

Economy and Transport Board

Agenda

Thursday 25 July 2013
11.00am

Smith Square Rooms 1 & 2, Ground Floor
Local Government House
Smith Square
London
SW1P 3HZ

To: Members of the Economy and Transport Board
cc: Named officers for briefing purposes

www.local.gov.uk

This meeting is



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Economy and Transport Board

25 July 2013

The **Economy and Transport Board** meeting will be held on **Thursday 25 July 2013 at 11.00am** in **Smith Square Rooms 1 & 2**, Ground Floor, Local Government House, Smith Square, London, SW1P 3HZ.

Please note that there will be a Lead Members' Pre-meeting at 9.15am in Meeting Room 6.

Refreshments will be available upon arrival and lunch will be at 1.00pm.

Apologies

Please notify your political group office (see contact telephone numbers below) if you are unable to attend this meeting, so that a substitute can be arranged and catering numbers adjusted, if necessary.

Labour: Aicha Less: 020 7664 3263 email: aicha.less@local.gov.uk
Conservative: Luke Taylor: 020 7664 3264 email: luke.taylor@local.gov.uk
Liberal Democrat: Group Office: 020 7664 3235 email: libdem@local.gov.uk
Independent: Group Office: 020 7664 3224 email: independentgroup@local.gov.uk

Attendance Sheet

Please ensure that you sign the attendance register, which will be available in the meeting room. It is the only record of your presence at the meeting.

Location

A map showing the location of Local Government House is printed on the back cover.

Contact

Virginia Ponton (Tel: 020 7664 3068, email: virginia.ponton@local.gov.uk)

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Economy & Transport Board - Membership 2012/13

Councillor	Authority
Conservative (8)	
Tony Ball [Vice-Chair]	Basildon DC
Andrew Carter	Leeds City
Philip Atkins	Staffordshire CC
Martin Tett	Buckinghamshire CC
Gillian Brown	Arun DC
Ann Steward	Norfolk CC
Mike Whitby	Birmingham City
<i>Vacancy</i>	
Substitutes:	
Heidi Allen	St Albans City and DC
Phillip Bicknell	Windsor & Maidenhead RBC
Arif Hussain JP	Wycombe DC
Bob Lanzer	Crawley BC
Labour (6)	
Peter Box CBE [Chair]	Wakefield MDC
Claire Kober	Haringey LB
Chris Roberts	Greenwich LB
Barrie Grunewald	St Helens MBC
Joan Dixon	Derbyshire CC
David Wood	Tyne & Wear ITA [Chair of ITA SIG]
Substitutes:	
Tony Page	Reading Council
Liberal Democrat (3)	
Roger Symonds [Deputy Chair]	Bath and North East Somerset Council
Heather Kidd	Shropshire Council
Colin Rosenstiel	Cambridge City Council
Substitute:	
Ian Stewart	Cumbria CC
Independent (1)	
Mike Haines [Deputy Chair]	Teignbridge DC
Substitute	
Peter Popple	Scarborough BC

**LGA Economy and Transport Board
Attendance 2012-2013**

Councillors	27.09.12	29.11.12	31.01.13	28.03.13	30.05.13	
Conservative Group						
Tony Ball	Yes	No	Yes	Yes	Yes	
Andrew Carter	No	No	Yes	Yes	Yes	
Philip Atkins	Yes	Yes	Yes	Yes	Yes	
Martin Tett	Yes	Yes	Yes	Yes	Yes	
Gillian Brown	No	Yes	Yes	Yes	Yes	
Nick Clarke	Yes	Yes	Yes	Yes	N/a	
Ann Steward	Yes	Yes	Yes	No	Yes	
Mike Whitby	Yes	Yes	Yes	Yes	No	
Labour Group						
Peter Box CBE	Yes	Yes	Yes	Yes	Yes	
Claire Kober	Yes	Yes	Yes	Yes	No	
Chris Roberts	No	Yes	Yes	No	No	
Barrie Grunewald	Yes	No	No	Yes	Yes	
Joan Dixon	Yes	Yes	Yes	Yes	Yes	
David Wood	No	Yes	Yes	No	Yes	
Lib Dem Group						
Roger Symonds	Yes	Yes	Yes	Yes	Yes	
Heather Kidd	No	No	No	Yes	Yes	
Colin Rosenstiel	Yes	Yes	Yes	Yes	Yes	
Independent						
Mike Haines	Yes	Yes	Yes	Yes	Yes	
Substitutes						
Phillip Bicknell	Yes			Yes		
Tony Page	Yes		Yes	Yes	Yes	
Peter Popple	Yes					
Heidi Allen		Yes				

Economy and Transport Board

Meeting Dates 2013 - 2014

DAY (2013)	DATE	TIME	ROOM at Local Government House
Thursday	19 September 2013	11.00 – 13.00	Smith Square Rooms 1 & 2
Thursday	28 November 2013	11.00 – 13.00	Smith Square Rooms 1 & 2
DAY (2014)			
Thursday	30 January 2014	11.00 – 13.00	Smith Square Rooms 1 & 2
Thursday	27 March 2014	11.00 – 13.00	Smith Square Rooms 1 & 2
Thursday	22 May 2014	11.00 – 13.00	Smith Square Rooms 1 & 2
Thursday	31 July 2014	11.00 – 13.00	Smith Square Rooms 1 & 2

Agenda

Economy and Transport Board

25 July 2013

11.00am – 1.00pm

Smith Square Rooms 1 & 2, Ground Floor, Local Government House

	Item	Page	Time
Part 1			
1.	Notes of the previous meeting	3	11.00am
2.	Chair's Report	7	11.05am
3.	Local Economic Growth – Prioritising future work of the Board	13	11.15am
4.	Transport Update – External Speaker: Graham Richards, Deputy Director of Railway Planning and Performance, ORR	23	12.00pm
5.	Supporting councils to deliver growth	29	12.30pm
6.	Annual Review of the Year	43	12.50pm

Note of Meeting 30 May 2013

Title: Economy and Transport Board
Date and time: 30 May 2013, 11.00am
Venue: Local Government House

Attendance

Position	Councillor	Political Group	Council
Chairman	Peter Box CBE	Labour	Wakefield MDC
Vice Chair	Tony Ball	Conservative	Basildon DC
Deputy Chair	Roger Symonds	Liberal Democrat	Bath and North East Somerset
Deputy Chair	Mike Haines	Independent	Teignbridge DC
Members	Andrew Carter	Conservative	Leeds City
	Martin Tett	Conservative	Buckinghamshire CC
	Philip Atkins	Conservative	Staffordshire
	Ann Steward	Conservative	Norfolk CC
	Gillian Brown	Conservative	Arun DC
	Barrie Grunewald	Labour	St Helens MBC
	Joan Dixon	Labour	Derbyshire CC
	Tony Page	Labour	Reading Council
	David Wood	Labour	Tyne & Wear ITA
	Colin Rosenstiel	Liberal Democrat	Cambridge City
	Heather Kidd	Liberal Democrat	Shropshire Council
Apologies	Mike Whitby	Conservative	Birmingham City
	Chris Roberts	Labour	Greenwich LB
	Claire Kober	Labour	Haringey LB

In attendance: Ian Hughes; Kamal Panchal; Piali Das Gupta; Rachael Donaldson; Charles Loft; Nick Porter; Virginia Ponton (LGA); Judith Armit (Local Partnerships); Matthew Lugg (Leicestershire CC).

Item	Decisions and actions	Action by
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The Chair welcomed all to the meeting and noted apologies.

1 Notes of the previous meeting

Decision

The notes of the previous meeting were agreed.

2 Chair's Report

The Chair recorded the Board's thanks for Nick Clarke's work. Cllr Tony Ball echoed that he had done good work in a short amount of time.

