

MULTI-AREA AGREEMENT

Purpose of Report

1. To provide the timetable for concluding the MAA and to seek the views of the Partnership on the focus and priorities expressed in the briefings appended to this report.

Timetable for concluding the MAA

2.

30 September	Draft MAA to Communities and Local Government
Week of 6 October	Pre-meeting with Communities and Local Government
Week of 13 October	Whitehall Negotiation Workshop
16 October	Communities and Local Government Director General visit
24 October	West of England Partnership Approval
Week of 27 October	Minister of Local Government Visit
28 October – 5 November	Unitary Authorities Cabinets/Executive Approvals (and to Councils later in November)
Week of 24 October	Sign-off by Secretary of State

3. The focus and priorities of the MAA is to:

- Deliver homes and jobs required for the sub-region to 2026;
- Ensure mixed, sustainable and prosperous communities with a stepped increase in affordable homes and in meeting sustainable construction standards;
- Tackle congestion/climate change, improve quality of life and economic performance and support delivery of the RSS through delivery of “Our Future Transport” vision to 2026, by encouraging less reliance on the car and incentives to use quality public transport;
- Sustain high levels of economic growth and increase competitiveness; ensure everyone is sharing in the prosperity through regeneration;
- Deliver reductions in worklessness and NEET young people and increase the percentage of adults with a Level 2 qualification.

4. Briefings appended:

- A. Strategic Context for the MAA, in summary
- B. Economic Strengths and Challenges
- C. Managing successfully projected high levels of growth in jobs and homes, and securing timely investment in infrastructure

- D. Transport
- E. Economic Growth and Competitiveness
- F. Employment and Skills

Recommendation:

That members give their views on the focus and priorities of the MAA set out in the briefing and note the timetable for further work.

Terry Wagstaff
Chief Executive
West of England Partnership

STRATEGIC CONTEXT FOR THE MAA, IN SUMMARY

West of England Vision 2026

One of Europe's fastest growing and most prosperous sub-regions which has closed the gap between disadvantaged and other communities – driven by major developments in employment and government backed infrastructure improvements in South Bristol and North Somerset.

A buoyant economy competing internationally, based on investment by innovative, knowledge-based businesses and a high level of graduate and vocational skills.

A rising quality of life for all, achieved by the promotion of healthy lifestyles, access to better quality healthcare, an upturn in the supply of affordable housing of all types and the development of sustainable communities.

Easier local, national and international travel, thanks to transport solutions that link communities to employment opportunities and local services, control and reduce congestion and improve strategic connections by road, rail and through Bristol International Airport and seaport.

Cultural attractions that are the envy of competitor city regions across Europe, making the West of England the place of choice for talented, creative workers and affluent visitors.

Success secured in ways that are energy efficient, protect air quality, minimize and manage waste and protect and enhance the natural and built environment. Built upon the benefits of its distinctive mix of urban and rural areas.

Real influence with regional and national government, by demonstrating vision and leadership and delivering these achievements.

This over-arching vision is supported by detailed visions in respect of quality of life, connectivity and accessibility, and the economy.

Context

The West of England Partnership has identified a number of challenges to realising its vision. The MAA will assist in overcoming these challenges. They include:

- **Improving competitiveness** – Through raising productivity by: supporting existing businesses, especially in key sectors; encouraging new businesses; knowledge transfer; innovative new products; more efficient production processes; and meeting the requirements for business sites and premises. **The MAA will support the opportunities that need to be realised and the emerging capacity constraints that need to be resolved. Action is planned to improve the locational attractiveness of the West of England and its strategic employment locations in order to retain investment and attract inward relocations.**

