

HERTFORDSHIRE ECONOMIC PARTNERSHIP

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REPORT: The new Partnership – governance arrangements

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Purpose of Report

To agree

- the name of the new partnership
- Terms of reference
- Partnership structure and governance
- 2009/10 priorities and success criteria

1. Background

- 1.1 Compared to the rest of the region, Hertfordshire has a strong, diverse economy and is seen by EEDA as the economic engine house of the region. However this has not always been the case – the early 90's saw the demise of the major defence and engineering sectors and unemployment rose rapidly to 10%. After a sustained period of economic growth, once again Hertfordshire is facing recession.
- 1.2 Herts Prosperity was set up in 1991 by the University and HCC to act as the economic partnership for the county. EEDA core funds Herts Prosperity as the sub regional economic partnership for Hertfordshire.
- 1.3 The Government's Sub National Review envisages a more strategic role for RDA's and a much stronger role for local government in delivering economic development. EEDA have reviewed all SREP's across the region and have decided to withdraw core funding support. The impact of this means that Herts Prosperity will lose its core funding and will cease to exist from April 2009.
- 1.4 For a variety of reasons Hertfordshire needs to up its game in relation to economic development. It is critical that Hertfordshire establishes a fresh, robust, inclusive and accountable economic partnership in order to support Hertfordshire's businesses, people and places through the recession and has a long term vision for the recovery and continued prosperity of Hertfordshire.
- 1.5 Discussions began last year with all District Councils, Herts Prosperity partners and other stakeholders with an interest in economic development to determine the principles and approach to a new economic development model for Hertfordshire. What emerged was a wide spread consensus for change for a more inclusive stronger partnership that had a long term vision for the future, clear action plans

and the capacity to deliver key services at both the strategic and local level.

- 1.6 This is the first meeting of the new Economic Partnership Board and in order to ensure clarity about the role and purpose of the new partnership, the Board is asked to agree a number of key governance issues.

2. Key Issues

2.1 Name of the new partnership

It would be possible to retain the name of Herts Prosperity for the new partnership but it is suggested that the Board should establish a fresh name for the economic partnership to signify the new beginning. The name should convey that the focus of the new partnership is on the future and the aim of economic success for all. Ideas have been sought from a range of stakeholders and include:

- Success Hertfordshire
- Achieve Hertfordshire
- Hertfordshire Works
- Hertfordshire – Working for Success
- Herts Jobs Prosperity and Skills

The Board is asked to select and agree a name for the new partnership.

2.2 Terms of reference of the Partnership Board

The Partnership Board will:

- Bring together relevant organisations to provide strong leadership for the future prosperity and economic development of Hertfordshire that secures a strong and varied economy, a place where business can thrive and where everyone can benefit from economic success.
- Champion sustainable economic growth of all communities in Hertfordshire and the continued prosperity and economic wellbeing of Hertfordshire
- Develop and agree a vision and strategy for the future economic prosperity of Hertfordshire and oversee its implementation
- Ensure the delivery of the Jobs Prosperity and Skills LAA targets and other programmes and strategies which support the economic prosperity and well being Hertfordshire
- Provide an accountable, transparent economic partnership that will act as the sub regional economic partnership for Hertfordshire.
- Agree the annual work programme and priorities of the new partnership and monitor performance against an agreed set of targets and success criteria

- Identify and bid for funding and resources that will support the aims of the partnership
- Work within partners to ensure that the interests of Hertfordshire are articulated at national and regional level, and secure funding and policy change to support Hertfordshire's economic objectives.
- Ensure full and effective engagement with all parties who have a stake in the future economic wellbeing of Hertfordshire.
- Work with adjoining economic sub regions to ensure cross boundary issues, policies and initiatives are coordinated effectively.

2.3 Partnership Structure and Governance

Appendix 1 sets out the five elements of the new Economic Partnership structure:

2.3.1 The Hertfordshire Economic Partnership Board is one of six countywide partnerships reporting to Herts Forward, the countywide LSP.

The Hertfordshire Economic Partnership Board will comprise the following partners

- Hertfordshire County Council
- University of Hertfordshire
- Exemplas
- Herts Chamber of Commerce
- EEDA
- Hertfordshire's District and Borough Councils
- Chair of countywide Business Forum
- Representative of Colleges of Further Education
- Representative of Voluntary and Community sector

The Partnership Board will be chaired by Robert Gordon Leader of Herts County Council.

Those joining the Board will be there to promote and work collaboratively together in the interests of the Board, rather than their individual organisations. However it will be important for the Board to hear and to benefit from the range of interests and localities of partners in arriving at decisions and priorities for the future economic wellbeing of Hertfordshire.

Members of the Board will be responsible for ensuring effective two way communications between their respective organisations, including District Councils and LSPs and the Economic Participation.

2.3.2 The Hertfordshire Economic Summit

In order to ensure the Board is fully engaged/informed by a broad range of views/opinions of all stakeholders with an interest in the

economic well being of Hertfordshire, it is proposed to establish an annual Economic Summit. The Annual Summit will enable the Partnership Board to listen to views of the wider stakeholder group, report back on progress and performance and discuss the issues/challenges for the year ahead. In 2009/10, the Herts Forward Conference on 6 November will act as the first annual Economic Summit.

2.3.3 Countywide Business Forum

A key objective of the new partnership is to develop stronger links with business. Hertfordshire needs to dispel myths that Hertfordshire is anti growth and anti business. Hertfordshire needs to promote itself as a good place for business, encouraging appropriate inward investment, business retention and growth and entrepreneurship. Hertfordshire needs to get that message over regionally and locally and to be better connected to business, to listen to their views/needs and respond to their issues.