The Chair noted that Cllr Ball had attended the ALARM conference, which Cllr Ball said was important and interesting due to its independent report on the state of roads. Under Secretary of State for Transport, Norman Baker MP, also attended the event.

The Chair outlined the Wave 2 City Deals meeting, which highlighted difficulties working with Government and the civil service. Members were frustrated with lack of engagement from the Department for Work and Pensions.

Cllr Roger Symonds informed members that the Cycling APPG had published their report, which amongst other recommendations, called for the implementation of Part 6 of the Traffic Management Act.

Cllr Tony Page said that the British Parking Association meeting in July would provide a further opportunity to keep the pressure up on Norman Baker MP.

The Chair said that a Hidden Talents lead member meeting had also taken place and a further report would go to a future Board.

Actions

- Hidden Talents report to go to a future Board.

**Ian Hughes /
Virginia Ponton**

3 Emerging practice on regeneration

Kamal Panchal introduced the paper and welcomed Judith Armit, Chief Executive of Local Partnerships (LP).

Judith Armit outlined the role and work of LP, which is a joint venture by the LGA and HM Treasury. She highlighted concerns about the scale of the single pot coming from Government to LEPs and local authorities, the capacity available and how geared up the system will be to spend when the funding arrives. There are many examples of local authorities doing good work and LP is offering help with capacity building.

Members discussed with Judith Armit::

- how LP works with LEPs.
- concern that the single pot will include already-devolved funding.
- the need for a decent-sized pot to enable local growth.
- highlighting Item 8, members wanted restrictions on local government to be lifted and consideration of how local

government can contribute to the national picture.

- Members saw importance in engaging with LEPs and ensuring elected members are aware of this engagement. Members were also keen to continue sharing best practice through case studies, first magazine and weblinks.

Judith Armitth understood members' concerns and was mindful that Lord Heseltine is pushing hard for the pot to be significant, though she expected a large proportion of the pot to be competitive. LP are taking the initiative to build relationships with and presence at LEPs and are looking to help them increase their capability.

The Chair thanked Judith Armitth and said that members' details would be sent to her.

Action

- Officers to pull together case studies on work being done by local authorities and on the emerging picture, particularly around increasing cross-sector engagement including the business sector.
- Member's details to be sent to Judith Armitth.

Officers

Virginia Ponton

4 Streetworks

Cllr Ball said that the first meeting of the Streetworks Task Force, which took place in March, was a positive meeting and acknowledged that relationships between all partners could be strengthened and that both partners can improve and work better together.

Cllr Mike Haines echoed this and welcomed members to join the next meeting.

Ian Hughes welcomed Matthew Lugg, Director of Environment and Transport, Leicestershire CC, to speak about the Highways Maintenance Efficiency Programme (HMEP) and how it can support councils' work.

Matthew Lugg outlined the HMEP initiative, which provides scope for highways efficiencies through new ways of working, collaboration across geographic areas, asset management, shared services and procurement standardisation. The programme is sector-led and supported by the industry. Matthew Lugg welcomed the Board's Streetworks evidence and campaign and said that he working to develop a delivery network of champions to promote the programme and extend it wider than the South East of England.

Members discussed:

- the wider context than poor utilities reinstatements; local authority resources are already over-stretched to manage general and weather-related maintenance.
- the need for more practical solutions than road closures for streetworks.
- the importance of sharing case studies and good practice.
- stronger communication to the public is needed.
- concern that subcontracting can result in poor streetworks and reduced accountability for such works.
- how paragraph 5.7, on ensuring poor contractors are not used,

- could be delivered.
- the need for engagement with cable companies.

The Chair thanked Matthew Lugg.

5 Local Audit and Accountability Bill: Council Tax Referendums

Ian Hughes introduced the item on the Local Audit and Accountability Bill, which is being led by the LGA Finance Panel.

Board member and Chair of the Integrated Transport Authorities (ITAs), Cllr David Wood, outlined how an amendment to the Bill would impact on transport. He hoped that the consequences were unintended and urged the LGA to press for the removal of clause 39 (15) from the Bill.

6 LGA Annual Conference and development of the New Model of Local Government

Ian Hughes highlighted the growth and transport areas of the LGA's Annual Conference programme.

Members noted the report.

7 LGA submission to Spending Round 2013

Members discussed the detail of the LGA submission to the Spending Round.

It was highlighted that the Office of Rail Regulation's (ORR) draft annual report was due to be published and this was suggested as an item for a future Board.

Action

Detailed figures on skills mismatch to be sent to members.

The Chair thanked all for attending.

**Nick Porter /
Virginia Ponton**

Item 2

Chair's Report

Purpose of report

For noting.

Summary

This report sets out Group Leaders' activity between the Board meetings. This report is presented to the LGA's Councillor's Forum as a record of Board activity.

Recommendation

Members are asked to note the report and comment as necessary.

Action

Officers to take actions as directed.

Contact officer: Ian Hughes
Position: Head of Programmes
Phone no: 020 7664 3101
E-mail: ian.hughes@local.gov.uk

Economy and Transport Board – report from Cllr Peter Box CBE (Chair)

Spending Review - Growth

1. I was delighted to share a platform at the recent LGA conference in Manchester with Lord Heseltine and to hear his views on how well the Government had responded to his independent review on growth. He spoke the day after we launched the LGA's work on Rewiring Public Services, with a clear call for more levers of economic growth to be made available to local partners.
2. During his presentation Lord Heseltine stated that the £2 billion for the creation of the Single Local Growth Fund to be allocated to LEPs via a single pot was a "start". He emphasised that this was an opportunity for local government to prove itself; "If you can prove what you can do, this is a stepping stone to a revolution in the way this country is run."
3. Whilst Lord Heseltine had originally called for £49 million to be localised, Government has announced £2 billion which is expected to be operational in April 2015 and sustained each year of the next Parliament. My press comments on the day of the Spending Review announcement were: "Establishing a local growth fund is a step in the right direction to helping councils unlock their potential to drive economic recovery. However, the £2 billion a year announced by the Chancellor won't come close to the £70 billion recommended by Lord Heseltine in his growth report. Local government has great ambition to get on with the job of building homes, creating jobs, supporting businesses and investing in new infrastructure, but has been hamstrung by funding cuts. The latest 10 per cent reduction only serves to stifle growth further. We need Whitehall to make a more serious financial commitment to the growth fund otherwise this ambition won't materialise into the boost for local economies which this country desperately needs. We will be scrutinising the details of where this £2 billion has been sourced and it's also crucial that the bidding process is fair and transparent so all regions have the opportunity to better support their local economies."

LEPs at LGA Annual Conference

4. During annual conference, I chaired the "Making Your LEP Work" workshop. The session was very lively and a complete 'sell-out' with nearly 100 people in the room. Speakers included Cllr Nick Forbes, Leader of Newcastle City Council, Cllr Tony Jackson, Leader of East Herts DC, and David Marlow from Third-Life Economics. The debate centred on LEP geography and functional economic areas, accountability of devolved public sector funding and the wish for successive governments to stop tinkering with structures and let local government decide. A key message was the need for councils and local private sector partners to be able to 'get on with it' rather than wait for Government guidance or permission and to provide compelling evidence that councils can work at a sub-regional level to drive growth and are best placed to do so.

Local Growth Campaign at LGA Annual Conference

5. Conference also provided an opportunity to explore local economic growth across the Commonwealth and beyond. Along with colleagues from the European and International Board, Cllr Tony Ball, Vice Chair of the Board, was a panelist at a fringe event that enabled him to present Basildon's business and trade relationships with China, as well as his personal experience as a local leader of influencing wider policy around European-Chinese relations. The session was chaired by Cllr Dave Wilcox, Chair of the European and International Board and included representatives from the Commonwealth

Local Government Forum, UK Trade & Invest and the economic development agency for the city of Edmonton in Canada (via video link).