- **Raising educational attainment, reducing disadvantage in the labour market and enhancing skills** – The particular disadvantages constraining the access of some communities to employment need to be reduced and local economic development encouraged in order to raise local levels of economic activity and ensure that everyone shares in the prosperity across the sub-region. **The MAA will enhance Partnership working between employers, training providers, schools and local communities to meet the needs of employers and the workforce development needs of individuals. The MAA will support work to assist young people into jobs with training whilst at the same time the attractiveness of the West of England to higher skilled labour and the graduate retention rate will be nurtured.**
- **Housing supply and improving housing affordability** – The MAA will support work (Delivery Plan phase 2) that will identify the sequencing and phasing of infrastructure required to support the delivery of mixed sustainable communities. High house prices and lack of affordable housing in some parts of the sub-region are contributing to recruitment difficulties and need to be addressed. Imbalances between numbers of jobs and homes at the local level also need to be addressed to assist recruitment and reverse the rising trend in lengthy commuting trips.
- **Reducing congestion and securing new transport infrastructure** – Rising congestion in the West of England, threatens the well-being of the local economy and the regeneration of disadvantaged communities. High levels of growth over the future without sufficient transport investment would exacerbate congestion and harm the local economy. **The MAA will support work to ensure that growth and new development is integrated with investment in transport infrastructure that leads to improving rather than deteriorating travel conditions across the sub-region.**
- **Levels of growth consistent with long term environmental, economic and social sustainability** – Recent high levels of economic growth in the West of England have led to extensive greenfield development and rising traffic congestion, especially on the northern edge of Bristol. The ‘quality of life’ offered by the sub-region is threatened by high levels of growth. Unique environmental assets need to be safeguarded and enhanced. Sustainable forms and patterns of development that promote biodiversity and minimise energy use, including travel by car, need to be secured. **The MAA will identify further work to be done to support the needs to be given to high quality design, the regeneration of urban areas, and the conservation and enhancement of localities of particular value. The MAA seeks to deliver growth and new development within a sustainable development framework that reconciles economic, social and economic considerations.**
- **Improving leisure, cultural and sporting facilities** – Improved facilities and events, in particular major attractions such as an international concert hall, an arena or a large sports stadium, will enhance the attractiveness of the sub-region as a place to live and work, and to visitors. **The MAA will identify projects that will act as a catalyst, improving smaller scale, community level facilities will also serve to enhance local amenity and the prospects for retaining and attracting investment.**

Relationship with Key Strategies and Policies

Regional Spatial Strategy

The Regional Spatial Strategy provides the Planning context to the spatial strategy for the West of England and includes: provisions for additional dwellings for the West of England; a renewed commitment to meeting housing and community needs; improving connectivity and minimising car use; and enhancing economic prosperity within environmental limits.

The focus for the provision of new development is at the main urban areas of the sub-region and the regeneration of Weston-Super-Mare and Bristol is promoted.

The MAA is consistent with the Regional Spatial Strategy and reflects the key principles of growth at Strategically Significant Cities and Towns (SSCTs), and balancing Economic Growth spatially.

Core Strategies/Local Development Frameworks development

The Core Strategies are required to be consistent with the Regional Spatial Strategy. The MAA will seek to align elements of the individual Core Strategies to ensure consistency and identify priorities for phasing of development. The distribution of jobs, and the provision of housing and employment sites must be reconciled across the sub-region. **The MAA is a fundamental tool to integrate these priorities and develop an overarching sub-regional housing delivery plan. The MAA will seek to deliver a coherent framework that offers the development community and Local Planning Authorities confidence and certainty, within a plan led system.**

Regional Economic Strategy

The Regional Economic Strategy (RES) identifies the West of England as the key driver in the South West to achieving economic growth and continued prosperity. **The MAA supports the principles in the RES and seeks to address the key challenges posed in order to achieve sustainable growth.**

Joint Local Transport Plan

The Joint Local Transport Plan (JLTP) fits with the overall aims of the West of England Vision and the emerging RSS with the following aims for a transport system to:

- strengthen the local economy;
- support a higher quality of life and social inclusion;
- improve access and links;
- ensure that alternatives to the car are a realistic first choice – affordable, safe, secure, reliable, simple to use and available to all
- meet both rural and urban needs.

The MAA is consistent with these aims and recognises that the Greater Bristol Bus Network and Bus Rapid Transit Routes are significant strategic infrastructure required to be in place to unlock land for housing growth. Alignment of the spatial and transport infrastructure priorities is vital to further delivering the growth required in the sub- region.

Local Area Agreements

Performance targets identified in LAAs have been reflected in the Multi Area Agreement.

