% student enterprise projects completed.	PSA 2 – Improve the skills of the population
Transport					
Reduce Growth in congestion (NI 167)	2.86 min/mile	A common target for each year of 2.86min/mile has been set in individual LAAs for Bournemouth Dorset and Poole. The MAA will provide the mechanism for a sub-regional approach and for the development of longer term targets.			PSA 5 – Deliver reliable and efficient transport networks

Provide new key employment sites with good access			SE Dorset Multi- Modal Study by summer 2009. Confirmation of number of sites subject to completion of SEDMMTS	Access for new key employment sites identified by summer 2010 Confirmation of number of sites subject to completion of SEDMMTS	PSA 8 – Overall employment rate.
Improve connectivity to South Hampshire and London		Targets to be set once outcomes of SEDMMTS are known.			PSA 5 – Deliver reliable and efficient transport networks
Improve connectivity to Bristol and the North		Targets to be set once outcomes of SEDMMTS are known.			PSA 5 – Deliver reliable and efficient transport networks
Environment					
<u>Environmental Means/Limits Project</u>		The completed project will deliver: <ul style="list-style-type: none"> ▪ A populated, working environmental model that will provide information to support decision making and option appraisal by the MAA Board and the Councils. This will support the maximisation of the synergies between the environment and economic growth and the minimisation of environmental impacts. ▪ A tested model and approach, suitable for use by others and compatible with Defra's current work on identifying priorities. ▪ Information to support Defra's current work on 'heat mapping' (identifying the areas where there are multiple environmental challenges and opportunities). 			