LGA Vice-Presidents lunch on economic growth

6. On 20 June, I, alongside Sir Merrick Cockell attended a lunch with a selection of the LGA's parliamentary Vice-Presidents to discuss the LGA's work around economic growth. This was one of a series of lunches being held throughout the month, covering the LGA's priority issues. Sir Merrick and I presented the LGA's emerging ideas around devolution of growth powers. Broad-ranging discussions with the parliamentarians then drew out the need for devolution to go further than local government; support for the LGA's work to address the skills mismatch and better align training and education with the job vacancies in existence; support for the LGA's desire to see a new relationship emerge between councils and their local universities; and support for ensuring LEPs are made fit for purpose and not redesigned following the next change of government.

Spending Review - Transport

7. The LGA has been successful in lobbying government for additional funds for roads maintenance. I wrote to the Rt Hon Danny Alexander MP, Chief Secretary to the Treasury, setting out the case for more funding and the government has committed a further £300 million per year for 6 years from 2015/16. This is very welcome although it still falls short of the £800 million annual spending gap identified by councils. The government also increased the local major transport scheme funding to £819 million per year from 2015/16 this represents a 118% increase on the 2010 spending review allocation. Again, this is very welcome and follows campaigning by the LGA and others on the importance of locally determined infrastructure investment for growth and jobs.

Select Committee - Parking Enforcement

8. On 8 July I appeared alongside Westminster Council, Nottingham Council and London Councils as part of the Transport Select Committee's investigation into local authority parking enforcement. The key points I made were that there has to be parking enforcement if we are to avoid gridlock in our towns and cities and, given that each area is unique, only local authorities can set parking charges at appropriate levels. The committee appeared receptive to these arguments and we await its report.

Centre for Public Scrutiny Annual Conference

9. On the 12 June, Deputy Chair of the Board, Cllr Mike Haines, chaired a workshop on the value of scrutiny to councils' work on economic growth and recovery at the Centre for Public Scrutiny Annual Conference. Delegates saw a number of ways in which scrutiny councillors could add value, either by maintaining an oversight of LEPs and ensuring that decisions being taken in partnership are robust, or by working collaboratively with LEPs (and other partnerships set up to promote economic growth, particularly in city regions) to explore the wider impacts of their decisions and to provide them with an evidence base to support their strategy.

Bus Partnership Forum

10. Cllr Tony Page and Cllr Ian Stewart attended the Bus Partnership Forum, which is chaired by Norman Baker MP, Minister for Local Transport. Members used the opportunity to press the Minister on the issues around the implementation of the Traffic Management Act Part 6. Members also spoke about the impact that the 10% cut in funding announced in the 2015/16 spending round will have on locally subsidised bus services. The Forum also discussed rural transport for young people. The LGA is

participating in a DfT/DEFRA convened group seeking to provide solutions to rural travel issues.

Highways Maintenance Efficiency Programme (HMEP) Conference

11. Deputy Chair of the Board, Cllr Roger Symonds, chaired a very successful joint HMEP, LGA conference on 10 July that showcased the excellent work being undertaken by authorities to achieve efficiencies in road maintenance. HMEP is a government funded improvement programme. The LGA provides Peer Challenge and information sharing and learning through the Knowledge Hub. The conference attracted portfolio holders and Directors of Environment. The key note speech was given by Norman Baker MP.

Select Committee Seminar

12. On 15 July, the Transport Select Committee convened a technical advisers seminar on local transport decision making in preparation for an up-coming inquiry. LGA officers attended and provided context to the committee based on the future funding outlook and the rewiring public services debate. Officers also set out the implications on the 2015/16 spending round, the current arrangements for decision-making including the role of LEPs and local transport bodies (LTBs) and the need to achieve further devolution and flexibility in funding.

Local Growth APPG

13. On 16 July, Cllr Heather Kidd gave oral evidence to the latest Local Growth APPG enquiry on LEPs' strategic and leadership capacity. Key messages from the LGA were that councils were willing and essential partners in LEPs, that LEPs could be more effective if Government devolved more to local authorities and that we should avoid facing local economic restructuring every time there is a change of national administration.

Item 3

Local Economic Growth – Prioritising future work of the Board

Purpose of report

For discussion and direction.

Summary

This paper sets out the post-Spending Round national policy environment and the resulting demands on councils. It also reflects on how the ethos of the Heseltine Report can be maintained and headlines from the LGA Conference’s “Rewiring Public Services” debate.

Recommendation

The Board is asked to make any recommendations for future priorities for the Board.

Action

As directed by members.

Contact officer: Piali Das Gupta
Position: Senior Adviser
Phone no: 020 7664 3041
E-mail: piali.dasgupta@local.gov.uk

Item 3

Local Economic Growth – Prioritising future work of the Board

Background

1. Over the last two years, the Board has promoted an ambitious agenda for the devolution of economic powers to the local level. Through the Local Growth Campaign, Board members have set out the case for devolution from Whitehall, the strengthening of local economic partnerships and national economic return from greater devolution. The campaign has yielded a rich body of evidence that shows the range of ways that councils are acting as champions of growth in their areas. Recent Government announcements demonstrate that their recognition of the council role in promoting growth is increasing and progress is being made on our call. However, it is also clear that there is still much work to be done to prise the range of powers and funding that would enable local partnerships to realise their full potential from the grip of Whitehall.
2. This paper is informed by three key developments, which are discussed in more detail in the following sections:
 - 2.1 On 26 June, the Chancellor of the Exchequer reported on the outcomes of the 2015-16 Spending Round.
 - 2.2 The following day, the Chief Secretary to the Treasury, Danny Alexander MP, set out the implementation plans from the Heseltine Review and a series of other infrastructure announcements.
 - 2.3 On the first day of the LGA annual conference on 2 July, we published [Rewiring Public Services](#)¹, our call to arms on the fundamental changes needed at both a local and national level so that public services can help communities to meet people's future needs and aspirations.
3. We anticipate a number of opportunities to shape the national debate on growth in the coming year. The recent announcements by Government set out the broad parameters of change up to the first year of the next parliament in 2015-16 but not much beyond that. With all parties now beginning to draft proposals for 2015 manifestoes, now is the time to influence future policy on local growth. The LGA has already been feeding into policy reviews being conducted by the political parties and we are looking ahead to seek to influence the discussions at the party conferences in the autumn.
4. There are also a number of more immediate influencing opportunities. The Deputy Prime Minister Nick Clegg wrote to the LGA Chairman on 24 June to advise him of the creation of a new Cabinet Committee to bring all relevant departments together for joined up decision making and strategic oversight and leadership of local growth policy development and implementation. On 16 July, the Deputy Prime Minister announced a review of employment and training options for 16 to 24-year-olds with the aim of simplifying the array of schemes designed to support young people. We propose that the

¹ http://www.local.gov.uk/c/document_library/get_file?uuid=bb5e05ab-1418-41e1-bac6-85ecd79da61f&groupId=10171

Item 3

Chair of the Board write to Nick Clegg to offer to arrange for a delegation from local government to address the Local Growth Committee and assist with the employment and training review, drawing on the work of our Hidden Talents campaign.

5. This paper provides an update on the post-Spending Round national policy environment and the resulting demands on councils and local partners. It also sets out reflections in how the ethos of the Heseltine Report can be maintained and the headlines from the LGA Conference debate on *Rewiring Public Services*. The Board is asked to discuss the current position, English localism and economic policy and to make any recommendations for future priorities for the Board.