ECONOMIC STRENGTHS AND CHALLENGES

The draft Sub-Regional Economic Assessment has been agreed in principle with the officers of the South West Regional Development Agency (SWRDA). Revisions will be necessary to take account of the credit crunch.

Economic Strengths

- The most economically competitive city region outside London.
- High levels of productivity, economic activity /participation and incomes contribute significantly to regional and national economic performance.
- Regional Economic Strategy and Regional Spatial Strategy provide for continuing rapid growth of the West of England economy (the impact of the 'credit crunch' allowing).
- Diverse knowledge-based economy; top class universities; high graduate skills; strong creative sectors.

Economic Strengths and Challenges

Strengths	Challenges
<ul style="list-style-type: none"> • Scale and diversity of knowledge-based economy 	<ul style="list-style-type: none"> • Globalisation and rising competitive pressures
	<ul style="list-style-type: none"> • High dependence on defence expenditure and aerospace
<ul style="list-style-type: none"> • Skilled workforce, especially professional, managerial and technical 	<ul style="list-style-type: none"> • Poor educational attainment in schools • Significant pockets of low levels of skills and economic activity
<ul style="list-style-type: none"> • Large and prestigious university sector • High graduate retention 	<ul style="list-style-type: none"> • Some shortages and an aging workforce.
<ul style="list-style-type: none"> • Attractive, relatively low-cost employment sites and premises • Successful strategic business locations 	<ul style="list-style-type: none"> • Emerging shortages
<ul style="list-style-type: none"> • Good access to other parts of the UK and internationally 	<ul style="list-style-type: none"> • Rising congestion and poor public transport in the sub-region and on key routes
<ul style="list-style-type: none"> • Major airport and seaport 	
<ul style="list-style-type: none"> • High quality of life: attractive environment and cultural diversity 	<ul style="list-style-type: none"> • Shortage of housing, especially affordable, exacerbated by high levels of growth • Managing growth successfully within environmental limits

MANAGING SUCCESSFULLY PROJECTED HIGH LEVELS OF GROWTH IN JOBS AND HOMES, AND SECURING TIMELY INVOLVEMENT IN INFRASTRUCTURE

Delivering more homes, jobs and regeneration: offer

- Phased development and review of the sub-regional spatial plan committing to the number, location, sequencing and phasing of homes and employment sites to be delivered up to 2026, in collaboration with the Homes and Communities Agency (H&CA) and SWRDA.
- Aligning Core Strategies to support the phasing of delivery and investment in infrastructure.
- Programme for agreeing strategic development standards and policies to ensure the delivery through developers of mixed and sustainable communities.
- Identification, programming and delivery of key strategic development sites in the sub-region, in conjunction with the H&CA, SWRDA, Environment Agency and the Utilities.
- Programming the assessment of development and delivery capacity, strategic infrastructure requirements (including affordable housing) and the preparation of business cases for investment to agreed standards, in conjunction with the H&CA and SWRDA.
- Utilising the strengthened governance and delivery capacity of the West of England Partnership.

Delivering more homes, jobs and regeneration: asks

- Opportunity to refresh Local Development Frameworks in response to publication of the Regional Spatial Strategy by government.
- Further strengthening of the strategic partnership between the West of England local authorities and the H&CA and SWRDA in developing strategic sites by:
 - collaborating in their identification, programming and delivery
 - contributing to building development and delivery capacity
 - engaging in arrangements to assess infrastructure requirements
 - agreeing timely joint infrastructure investment plans in conjunction with other funding sources and bodies, based on agreed business cases.
- Simplified checks and controls and more flexibility in the use of resources based on agreed arrangements for business planning and the approval, programming and management of resources eg:
 - common appraisal systems across government and its agencies, based on the HM Treasury Green Book
 - authority to re-profile the sequencing of individual projects.

- West of England appraisal of housing/employment projects of less than £5 million.
- streamlined approach to performance monitoring.

TRANSPORT

Policy

- Transport is vital for our continued economic and social success. The Joint Local Transport Plan (March 2006) saw our four councils come together to tackle congestion and improve accessibility, air quality and road safety. Developed alongside and integrated with the Greater Bristol Strategic Transport Study, draft Regional Spatial Strategy and emerging Local Development Frameworks transport has been placed at the heart of a wider agenda.
- To continue our success and achieve our aspirations for economic, environmental and social development we set out our ambitious vision for our future transport in October 2007.