It is proposed to work with the Herts Chamber of Commerce and Industry and build on existing good practice from the 'bottom up' using wherever possible the existing business forums/ partnerships that exist locally and ultimately build a strong Hertfordshire Business Forum. The aim will be to ensure the Forum includes business from across all sectors, and size of business, including SME's, major employers and multinationals.

It is hoped to have the county wide Business Forum established by end of May and that the Chair of the Forum will ultimately sit on the Economic Partnership Board in order to ensure effective two way dialogue between the Board and the Business Forum(s).

2.3.4 Topic Groups

It is proposed to establish five Topic Groups reporting directly to the Partnership Board to take forward the likely key themes of the Economic Development strategy.

Each Topic Group will be chaired by a Board Member to ensure effective leadership and focus, and will develop its own Action Plan.

The Topic Groups provide the opportunity for a wider range of partners/stakeholders particularly District Local Strategic Partnerships to be involved depending on their particular interest/role. This approach will streamline a number of existing groups that currently exist and provide a focus for specific new areas of activity.

The five groups and Board leads are suggested below:

- **Strategy Development, Economic Intelligence and Performance Management (University of Hertfordshire)**

This group will be responsible for monitoring and analysing the state of the Hertfordshire economy and undertaking the annual economic assessment, the development of the draft economic strategy for Hertfordshire, establishing economic targets and a robust performance management framework.
- **Skills and Economic Participation (Herts Chamber of Commerce and Industry)**

This group will ensure effective coordination and delivery of the skills agenda making the links between the 14-19 agenda and the Hertfordshire Adult Learning Partnership and integrating the current Economic Participation programme. This group will be responsible for LAA targets relating to NI 152 Working age people on out of work benefits (Lead: Job Centre Plus); NI 163 Proportion of population aged 19-64 for males and 19-59 for females qualified to at least Level 2 or higher (Lead: LSC/HALP); NI 165 Proportion of population aged 19-64 for males and 19-59 for females qualified to at least Level 4 or higher (Lead: Adult Learning Partnership).
- **Recession Task Force (District Council)**

This already exists as the Economic Task Force and is responsible for coordinating action to help Hertfordshire's people, places and business through the recession.
- **Inward Investment and Business Support (Herts County Council)**

This group will be responsible for developing an Inward Investment and Business Retention Strategy for Hertfordshire, raising the profile and advantages of Hertfordshire as a place for business and ensuring effective support for business growth and entrepreneurship. It will have key links to other Herts Forward partnerships especially Transport and Sustainable Development Partnerships. This group will be responsible for LAA targets relating to NI 172 Percentage of small businesses in an area showing employment growth (Lead: Business Link).
- **Vibrant Towns (District Council)**

There is significant concern about the future health and vitality of our towns, and local facilities at this time of recession, and also as a result of changing life patterns. It is suggested a group is established to focus on ensuring the future health and vibrancy of towns including retailing, local services, and tourism.

2.3.5 Officer Delivery Group

The Partnership Board and the five Topic Groups will be underpinned by an Officer Delivery Group. This will replace HEDOG and old Herts Prosperity Steering Group. It will be led by the new Head of Economic Development at HCC once appointed and comprise officer/representatives of all key economic partnership organisation. In the interim it will be led by Jan Hayes-Griffin Assistant Director (Strategic Planning & Partnerships) Herts County Council.

The Delivery Group will be the 'doing group' and ensure effective delivery of the Board and Topic Group work programme and priorities, and preparation of reports for the Partnership Board.

2.4 2009/10 Priorities and Performance Indicators

2.4.1 The new Partnership needs to be output-focussed and to quickly demonstrate that it is making a difference both in supporting Hertfordshire businesses and residents through the recession and in laying the foundations for a sustainable recovery. For 2009-10, it is suggested that it adopts the following priorities:

- Develop a vision and new economic development strategy for Herts by March 2010, that has the support and agreement of all partners
- Adopt a clear performance management framework for the Board by September 2009
- Establish a countywide business forum by June 2009
- Develop an inward investment and business retention strategy by January 2010
- Deliver on the LAA Jobs, Prosperity and Skills targets and the 2009-10 Economic Participation programme;
- Effectively coordinate Hertfordshire's response to the recession;

In parallel with delivering on these priorities, the Partnership needs to set clear action plans and adopt a set of performance indicators that measure progress in key areas.

The Partnership will be responsible for the delivery of four LAA Jobs, Prosperity and Skills indicators

- NI 172 - Percentage of small businesses showing growth
- NI 163 – Level 2 skills
- NI 165 – Level 4 skills
- NI 152 – Working age people on out-of-work benefits - Broxbourne & Stevenage

Work is underway to create a performance management framework to monitor both the LAA targets and other economic related national performance indicators. These include:

- NI 151 – Overall employment rate
- NI 161 - Level 1 qualifications in literacy (including ESOL)
- NI 162 – Number of entry level qualifications in numeracy achieved
- NI 164 – Level 3 skills
- NI 166 – Median earnings of employees in the area
- NI 171 – New business registrations
- NI 174 – Skills gaps reported by employers

As the work of the Partnership develops and the new economic strategy is prepared, the Board will also want to identify local economic indicators and partnership success measures.

3. **Recommendations**

The Hertfordshire Economic Board is asked to agree

- Name of the new partnership
- Terms of reference
- Partnership structure set out in Appendix 1
- the concept of an Annual Economic Summit
- the setting up of five topic groups as set out paragraph 2.3.4 and to confirm Board member sponsors
- the 2009/10 Priorities set out in section 2.4
- the list of Economic Performance indicators and success criteria for 2009/10 as set out in section 2.4