Spending Round announcements

6. The Government announced the results of the Spending Round over two days. The Chancellor set out the results of the departmental plans on 26 June and the next day, the Chief Secretary announced investment in growth and infrastructure. The LGA produced on the day briefings to cover both announcements, which are available [here](#).² We also published a number of press notices and LGA leaders gave a number of interviews to the TV, press and radio. The key funding announcements affecting councils were:
 - 6.1. Local authority core funding is reduced by 10 per cent in 2015-16 in real terms.
 - 6.2. A transfer of £2 billion from the NHS to councils for social care.
 - 6.3. Further support to freeze council tax for 2014-15 and 2015-16.
 - 6.4. Council tax referendum limits of 2 per cent in 2014-15 and 2015-16.
7. Our response to these announcements signalled the strong risk that some councils will simply not have enough money to meet their statutory responsibilities for other services, despite the positive steps taken to target NHS funding at social care. It is also clear that budgets for discretionary services such as economic development will face an even more acute squeeze in the future, which we have warned Government is a counter-productive move since local government is one of the few parts of the public sector which actively promotes economic growth.
8. The Chief Secretary's statement the following day recognised that "local authorities have a crucial role to play in supporting housing and wider economic growth." The announcement confirmed that the Heseltine single pot recommendation would be implemented through the creation of a Single Local Growth Fund (SLGF) amounting to at least £2 billion annually from 2015-16 to 2020-21. The pot is comprised of:

² http://www.local.gov.uk/web/guest/media-releases/-/journal_content/56/10171/4044082/NEWS-TEMPLATE

Item 3

- 8.1. Local Authority Transport Majors - £819 million
 - 8.2. Local Sustainable Transport Fund - £100 million
 - 8.3. Integrated Transport Block - £200 million
 - 8.4. Further Education capital - £330 million
 - 8.5. ESF skills match funding - £170 million
 - 8.6. New Homes Bonus - £400 million
9. Other significant announcements included:
- 9.1. A commitment to negotiate a Growth Deal with every Local Enterprise Partnership (LEP).
 - 9.2. £6 billion for local road maintenance between 2015-16 and 2020-21 – an increase of £300 million per year.
 - 9.3. A total of £4.9 billion for the Local Major Transport Scheme over that same period - a huge increase from the 2010 Spending Review total of £1.5 billion.
 - 9.4. The majority of spending decisions for England's £5.3 billion European Union Structural and Investment Funds (EU SIF) for 2014-2020 have been devolved to LEPs as notional allocations.
 - 9.5. £300 million in 2015-16 and 2016-17 for the Regional Growth Fund.
10. We characterised the Government's response to the Heseltine Review as a missed opportunity, although we recognise that it represents an important first step. The majority of the funds in the single pot are either already earned directly by councils (e.g. New Homes Bonus) or have already been devolved (e.g. Local Transport Majors), which shows that Whitehall is still very reluctant to let go of centrally-controlled funds. Moreover, we have real concerns that the proposal to scoop about a third of the total funding for New Homes Bonus into the single pot for growth purposes could have an impact on local services as these funds were previously unringfenced and many councils' medium term financial strategies already set out plans for spending these funds.
11. Nevertheless, there were some positive signs that the Government has listened to the LGA. The channelling of the lion's share of European Regional Development Fund and European Social Fund through the LEP model represents a real success as we have long called for locally-responsive EU spending. We have also repeatedly emphasised the importance of investment in local transport infrastructure so the increased funding for both local road maintenance and transport majors is very welcome. The inclusion of Further Education funding in the SLGF, although modest in comparison to the total spend on skills, is significant as the Department of Business, Innovation and Skills (BIS) are one of the only departments to put their own funding into the pot, which indicates that our intensive lobbying of BIS Ministers and officials is paying off and opens the door to further localisation of skills funding.

Item 3

Implementing Heseltine

12. The Spending Round announcements confirm that LEPs are to play a central role in making investment decisions for local growth and will have a considerable amount of work to do between now and 2015, including:
 - 12.1. developing a multi-year strategic plan for growth.
 - 12.2. setting a local investment strategy for EU funds for 2014-2020, which will involve a plan for spending their allocation; identifying projects; finding match funding; and indicating plans for monitoring expenditure and delivery.
 - 12.3. setting a skills strategy consistent with national objectives, although we have had no further detail on what this will entail.
 - 12.4. preparing bids for the Single Local Growth Fund and Regional Growth Funds.
 - 12.5. negotiating Growth Deals.
13. There is an unfortunate lack of clarity about how all of these elements will interact, rendering an already complex policy landscape even more confusing. For example, LEPs are being asked to set out multi-year spending plans against what may be an initial one-year SLGF allocation. Moreover, it is not yet clear how much of the SLGF will be allocated through competition, as a share of Transport Majors funding has already been committed to specific projects and the New Homes Bonus is directly earned by individual councils as a reward for supporting housing development. Our understanding is that we may see a hybrid system with different rules for different funding streams, which means that the Heseltine single pot would in reality operate as a “Multiple Local Growth Fund”.
14. It is nevertheless clear there are significant financial stakes for every area in the strength of their LEP’s capacity. The share of the SLGF that will be allocated through a competitive process will be done on the basis of the LEP strategic plans. Those LEPs that are considered to have the strongest plans that demonstrate their ability to deliver growth are expected to receive a higher share of funding. As both Lord Heseltine and Ministers have strongly favoured a competitive element, it seems highly likely that any additional funds that may be added to the pot in the future will also be subject to a bidding process tied to LEP capacity. More detail on how the SLGF will be allocated and guidance on the Growth Deals is expected to be published before summer recess. Officers will provide an update at the Board.
15. The Government’s response to the Heseltine Review clearly falls well short of both councils’ ambitions and Lord Heseltine’s vision. At the LGA Annual Conference, Lord Heseltine shared his view that local government is best-placed to hold Whitehall to account on this agenda and advised local government to fight and resist the “political nimbyism” of Whitehall departments determined to keep hold of their budgets.
16. There is a strong risk that Whitehall will now focus on the logistics of the SLGF bidding processes and guidance for LEP strategies at the expense of progressing towards more ambitious devolution. There already appears to be a retrenchment on the part of

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Whitehall when it comes to the second wave of City Deals, with departments unwilling to devolve power on the same scale as the Wave 1 Deals. The launch of our Rewiring Public Services campaign is thus timely as a platform for keeping an eye on the big prize.

Rewiring public services

17. In his speech to the LGA Annual Conference, the LGA Chairman, Sir Merrick Cockell, set out ten big ideas for rewiring public services to improve services, save money and get Britain's economy growing again (see **Appendix A**). These proposals are fleshed out in our *Rewiring Public Services* report, which shows how a radical rewiring of the public sector, based around giving local areas greater control of public money would allow local areas to make decisions on how that money is spent and design services that work for their communities and reduce demand for higher cost national services. It will also ensure that funding for key growth drivers, such as spending on infrastructure and skills training, is targeted in a way that supports businesses and helps them to deliver economic recovery. It is hoped that these ideas will stimulate a debate in the sector and the wider political community about the future of English local democracy and the role that local partners can play in national economic recovery.
18. The main publication was accompanied by a supplementary report on economic growth. Our central argument is that autonomous local government could unleash new local economic growth for our businesses and help create new jobs for residents. We set out a series of proposals to lead future debates, also set out in **Appendix A**.

Issues for consideration

19. Members are asked to consider the future role for the LGA on this agenda. Our discussions with councils have confirmed that, despite disappointment that the Government's willingness to localise the levers of growth does not yet match local partners' appetite to do more to spur economic recovery, it is vital not to lose the momentum that we have started to build. Certainly, Lord Heseltine's clear message to us at Conference was that no one would be better able to hold central government's feet to the fire than the LGA and member councils.
20. There are three primary issues to work through:
 - 20.1. In the next year, councils and their LEP partners will need to submit bids for the SLGF and scope out Growth Deals. In light of the proposals in the paper on the LGA's Growth offer, what support should the LGA provide to councils in this process?
 - 20.2. Current government policy falls well short of the ambitious devolution that we have called for. There is an opportunity for the LGA to keep the original spirit of the Heseltine Review and first wave of City Deals alive by fleshing out the proposals in Rewiring Public Services such as the concept of a local treasury and what it could deliver on the growth agenda. How would members recommend for the LGA to move the agenda forward?
 - 20.3. Lord Heseltine told conference delegates candidly that one of the biggest barriers to devolution is that local government's role in growth is still not

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recognised throughout Whitehall and local partners are not entirely trusted to deliver. How can we get on the record what councils are doing and can do, particularly when it comes to taking risks and building local capacity to support growth?

