

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

Councils driving the growth agenda

1. The LGA Annual Conference saw the launch of 'Local leadership, local growth', our call for action for further devolution to councils so that we can drive the growth agenda with renewed vigour. The report makes three important points:
 - 1.1 Firstly, since the start of this new economic era, councils and their partners have reinvented their economic development services, developing new approaches to funding and investment. Across the country, we have case studies of councils and their business partners working together to secure new foreign investment.
 - 1.2 Secondly, despite councils and LEPs grasping the new levers of devolution, there are still major barriers to local growth, particularly our over centralised skills and transport policy. If you are young and unemployed in one of our town or villages, there are 33 schemes that have some role in your future. We have to revive the campaign for localism and show what difference councils could make if we were given more responsibility to deliver skills and transport locally.
 - 1.3 Finally, our own civic leadership needs to be refreshed. Compared to our fellow council leaders across Europe and the Commonwealth, we have to get into new civic spaces to drive growth. Our competitors know that local elected leaders can open doors in new economies, so local leaders are an integral part of the national drive to attract foreign investors. Although, councils here continue to play this role, our worth is underplayed nationally.
2. Details of the report and case studies of good local practice can be found on the Economy and Transport pages of the LGA's website.

Working with business

3. I was very pleased that John Cridland, Director-General of the Confederation of British Industry (CBI), helped to launch our report at the conference in Birmingham. Business has played an important role in our campaign and I share his view that the alliance between business and councils is a fundamental ingredient of growth.

4. In his speech to our conference, John was not uncritical of local government. Although he raised concerns about planning and procurement where business saw the need for change, his message was clear that, with devolution, councils and business have the opportunity to drive growth. On jobs, he praised councils for joining up budgets and national schemes and he called for this “community budget” approach to be delivered more widely, reflecting our Hidden Talents campaign. He praised the innovation of City Deals, such as the Manchester earn-back scheme, and looked forward to similar schemes working in other cities.
5. Our Local Growth Campaign has called for the City Deal process to be rolled out to all councils that have transformational idea to work differently with Whitehall – including smaller cities and county councils. We have already been given positive signals from Whitehall on this initiative.

Skills

6. The Local Growth Campaign made clear demands for change on skills. Cllr Shona Johnstone, Vice Chair of the LGA Economy and Transport Board, made these points when she gave evidence to the Work and Pensions Select Committee on the Youth Contract on 27 June. The Committee focused its discussion on the fragmentation of services around young people and the difficulties this creates for local partners and employers, as well as the need to connect support with local labour markets. These are both central points in the LGA’s Hidden Talents analysis and Cllr Johnstone’s presentation of the 33 schemes around young people was a reoccurring theme within the debate. We have been invited to follow-up with further evidence, which we aim to submit shortly.

Moving forward

7. I launched our Local Growth report at LGA conference as the conclusion of our town hall debates. But the campaign continues. We now need to turn these ideas into a delivery programme. At the next Board, we will be looking at a new series of town hall summits to see how we could deliver skills differently and how we play a bigger role in the UK trade and export strategy. Ours is not a Government Green Paper, read by policy people and forgotten on a shelf. It is a call for action and I promise we will deliver.

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