Investment Programme

- Across the South West the importance of our programme of major schemes and its contribution towards delivering the Regional Spatial Strategy was recognised through the Regional Funding Allocation. No less than eight of our schemes, costing some £350m, were prioritised for funding during 2006 to 2018.
- The working programme of Major Scheme Bids (schemes costing more than £5m) aimed at delivering the Regional Spatial Strategy and Regional Economic Strategy priorities demonstrate our long term commitment.
- Working on them together secured £70m of funding for the Greater Bristol Bus Network, final approval from the Department for Transport (DfT) in May 2008. Meanwhile the £55m Bath Package gained programme entry from DfT in October 2007.
- Maintaining our momentum, our next two bids will be submitted to DfT in early 2009; a £23m bid for the Weston Package and a £35m bid for our rapid transit route from Ashton Vale to Temple Meads.
- Bids for South Bristol Link and rapid transit routes from Hengrove to the North Fringe and Temple Meads to Emersons Green and Callington Road Link, will be submitted over 2008/09 to 2010/11.
- Successful bids for pump priming funding has enabled us to develop “Our Future Transport” Transport Innovation Fund application to bring forward the measures required to make a real difference to congestion and we are hoping to submit a bid to DfT in 2009.

Opportunities

- We recognise that our existing governance needs to be strengthened. To this end we have set up a Joint Committee for Transport to provide a stronger lead, agree priority schemes and co-ordinate decision making and funding across our area.

- A new special delivery vehicle will provide the mechanisms to ensure successful delivery.
- The strengthened governance and delivery arrangements leave the area well placed to secure funding and deliver schemes as part of RFA2.
- The Local Transport Bill enables the creation of new Integrated Transport Authorities (ITA) with the potential transfer of strategic roads, rail and local highway powers. Quality contracts with the ITA working with local bus operators to oversee the franchising of local bus services offers exciting opportunities to the deliver the network passengers want and meet our Multi Area Agreement target NI 177 for bus patronage.
- One size does not fit all and our Joint Transport Committee, whilst not a formal ITA, represents the sub-region's first steps towards the stronger governance the Local Transport Bill anticipates.

Asks

- We need to increase the pace of delivery and release capacity.
- We need to deliver transport schemes more quickly, effectively and efficiently whilst still ensuring value for money. The sharper our focus on delivery the sooner we can deliver economic growth, the Regional Spatial Strategy and “Our Future Transport” vision to 2026. We ask:
 - Raise the Major Scheme Bid Threshold from £5m to £10m
 - Bring forward some Major Scheme Bid elements
 - Reduce reporting requirements
 - Governance fit for purpose
 - Duty of partners
- Raising the Major Scheme Bid threshold from £5m to £10m (and a means to access smaller scheme funding via the RFA), and less cumbersome requirements for schemes between £10m and £20m, will speed up the process of evaluating bids.
- Similarly streamlining the DfT's detailed question process, once bids are submitted and working within an agreed timetable for DfT approvals, will reduce delays and provide a greater degree of certainty of programme. Inflation savings from quicker decisions can be considerable, making best use of limited resources.
- Sharing risks to allow some elements of major schemes to be brought forward, whilst the rest of the bid is still being finalised, will enable early scheme starts to be made minimising inflation costs and earlier delivery on targets.
- We look to the Department for Transport to reduce the sometimes excessive and costly reporting requirements such as the Congestion Delivery Plan. Often for only limited returns their reduction will release valuable resources currently used to produce reports to spend on actual schemes.

- To ensure the smooth and efficient delivery we will have one set of governance to fit all major schemes. The Joint Committee for Transport must be accepted as fit for purpose by Department for Transport.
- There is a need and duty for Network Rail and the Department for Transport Rail to participate, buy in to and link to wider actions of the sustainable development/growth agenda. Proposals for example for 3,000 extra homes in Yate and 12,000 in Weston-super-Mare need to be linked to developing a 'Bristol Metro' network of rail services.
- We are keen to develop a closer relationship with the Highways Agency and secure greater involvement in decision making and a balanced approach related to the trunk road network and planning applications arising from the development/growth agenda. This will involve establishing a joint protocol and framework for delivering economic growth and managing journey time reliability.
- With all partners it will be a two way process with a duty on all to participate and co-operate within a set framework.