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APPENDIX A

PROPOSALS IN REWIRING PUBLIC SERVICES

10 Big Ideas

1. Give people a meaningful vote on local tax and spending issues: a local treasury in every place.
2. Cut red tape: bring local services and decisions together in one place.
3. Reduce bureaucracy and Whitehall silos: merge six Government departments and create an England Office. The six departments that could be merged to form the English Office include the Department for Communities and Local Government, Department for Transport, Department for Environment, Food and Rural Affairs, Department of Energy and Climate Change, Department for Culture, Media and Sport and relevant parts of the Home Office.
4. Share money fairly across the UK by replacing the Barnett formula with a new needs-based funding model.
5. Take financial distribution out of ministers hands and replace it with agreement across English local government.
6. Strengthen local say by reducing ministers' powers to intervene in local decisions.
7. End flawed, tick box inspections by bureaucrats: create local service user champions.
8. Boost investment in infrastructure: create a thriving market in municipal bonds.
9. A multi-year funding settlement tied to the life of a Parliament.
10. Protect local democracy: give the local government settlement formal constitutional protection.

Proposals to unlock economic growth

11. The development of a local treasury and a local pact on growth. This idea assumes that more income for services will be raised locally, with the accompanying responsibility for prioritisation of choices and joining up of services. With a local treasury, City/Local Deals would no longer be a negotiation between central and local government, but a pact with local businesses and residents on the level of services and local incentives for growth. Whilst this is futuristic in England, it is part of the norm of local democracy in most parts of the developed world.
12. A changed relationship between universities and cities and counties to link education more strongly to local economies.
13. Development of clearer employer involvement in schools' work on education outcomes, and as an introduction to the world of work.
14. Local leadership of skills and jobs initiatives through coherent employer-led programmes that are linked to the needs of the local economic sub-region and orchestrated through local government.
15. A place-based public service budget for infrastructure.
16. Localised and simplified regulation linked to a clearly defined vision for the community and place.

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Transport Update

Purpose of report

For discussion and direction.

Summary

This paper updates members on highways maintenance and local major transport funding in the 2015/16 Spending Round, the Strategic Roads Network and changes to the Highways Agency, Rail Devolution, the Office of Rail Regulation's (ORR) draft determination and the LGA Streetworks campaign.

Graham Richards, Deputy Director of Railway Planning and Performance will briefly present ORR's draft determination and how local government can inform its development.

Recommendation

Members are asked to note the report and comment as necessary.

Action

As directed by members.

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Transport Update

2015/16 Spending Round (highways maintenance and local major transport funding)

1. The LGA's lobbying of the Department for Transport (DfT) to provide more resources for transport to councils has been very successful. The 2015/16 Spending Round, announced on the 26 June, more than doubled local majors transport scheme funding from £375 million per annum to £819 million per annum. It also set out a £300 million per annum increase in the highways maintenance budget. However, given that the underspend on local roads maintenance is estimated by councils to be around £800 million per annum, the problem is not solved but the 13% increase over 2010 Spending Review funding shows we are being heard.
2. Local Major Transport Scheme funding has been subsumed into the Single Growth Fund. On 16 July 2013, the DfT announced the portion of the local majors fund that will be allocated without competition. It had previously announced an indicative allocation in January 2013. However, it has now taken the decision to allocate just two thirds of the indicative figure; the remainder will be subject to competitive bidding by LEPs.
3. The exception is those Local Transport Bodies (LTBs)/Local Enterprise Partnerships (LEPs) where the principle of 10-year funding has been agreed through city deals. These LTB/LEPs will receive confirmed allocations for 6 years at the annual level indicated in January 2013. They will also receive an indicative funding allocation for a further 4 years beyond the confirmed funding levels.
4. A detailed paper on the Spending Round is at Item 3 of this agenda.

Strategic Roads Network and the Highways Agency

5. Reform of the Highways Agency (HA) has been on the Government's agenda for the last 18 months. Local authorities have taken a keen interest in the reform discussions as the HA has at times been seen as a barrier to growth. In November 2012 the Board agreed a submission to the DfT which called for local authorities to have a greater say on the decisions taken on the Strategic Roads Network (SRN) and partnership approach to the prioritisation of infrastructure investment.
6. On 16 July 2013, the Government published its strategic roads strategy [Action for Roads](#)¹. This confirms the announcements outlined in the 2015/16 Spending Review. The Government plans to transform the HA into a Strategic Highways Company. This body will be 100% owned by the state. The aim of the move is to allow it to manage the network with greater commercial freedom – "focusing on day to day operations, and prioritising economic value over political factors".

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/212590/action-for-roads.pdf

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7. The HA in its new form will have long-term funding certainty on its capital programme and resource maintenance, initially to 2021. It will also benefit from a Roads Investment Strategy (RIS), setting out plans for construction and maintenance to 2021 and beyond, as well as performance criteria. The Government will guarantee the requirements of the funding settlement and RIS with legislation. The government will consult on the proposals to transform the Highways Agency later in the year.
8. These reforms fall short of the more radical proposals that have emerged as part of the strategic roads feasibility study discussion. The CBI called for a privatisation of the HA approach based on the regional model used for water, with investment proposals fed through a High-Level Output Specification based on the approach used in the rail industry. The Government has not chosen to go that far, but the move to a strategic Highways Company is a step in that direction.
9. At the spending round the government also announced a significant increase in the capital funding available to the HA. By 2021, spending on strategic road enhancements will have tripled from today's levels.
10. The HA has embarked on a series of route-based strategies to develop the next generation of investment plans for the network. In May 2013 the DfT published three pilot route-based strategies; A1 west of Newcastle, A12 from the M25 to Harwich and M62 between Leeds and Manchester, which set out the problems faced by sections of the SRN. It also announced the extension of the route-based approach to a further 19 routes.
11. The strategies will be developed in 2 stages. In the first stage the HA will work with local stakeholders to develop a uniform set of route-based strategies for all routes on the network. The emphasis for this stage will be on establishing the evidence base. It is intended that this first stage will be completed by spring 2014. The HA and the DfT will then use this evidence to prioritise and take forward a programme of work to identify indicative solutions. The first RIS will be heavily influenced by the on-going programme of route-based strategies.
12. It is absolutely vital that local authorities are central to the discussions on the appropriate solutions for the SRN. The DfT also wants to ensure that local authorities are engaged in this process. We have had exploratory discussions with the department on the best way forward. It is proposed that the LGA, DfT and HA hold a joint seminar in the autumn to tackle the issue of effective local authority engagement in route-based strategy solutions and influence over investment decisions.
13. The joint meeting will need to draw on the evidence of the pilot route-based strategies and will need to present the scale of ambition that local authorities have to shape their localities and the importance of an integrated approach to transport, which includes decisions on the SRN, to better economic and social outcomes. Members are asked to consider how best to take this agenda forward with the DfT and HA.

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14. An agenda for the autumn seminar might include:

- 14.1. Context: local government, growth and transport.
- 14.2. Lessons from the pilot route-based strategies.
- 14.3. Effective partnerships in developing route-based solutions.
- 14.4. Local influence over HA performance measures.

