

Supporting councils to deliver growth

Purpose of report

To inform and help discussion on the support provided by the LGA to councils in helping them to deliver their growth aspirations.

Summary

In order to facilitate discussion, the report considers:

- Our current offer to councils
- Feedback from previous year's activities of support
- Emerging models of support.

Recommendations

Members are asked to:

1. Note the LGA's offer to councils to support growth ambitions.
2. Note the feedback from current LGA growth support activities.
3. Discuss and suggest areas of focus for 2013/14, in particular the economic growth adviser programme and LEP programme.
4. Help promote the LGA's existing and new offers of support to their own councils and partners within their LEP areas.

Action

As directed by members.

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Background

1. The LGA has long argued that economic markets in the UK operate at a sub-regional level and therefore tools and freedoms to unlock local growth should be made available to local areas. Over the last few months, there has been a series of Government announcements, including the Autumn Statement, the response to Lord Heseltine's review, and more recently the Spending Review – each progressively providing more detail on how far the localism agenda will be delivered.
2. As a result, Local Enterprise Partnership (LEP) areas will have access to significant public funding to support local growth and their emerging responsibilities, such as skills and transport provision:
 - 2.1. €6.2 billion of EU structural funding.
 - 2.2. over £2 billion through the Single Local Growth Fund to be allocated on the strengths of LEP strategic plans.
3. The Government has also backed Lord Heseltine's view that local leaders should be held accountable for outcomes and made it clear in their response that "local authorities or other bodies, and not LEPs themselves, will deliver programmes and projects, ensuring that there are proper democratic and financial accountability structures in place."¹
4. In reality, while it is too early to draw conclusions on the preparedness of individual LEPs, it is becoming clear that different LEPs are progressing at different speeds. Those LEPs progressing fastest do so because of strong local authority involvement and leadership at the political and official level. And it will be important that local authorities in all LEP areas are able to play this role, supporting partnerships and demonstrating to Government and private investors that they can succeed.
5. As a membership body, the LGA's role is to support its member councils to ensure that all areas are able to maximise the opportunities available to their sub-region/LEPs to deliver economic growth. Councils in LEP areas will need access to a broad set of leadership and technical skills and also leading-edge good practice so that their area is able:
 - 5.1. to present the best possible and credible evidence base for public and private investment to Government and private investors.
 - 5.2. provide further evidence that councils and their LEP areas are able to deliver and strengthen the case for further devolution.

¹ Government's response to the Heseltine Review
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/221902/PU1465_Govt_response_to_Heseltine_review.pdf

- 5.3. harness the resources and expertise needed to deliver growth across neighbouring councils in the economic sub-region.

Our current offer

6. Members will be aware of the LGA's growth offer to councils which was promoted at this year's annual conference. The LGA offer spans across all parts of the organisation. For full details the publication can be found at **Appendix A**. In summary the offer includes supporting:
 - 6.1. political ambition through member and officer focused workshops and through the Leadership Academy.
 - 6.2. Local Plans for local growth through direct support from the Planning Advisory Service (PAS).
 - 6.3. with an 'all council' approach through peer challenge.
 - 6.4. councils to use physical assets to promote growth.
 - 6.5. councils to bring forward new housing growth.
 - 6.6. through professional legal and contractual support and advice for councils through Local Partnerships.
7. **Board members may wish to consider the suitability of the LGA's offer as, increasingly, funding for growth will be drawn down at a sub-regional level.**

Feedback from current LGA activities

8. Member focused workshops. In 2012/13, attention was given to the role of district councils, given the particular role they play in two-tier areas on enabling growth, e.g. through the spatial planning process and their relationships with local business. Two workshops were delivered, in London and Leicestershire, jointly with the District Councils' Network. Together with two officer events, over 100 councillors and officers attended the workshops.
9. Peer challenge. By combining political and officer expertise from across local government, the LGA provides peer based challenge and support to councils reflect on their corporate strategies and well-being. Over a quarter of client councils (20 from 73) have chosen to include a focus on local growth ranging from inward investment strategies; to how open services are to business; and to overall economic strategy. **Appendix B** illustrates two examples (Thurrock and Eastbourne) of how councils have benefited from the LGA's peer challenge offer.
10. Some councils that have shared management services, such as Christchurch and East Dorset, and Bolsover and North East Derbyshire, have commissioned a corporate peer

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challenge to specifically look at local growth and regeneration across their combined areas.

11. The number of councils seeking specific feedback on their growth and regeneration work through corporate peer challenge is increasing. Cambridgeshire County Council are using their corporate peer challenge, due later this autumn, as a platform to work with the districts in their area to form a collective view on growth and regeneration across the sub-region.
12. Councils who wanted to understand how their development facing services were working together to facilitate and foster local economic growth were able to apply for a new Investment peer challenge through PAS. Pilots were completed in Swindon Borough Council and Mid Devon District Council (with Devon County Council) during 2012/13 and similar peer challenges in 4 further areas will complete the programme for 2013/14.
13. Capital assets programme. The LGA recently launched a programme of 12 pilots, which are located across the country, to drive innovative asset management in their area. Key learning from engaged councils has been that recently the public policy emphasis has shifted towards initiatives that deliver economic growth as well as drive deficit reduction. Councils are finding that surplus assets not only deliver cost savings, but, if used intelligently, can be an important addition to the levers a local authority has in encouraging local growth. For example, Knowsley Council is working on a joint venture with a range of private sector partners to redevelop an industrial park to provide local businesses with improved facilities and help boost economic growth.

Emerging programmes for 2013/14

14. Given the new roles for LEPs, it is important that the LGA continues to provide a range of offers to reflect different circumstances and preferences for support. This means continuing to provide support from an 'all-council' perspective, such as peer challenge, to providing forums for discussion and sharing of good practice, to individual tailored support.

Making LEPs work

15. Looking at the year ahead, it will be important both for the reputation of the local government sector and for the growth prospects of all areas of the country that LEPs and local authorities are well prepared for new roles and responsibilities and overcome institutional resistance of Government departments. LGA officials are therefore working with other organisations, such as the LEP Network, to develop a programme of events to support leaders and key LEP areas' staff to:
 - 15.1. identify and share solutions to common issues.
 - 15.2. learn from leading areas.
 - 15.3. be better prepared for new responsibilities, such as skills and EU funding.
16. The programme will commence following the summer holiday period.

Economic Growth Advisers

17. In recognition of the fact that councils are at different stages of developing and delivering growth priorities the LGA's Improvement and Innovation Board has commissioned the Economic Growth Adviser programme to build up the economic capacity of a local area. This programme will offer direct bespoke advice and support to local authorities to help them deliver economic growth in their area. A panel of Local Growth Advisers who have a proven track record in their field will be available to help councils deliver a specific project, or to bring local partners together or assist with the development of a strategic approach.
18. This programme is primarily aimed at assisting individual councils, however, it will also take into consideration groupings of councils who are working together to deliver growth.
19. LGA officers will give an overview of the emerging programme, and feedback from Board members at this early stage will help in ensuring that support to councils is as helpful to councils as possible.

Recommendations

20. Members are asked to:
 - 20.1. Note the LGA's offer to councils to support growth ambitions.
 - 20.2. Note the feedback from current LGA growth support activities.
 - 20.3. Discuss and suggest areas of focus for 2013/14, in particular the economic growth adviser programme and LEP programme.
 - 20.4. Help promote the LGA's existing and new offers of support to their own councils and partners within their LEP areas.