Targets

- Two indicators NI 167 Congestion and NI 177 Bus Patronage will be used to monitor progress through the MAA.

Summary

- We are planning and investing in our transport. We will build upon our successful Joint Local Transport Plan, the Greater Bristol Strategic Transport Study and "Our Future Transport" vision to deliver schemes on the ground. New governance, a special delivery vehicle and finance from the Regional Funding Allocation will make a difference. Our 'asks' to speed up the major scheme bid process and free up resources will enable us to achieve the growth agenda.
- We will deliver value for money schemes through economies of scale and joint contracting arrangements backed up with formal agreements with the Department for Transport, Highways Agency, Network Rail and bus and train operating companies.

ECONOMIC GROWTH AND COMPETITIVENESS

Policy

The historic cities of Bristol and Bath have distinctive identities and, together with Weston-super-Mare and other centres, make up an economically successful sub-region that contributes over a quarter of the South West regional economic output. Together they rank amongst the most attractive, successful and culturally prestigious locations in the UK and enjoy a rising international profile. This is largely due to a world-class and diverse knowledge economy and the global reach of four outstanding universities. Working in partnership across the 4 Unitary Authorities and with government agencies, investors, business and education providers, the activities outlined below aim to deliver increased investment by business and higher productivity, in particular by accelerating progress towards a high value, knowledge based and innovative economy, thereby building on the clear potential of the West of England. Delivering these themes will also be supported by progress with enhancing skills, improving housing supply and affordability and securing transport investment addressed elsewhere in this MAA.

Opportunities and asks

Opportunity 1

Attract sustainable programme of public and private investment to deliver strategic employment sites.

Actions

- Agree the phasing of strategic employment sites across the sub-region in a way that delivers the spatial strategy and meets business investment requirements.
- Expand and integrate engagement programme with private investors and developers in order to further promote investment potential and bring forward strategic employment sites.
- Enhance clarity of partners' roles and balance ambitions for business investment across the sub-region to enable the development of sectoral clusters and reinforce the delivery of the spatial strategy.

Asks

- Regional Development Agency (RDA) / Government investment and support for a sub-regional investment delivery plan to bring forward strategic employment sites.
- Funding for undertaking studies of specific strategic business locations where of particular significance to the economic well-being of the sub-region (e.g. Bristol City Centre, Avonmouth / Severnside)
- Major infrastructure funding and commitment from government agencies to enable early progress with development of strategic business sites. This should include increased allocation for flood alleviation and mitigation measures.

Opportunity 2

Enhance and develop sub-regional investor and business infrastructure programme to attract high value-added businesses into the sub-region.

Actions

- Improve the management and alignment of resources across the sub-region through the development of a comprehensive and proactive marketing strategy.
- Assemble and promote a package of integrated business support services available across the partnership to enhance investment offer (e.g. skills, recruitment etc).
- Develop a sub-regional business sector investment priority strategy.
- Provide forum and feedback mechanisms to and from key regional and national sources to align strategy.

Asks

- Partners to grow West of England as international benchmark for location of high growth / value businesses.
- Partners to continue development of comprehensive support and offer package for investors.
- UK Trade and Investment / RDA proposition development for the UK to strengthen links with sub-regional aspirations for economic growth.

Opportunity 3

Enhance entrepreneurial culture, business competitiveness and productivity through responsive support to enable indigenous business survival and growth.

Actions

- Partners to contribute to development and recognition of 'Business Link' and enhance referral of local businesses to services and portal.
- Develop understanding of and capitalise on financial, legal and other business resources available in the sub-region.
- Investigate options for sub-regional support to start-up businesses.
- Actively engage in prioritisation and development of Business Support Simplification Programme (BSSP) products to meet sub-regional business needs.