15. Members are asked to consider the potential agenda items and suggest amendments and additions.

Rail Devolution

16. The Brown Review of Rail Franchising observed that where franchises have previously been devolved the experience has been very positive. The Review recommended that further franchises should be devolved to local control and that these may include additional inner suburban services within London.

17. In the Government's response to the Brown Review, published on 10 July, it has welcomed principle of devolution.

18. With its agreement, 'Rail North' (a consortium of Transport for Greater Manchester, South Yorkshire PTE and West Yorkshire PTE) and Centro (West Midlands PTE) are developing detailed propositions for Ministerial consideration later in the year. The Government is also devolving part of the West Anglia franchise to the Mayor of London.

ORR draft determination

19. The ORR is currently consulting on its draft determination, setting out its overall decisions on the 2013 Periodic Review (PR13) of Network Rail.

20. PR13 is the process through which the ORR determines the outputs that Network Rail must deliver, the efficient cost of delivering those outputs, and the access charges the company can levy on train operators for using its network to recover those costs from 1 April 2014 to 31 March 2019, (CP5). It also establishes the wider 'regulatory framework' including the incentives that will act on Network Rail, train operators and others in the industry to deliver and outperform ORR's determination.

21. The draft determination can be found [here](#)² and the consultation runs until 4 September.

22. Graham Richards, Deputy Director of Railway Planning and Performance will present ORR's draft determination and how local government can inform its development.

² <http://www.rail-reg.gov.uk/pr13/consultations/draft-determination.php>

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Streetworks

23. The LGA's Streetworks Task Force holds its second meeting immediately after the Board on 25 July. The Task Force brings together the utility companies, local government and business groups. Its purpose is to see how we can work together better to reduce the disruption caused by streetworks and improve the quality of reinstatements.

24. The meeting will discuss on three initiatives:

24.1. What Good Looks Like – a common understanding between councils (including Highway Authorities) and utilities, based on the following principles:

24.1.1. Co-ordination - to minimise disruption to business by having fewer streetworks and ensuring sites are not left unattended at weekends.

24.1.2. Safety – safe sites for contractors and public.

24.1.3. Quality - permanent reinstatement first time.

24.1.4. Targeted inspections – identifying poor performing contractors and driving up standards.

24.1.5. Communication – in particular with local business.

24.2. Better information to business – a list of what businesses affected by streetworks can expect from different sectors/companies, including information on compensation. The LGA to supply Highways Authority information.

24.3. Targeting Inspections - through better use of data to identifying poor performing contractors. The Task Force has been looking at the use of the electronic transfer of notices (ETON) system for this purpose. Not all councils are currently using the system and at the last Economy and Transport Board, members were invited to feed back any difficulties that councils are experiencing with the new ETON data collection system. Any members wishing to do so can email charles.loft@local.gov.uk.

25. The Chair, Vice and Deputy-Chairs will represent the Board at the meeting.

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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Supporting councils to deliver growth

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

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- 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.

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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.

Investing in local economic growth

The LGA's offer of support to councils 2013/14

City Deals, Growing Places Funds, Local Growth Deals, Heseltine and a wealth of independent studies have clearly shown that devolved decision making can increase economic performance.

Local government has risen to this challenge. Both the private sector and central government regard local government, through working in partnerships such as Local Enterprise Partnerships, as being key to creating the conditions for private sector economic growth and job creation. There is no one else at the local or sub-national level to do this.

A key priority for the LGA in 2013/14 is to work with councils to help promote economic growth. We can help councils in delivering their ambitions through support on leadership skills, identifying and advising on new opportunities and good practice information.

From political to officer capacity building, supporting local planning for growth, peer challenge, legal and technical support and advice, our range of support for investing in economic growth reflects the whole council approach that is needed to sustainably drive local growth.



Our offer

Supporting political ambition

The LGA offers direct support to elected members through focused workshops that provide a forum for discussion and exchange, debating issues such as:

- how the private and public sector can work better together for growth
- making Local Enterprise Partnerships (LEPs) work
- how can growth be incentivised – especially without significant regeneration budgets
- the different leadership styles and roles that councils will need to play
- the role of heritage and the visitor economy.

Contact: kamal.panchal@local.gov.uk

The LGA's Leadership Academy is a highly regarded leadership development programme for leading councillors. The Academy has updated its programme for 2013/14, to aid leaders in addressing the particularly challenging current context for councils. The LGA's Planning Advisory Service (PAS) will be running Leadership Academies on collaborating with partners for growth, and free training sessions on development economics and viability. And in partnership with VisitEngland, Arts Council England and English Heritage we will be running a new Leadership Academy on the role of culture and growth.

See: www.local.gov.uk/leadership-academy

Contact: grace.collins@local.gov.uk

Supporting Local Plans for local growth

Councils and their partners are leading regeneration and growth, and helping local economies to recover despite the challenging circumstances. The LGA's Planning Advisory Service (PAS) offers direct support to individual councils (or groups of councils working together) on getting their local plans in place. Free support is also available on setting a Community Infrastructure Levy (CIL).

During 2013/14, further support will be offered on driving growth by using funding streams and assets, and supporting neighbourhoods to get more involved in plan-making.

See: www.pas.gov.uk

Contact: pas@local.gov.uk

Supporting with an all-council approach through peer challenge

By combining political and officer expertise from across local government, the LGA can provide peer-based challenge and support to help you reflect on your economic plans, strategies and relationships.

As part of the LGA's offer to the sector, all local authorities are entitled to a corporate peer challenge, which is delivered at no charge and at a time of their choosing.

The scope is agreed with the council so that it is tailored to local needs, requirements and priority issues. A number of authorities are choosing to focus their peer challenge on local economic growth.

See: www.local.gov.uk/peer-challenge

Contact: andy.bates@local.gov.uk

Supporting councils to use physical assets to promote growth

The LGA has been supporting local authorities on capital and asset rationalisation since 2010; three waves of the programme have supported 32 authorities covering around 40 per cent of the country.

The Capital and Asset Pathfinders (CAP) have demonstrated significant results in rationalising its own estate and there have been good examples in relation to pan-public sector activity.

The Government Property Unit (GPU) in the Cabinet Office (CO) has approached

the LGA to run a joint programme on a funded basis. This will aid local and central government asset holders in 'unblocking' any barriers that may be preventing a more integrated approach.

The pilots will be expected to produce clear outcomes, around issues such as land disposed; services reconfigured to include central government functions; land cleared for housing or other growth uses; running costs saved; and capital receipts raised.

During 2013/14, further learning, progress and achievements will be captured and shared through interim reports, which will be available from the LGA's website.

See: www.local.gov.uk/productivity

Contact: stephen.jacobs@local.gov.uk

Supporting councils to bring forward new housing growth

Housing is central to everything we do. From delivering economic growth to supporting people to live independent and healthier lives, there are huge economic and social returns to be gained from investing in new build and existing properties to provide homes which meet local needs. The LGA offers a range of support activities to help councils to bring forward new housing growth. This includes:

- Numerous publications, guides and online resources, which showcase innovative practice and provide practical suggestions to help councils work in partnership to deliver housing development despite the challenging economic environment. Forthcoming publications include a series of practice notes highlighting local

implications of recent reforms and steps councils can take to bring forward housing growth in different circumstances.

- Online library of case studies which provide helpful examples of how councils are working creatively to meet local housing needs.
- Tools to allow local authorities to network and share best practice including strategic housing and working with the private rented sector.
- The LG Inform service provides a useful benchmarking and performance assessment tool and councils can access an independent review of their housing services through a low cost peer challenge.

See: www.local.gov.uk/housing

**Contact: eleanor.gasse@local.gov.uk
environmentandhousing@local.gov.uk**

Local Partnerships: professional legal and contractual support and advice for councils

Councils can get assistance with growth and regeneration projects from Local Partnerships (LP), a joint venture owned by the Local Government Association and HM Treasury. LP provides delivery support and commercial expertise to local authorities and other public bodies on key projects, financing and efficiency issues. LP is now expanding its offer to councils and Local Enterprise Partnerships (LEP) on the delivery of regeneration and growth.

The support to councils available from LP reflects its belief that issues relating to physical and economic regeneration are central to delivering growth at the local and national levels. It has to ensure the resources available to local authorities and other public bodies are targeted at delivering the same objectives – unlocking private sector investment and ensuring the benefit of the investment is retained in the local area.

LP recognises that in the current economic climate none of us have the luxury of large delivery teams. LP can use the extensive experience of its staff to support the projects being promoted by Councils and LEPs, integrate the growth agenda within service delivery and discourage re-invention of the wheel.

See: www.localpartnerships.org.uk

Information and good practice

Further information and good practice can be found on our website

See: www.local.gov.uk/economy-and-transport

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Accelerating local growth

support from the peer challenge approach

Local growth and economic development are one of councils biggest priorities. Over the last 18 months the Local Government Association has been working with councils across the country as they use the LGA's peer challenge to examine how they can accelerate their work on local growth.

In the enclosed short case studies we examine how two authorities are tackling local growth and how they are using the insight from peers from local authorities and the private sector to make better progress.

Case studies from:

Eastbourne Borough Council

Thurrock Council

Heading in the right direction on local growth

We are passionate about the role the council can play in local growth. Since 2009, we have made it a major priority for the council. We have sought to establish ourselves as a credible partner driving growth, ensure the successful delivery of a number of major regeneration projects, including a £70m scheme for the town centre and the development of the area's strategic employment site. We have also looked to invest our resources in a way that would transform Eastbourne whilst at the same time providing a financial return to the council.

The peer challenge in July 2012 came at a crucial time. We wanted to understand from an objective and experienced perspective whether the direction we had embarked on was correct and if key partners believed we had the right priorities for the town. We also wanted to know if what we were doing was sustainable and viable.

The peer challenge team found the council had made significant progress in promoting economic growth but to maintain progress we needed to set out an overarching economic strategy and develop a brand for the town, accelerate our 'asset challenge' process to focus on investment in priority buildings, improve links with education and training providers and integrate tourism, events and conferences functions into wider economic development activity

In response, we are investing significant capital in our core assets including a £30m re-development of Devonshire Park, the town's cultural and conference centre. We have renewed our corporate plan to set out more clearly our economic agenda and our marketing and inward investment service has been revised. The dialogue on the branding of the town has also commenced.

For us, the added value of the LGA peer challenge was it providing us with very practical feedback and ideas to help us plan for the future. This was invaluable and really helped us progress our plans even more positively.

Rob Cottrill
Chief Executive
Eastbourne Borough Council

The Thurrock Business Board

Agencies across an area play a huge role in promoting local growth and progressing development plans. In December 2011 we wanted the LGA peer challenge team to look at regeneration in the borough which, with a value of £6bn, is of huge scale and significance. At the time of the peer challenge, the council was about to assume responsibility for regeneration and economic development in the borough with the closure (in April 2012) of the Thurrock Thames Gateway Development Corporation. With other regional agencies also closing the onus for place leadership would be squarely with the council.

The team identified the need to build stronger external relationships with key partner agencies and stakeholders. In response, we have created the Thurrock Business Board; assumed the lead role for transport within the LEP; secured money from the Growing Places Fund and Regional Growth Fund for key regeneration projects and growing businesses and developed a powerful narrative to promote our regeneration programme.

The team highlighted the need to for the smooth integration of Development Corporation staff into the council. In response, we strengthened senior management leadership of regeneration to manage this and delivered a purposeful induction programme. As a result there has been a seamless continuation of major projects, including London Gateway and the Lakeside expansion.

The challenge also emphasised the corporate nature and importance of regeneration. We expedited the production of a community regeneration strategy, which draws together strands of the council's activities including education, housing and planning along with those of key partners. There is also now stronger political leadership of regeneration.

Securing benefits for local people from the planned creation of 26,000 new jobs is clearly important. We have enhanced initiatives to connect local businesses with schools and now present Thurrock's regeneration 'story' to every secondary school in the borough. Also, we have completed the building of the National Skills Academy for creative industries in the borough and construction is commencing of a new campus for South Essex College.

The thing we most liked about the challenge was that it provided timely and expert advice and support that helped to reinforce our direction and actions around regeneration and gave us assurance to progress and prioritise an agenda for growth.

Graham Farrant
Chief Executive
Thurrock Council

You can find out more information about the corporate peer challenge by visiting our webpages: www.local.gov.uk/peer-challenge

This includes information on how the challenge is being used in different ways by local authorities, what the sector has told us about peer challenge as well as enabling you to explore the links to the published reports.

To book a corporate peer challenge or discuss how it can be tailored to meet the needs of your local authority, please contact:

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Annual Review of the Year

Purpose of report

For noting.

Summary

As part of its terms of reference, the LGA Executive is responsible for holding the policy Boards to account. Each LGA Board has therefore been asked to set out its key achievements from September 2012 – July 2013 and the Chairs of each Board were asked to present their report to the LGA Executive on Thursday 18 July 2013.

Recommendation

Members are asked to note the report and comment as necessary.

Action

Officers to take actions as directed.

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Annual Review of the Year

Devolving Economic Powers to Supporting Growth

1. At the LGA annual conference in 2012, the Board set out an ambitious agenda for local economic growth. Our recommendations were drawn from the Board's Local Growth Campaign and our town hall debates, including: extending City Deals to all councils that had the ambition to deliver more growth, devolution of skills funding, a new relationship with higher education and greater local autonomy over transport planning. One year on, it is pleasing to report that many of the Board's recommendations have now become the mainstream of national policy making:
 - 1.1. After the successful conclusion of the first City Deals, the Board leaders lobbied Government hard to extend City Deals to other city areas and counties. Twenty more areas have been given the green light to negotiate a second wave of City Deals and the Government committed to negotiating Growth Deals with every Local Enterprise Partnership (LEP) in the June Spending Review.
 - 1.2. Our lobbying of Department for Transport (DfT) to devolve more resources for transport to councils has been very successful, with the June Spending Review (SR) more than doubling local majors transport scheme funding from £375 million per year to £819 million per year and setting out a £300 million per annum increase in road maintenance budget. With underspend on local roads maintenance at around £800 million, problem is not solved but the 13 per cent increase over 2010 SR funding shows we are being heard.
 - 1.3. We have built a new relationship with Universities UK (UUK). Derby's Vice Chancellor who leads for UUK on local growth presented to the Board meeting. UUK and the LGA produced a joint report which set out good local/Higher Education collaboration of growth to stimulate debate at a LEP level, which was launched at an LGA/UUK Town Hall debate in Manchester, at which we made the joint call for better local collaboration. The Department for Business, Innovation and Skills (BIS) has recently launched the Whitty Review to look at Higher Education's role in economic growth, showing that we created a debate for others to follow.
 - 1.4. The Board made a number of strong representations to Government Ministers and senior officials to back Lord Heseltine's call for devolution of up to £70 billion in funding from central government departments to LEPs. The June SR announcement of a £2 billion annual single pot is a small step in the right direction, although we have expressed strong concerns that it is largely comprised of already-devolved funding. The Board will renew efforts in the next municipal year to press for more ambitious devolution of funding and powers to LEPs.

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1.5. Localisation of skills is the Board objective that has proved the hardest to crack, but we made important progress this year, including the devolution of some skills money through the Heseltine single pot. Our Hidden Talents campaign published a report showing that a local approach to tackling youth unemployment could cut the number of unemployed young people by 20 per cent and save £1.25 billion a year. It garnered significant media coverage and parliamentarians have shown an interest in exploring our proposals. The BIS Skills Minister, Matthew Hancock, invited detailed proposals from councils for the localisation of skills work following a May roundtable. At our Hidden Talents conference in June, Liam Byrne, the Shadow Secretary of State for Work and Pensions, welcomed our proposals and recognised the need for radical reform of the Department for Work and Pensions (DWP) in delivering employment support. The Board will be ramping up its efforts in this area in the next year.