Asks

- Strategic focus on the needs of the West of England economy in development and commissioning of BSSP products for the South West.
- Sub-regional public sector partners to align business support and referral arrangements around emerging BSSP frameworks.
- Funding to continue and develop specialist sub-regional sector and business led networks and commercial capabilities.

Opportunity 4

Support business led innovation, enterprise and collaboration with Higher Education.

Actions

- Increase knowledge transfer through building relationships between business and Higher Education Institutions.
- Ensure delivery of Science City, Bristol strategic aims of:
 - Strengthen connectivity of business and Higher Education through networking and new interaction opportunities.
 - Enhance visibility of scientific community and contribute to inward investment.
 - Public and schools engagement to raise aspirations and contribute to skilled workforce development.

Asks

- Continued RDA and Partner commitment to the Science City Bristol initiative.
- Growth and simplification of access to grants for Research and Development and specific Higher Education / business research engagement funding streams.
- Flexibility of funding mechanisms to enable Further/Higher Education providers to deliver innovative NVQ Level 4+ teaching provision in support of business.

EMPLOYMENT AND SKILLS

Policy

The West of England has a growing knowledge economy, which can be benchmarked to leading UK and European commercial centres, and with potential to further attract indigenous and inward investment. A skilled workforce from the local population will be increasingly demanded by employers to enable the sub-regional economy to grow.

Overall the educational performance of the West of England of individuals qualified to level 3 is slightly above average. In addition, there is wide diversity of attainment at the very local level where, for some communities, the challenge of worklessness and low skills continues to have a long-term impact on both economic progress and public resources.

Our aspiration is for the West of England to become at least comparable to the UK at the top end of skills performance therefore increasing direct competitiveness for jobs demanding these qualifications.

Investment

Our proposals are based on building on solid foundations already laid by partners. These new proposals through the MAA will harness the strengths of recognised centres of excellence in education alongside a clear and targeted approach to engagement with employers and specific groups to drive economic growth and measurable success in improving skills and reducing worklessness.

Opportunities / Actions

To reduce worklessness, a new integrated engagement service will be co-commissioned by the MAA partnership and Job Centre Plus around 3 key strands of:

- A targeted and flexible client centred outreach service focussed on long-term unemployed in 11 wards;
- Effective employer engagement based on the proven Cabot model to maximise the potential for obtaining vacancies;
- A range of assessment, training and individual support incorporating both pre-employment and in-work support to ensure sustainability of employment.

To reduce NEETs (young people Not in Education, Employment or Training) and the number of young people in jobs without training we will develop a coherent 14-19 strategy for the West of England to help address Level 2 and Level 3 deficits in the working age population and with a specific focus with employers to increase the number of jobs with training.

In addressing intermediate level skills the partners will develop an improved client and employer engagement process focused on identified wards to enable a clear pathway to accreditation for individuals undertaking learning for employability. The programme will be comprised of:

- Public Service Compacts with the unitary authorities and other public bodies.
- Roll-out of the Single Jobs and Skills Offer to other high-employment sectors such as retail and hospitality.
- Targeted employment and skills activity around the key development sites and projects.

Our higher-level skills actions will be comprised of:

- Providing employers with a joined up offer for Higher Education services, which would include Knowledge Transfer Partnerships, short-term student placements and business related services and research;
- A comprehensive offer to employers which would provide a mechanism for progressing graduates into knowledge-based employment;
- A joined up recruitment service to be developed, with employers, colleges, universities and Jobcentre Plus working together to promote job opportunities within Higher Education and Further Education institutions.

Asks

1. Agreed funding investment and flexibility of funding streams related to employment and skills to deliver sub-regional activities.
2. Pump priming to support outreach for 3 years while optimising an engagement network. As a partnership, we would envisage our contribution to resources be met by streamlining resources amongst the partnership to ensure learning linked to employability is focused on those areas of greatest need and by investigating potential under-utilised sources of funding, such as Section 106 agreements.
3. Flexibilities to facilitate sharing of client data sets between public partners.

Targets

- Reduce working age population on out of work benefits from 9.85 to 7.85
- Increase working age population qualified to at least level 2 or higher from 73.2 to 79%
- Increase working age population qualified to at least Level 3 or higher from 52.9 to 56%.