Improving Streetworks

2. One of the big concerns of councils was the continued poor management of street works by utilities companies which costs councils millions of pounds a year. We formed a partnership with business leaders who were equally concerned about street works and the effect upon trade.
3. To highlight the issue we arranged a seminar at the House of Commons and published a short publication 'Holes in our Pockets' to highlight the negative effects of poorly planned streetworks on retail and business, as well as the cost to tax payers of repairing poorly resurfaced roads. The report was well received and the utility companies responded positively to a subsequent invitation to a summit on 14 March.
4. At the summit, LGA invited utilities to work with us to address the issues. Utilities companies agreed there was a problem to be solved and a task force has been established to take matters forward. The task force met in May and will meet again in July. Our partnership with utilities and businesses on this controversial issue has received positive publicity and public support.

Supporting Councils

5. The engagement of councils in our work has been a very important feature of the Board's approach to our economic development programme. It has ensured that we continue to hear directly from councils and their partners about what they are doing on skills and growth, and the barriers that prevent them from realising their ambitions to do even more. Our successful Town Hall debates from 2012 were rebranded as Town Hall summits this year with a view to focusing on the development of solutions and to build on the recommendations we had made at last year's annual conference.
6. We worked with council colleagues to hold Summits in Dacorum, Basildon, Staffordshire, Manchester, Reading and Bristol. Through the events we engaged with over 200 of our colleagues from councils and their partners. Highlights from this year's programme included the attendance of the Transport Minister, Norman Baker MP to the Staffordshire summit.

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7. In addition to the Town Hall Summits, we also engaged the sector by continuing to roll-out focused development workshops for lead elected members and senior economic development officers. This year, attention was given to the role of district councils, given the particular role they play in two-tier areas on enabling growth. Two workshops were delivered, in London and Leicestershire, jointly with the District Councils' Network. Over 100 councillors and officers attended the workshops.

Winter Weather

8. This past winter did not produce the dramatic weather of recent years, but did demonstrate that local government is now routinely well prepared with sufficient levels of salt stocks at the local level.
9. In an award winning campaign (LG communications reputation award), Members of the Economy and Transport Board, including its Chair, Cllr Peter Box, made several television and radio appearances which ensured that the messages that communities needed to hear were widely represented in the media.

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LGA location map

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Website: www.local.gov.uk

Bus routes – Millbank

- 87** Wandsworth - Aldwych
- 3** Crystal Palace - Brixton - Oxford Circus

For further information, visit the Transport for London website at www.tfl.gov.uk

Cycling facilities

The nearest Barclays cycle hire racks are in Smith Square. Cycle racks are also available at Local Government House. Please telephone the LGA on 020 7664 3131.

Public transport

Local Government House is well served by public transport. The nearest mainline stations are:

- Victoria and Waterloo: the local underground stations are

St James's Park (Circle and District Lines), **Westminster** (Circle, District and Jubilee Lines), and **Pimlico** (Victoria Line) - all about 10 minutes walk away.

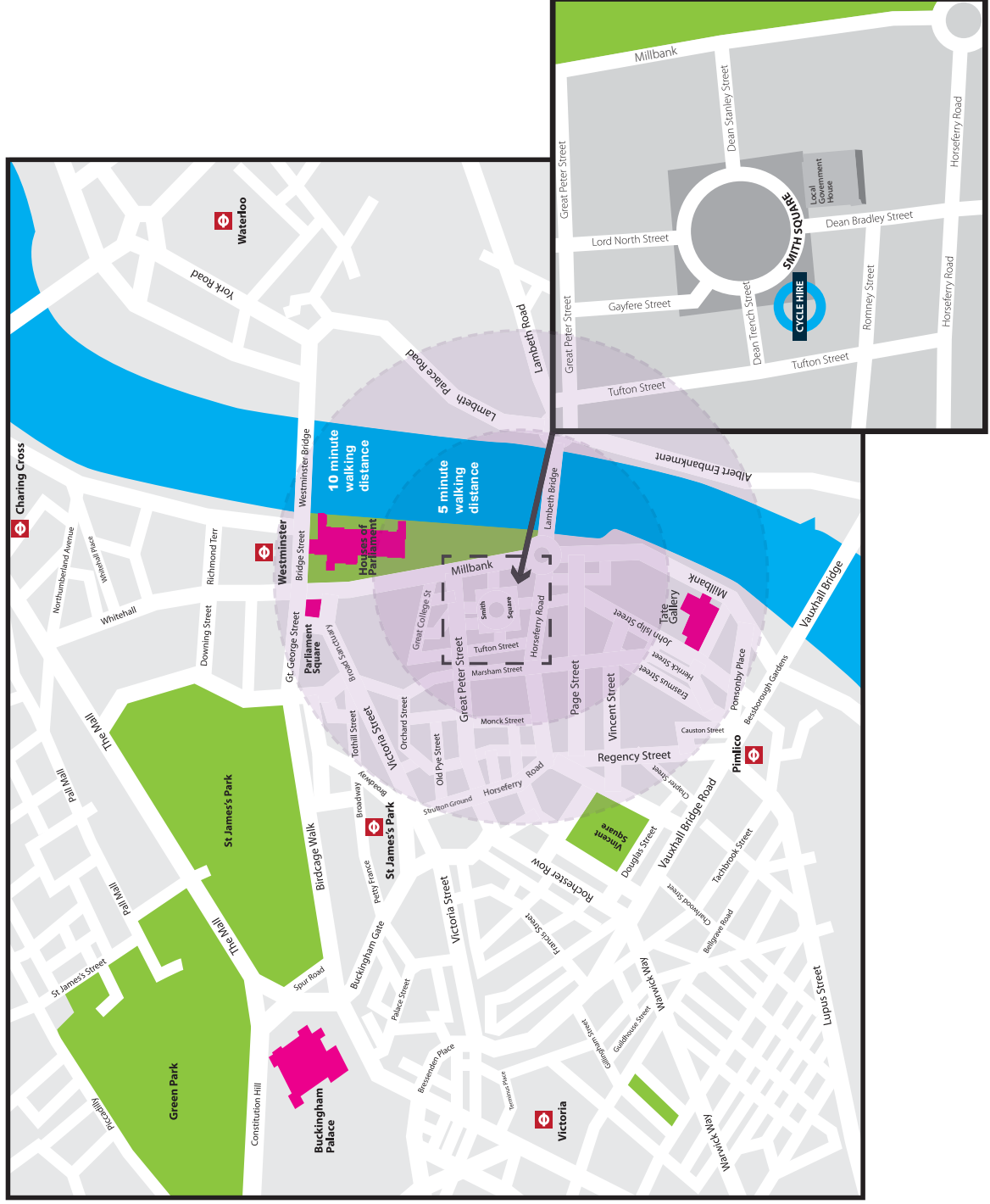
Buses 3 and 87 travel along Millbank, and the 507 between Victoria and Waterloo stops in Horseferry Road close to Dean Bradley Street.

Bus routes – Horseferry Road

507 Waterloo - Victoria

C10 Canada Water - Pimlico - Victoria

88 Camden Town - Whitehall - Westminster - Pimlico - Clapham Common



Central London Congestion Charging Zone

Local Government House is located within the congestion charging zone.

For further details, please call 0845 900 1234 or visit the website at www.cclondon.com

Car parks

Abingdon Street Car Park (off Great College Street)

Horseferry Road Car Park
Horseferry Road/Arneway Street. Visit the website at www.westminster.gov.uk/parking