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

City Deals

1. On behalf of the LGA and the Leeds City Region, I attended the signing ceremony on 18th September at No.10 Downing Street where our eight Core Cities officially confirmed their deals with Government. Based on discussions with ministers, it is anticipated that there will be an announcement regarding proposed wave 2 cities at the end of October.
2. At the September Economy and Transport Board meeting, Miatta Fahnbulleh, Head of the Cities Policy Unit in the Cabinet Office came to discuss the City Deal process. Members were very keen to highlight the role of rural and county areas in improving the national economic picture and the ambition of these councils to do more to drive growth. We discussed a range of factors such as working across functional economic areas (FEAs), the importance of governance and innovative funding mechanisms as the key issues for City Deal areas. Again there was a call for both a mainstreaming programme of measures from Wave 1 to be available to all and a way forward for “non-city” areas to sign city deal type agreements. I have written to Cities Minister, Rt Hon Greg Clarke MP, to reiterate the points made at the Board. The LGA is also hosting an event on 31 October at Local Government House on Local Growth and City Deals – details can be found on the LGA website, www.local.gov.uk/events.
3. I spoke to the LGA Urban Commission on City Deals, together with Chris Murray from Core Cities and Alex Thompson from Localis, setting out the LGA’s position on the development on the City Deal process and taking on board the Urban Commission’s perspectives on the cities agenda.

Local Growth Campaign and Town Hall Summits

4. The Board continues its work to raise the profile of councils’ role in promoting economic growth and recovery and to test solutions to the blockages that last year’s campaign identified as restricting councils in fulfilling their ambitions to do more. The challenge this year is for the LGA to work with councils to develop solutions and levers to enable them to realise their ambitions whilst balancing the impact of significant spending reductions.
5. I launched this year’s programme of Town Hall Summits last month with an event hosted by Dacorum Borough Council in Hertfordshire, where we set out the Economy and Transport Board’s work programme with councils to help them promote economic growth opportunities in their communities. The next Town Hall Summit will be hosted by Basildon Council on 13 November. This will focus on inward and outward investment and the role that councils are playing in attracting new foreign investment to the UK, while supporting our firms to develop new markets abroad. From this summit, we will make a clear localist offer to Government so that we can help drive economic recovery. The full programme of Town Hall Summits and details on booking your place will be published on our website.

Hidden Talents

6. Last week I launched our research into graduate unemployment trends around the country. It makes for worrying reading; overall the number of graduates in full-time work is on a continued

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decline from 57 per cent in 2003 to 51 per cent in 2010. There is huge variation across the country, with some areas seeing around one in three (36 per cent) graduates in full-time employment while other areas see two in three graduates (60 per cent) in work. However, a handful of areas are bucking the downward trend with Bolton, Wakefield, Telford & Wrekin and Herefordshire showing a small increase in the number of graduates in full-time employment since 2007. This is because England is made up of different local economies, which provide different challenges and opportunities for graduates. To give all graduates a better chance of finding work, we are calling for Government to give councils and employers greater powers so they can match skills training with jobs available in local labour markets. This research builds on our 'skills mismatch' report earlier in the summer, which provided hard evidence that the skills system must better equip young people for local jobs – the LGA's Hidden Talents material is available on the LGA website, at www.local.gov.uk/web/guest/economy/.

Local Major Transport Scheme funding

7. On behalf of the LGA, I wrote to Transport Minister, Norman Baker MP, to set out the concerns we have about the way in which Local Major Transport Scheme Funding is being devolved. In the letter, I asked for membership of Local Transport Boards, their governance and assurance arrangements to be a matter of local discretion.

Local Enterprise Partnership funding

8. Members should note the Government's recent announcement to provide further funding for LEPs to help them plan and develop their work in support of local economic growth. Local Growth Minister Mark Prisk MP and Department of Business, Innovation and Skills (BIS) Minister Michael Fallon MP, announced that £125,000 would be made available to each LEP this year – without a matched funding requirement. Thereafter, your local LEPs will be invited to bid for matched funding for 2013/14 and 2014/15, for up to £250,000. It will have to set out how it would be able to offer a cash match from public or private resources. This results in a potential total of £24 million additional funding for LEPs over the next three years. Government have not set any criteria for what the money can be used for, but they do have expectations that it will be on new activity rather than replacing existing resource. BIS/DCLG will be writing to councils with further details.

High Streets

9. On 26 September I spoke at the LGA's Managing the Night Time Economy Conference, led by the Safer and Stronger Communities Board. It focused on the role of local authorities in adapting town centres for the future - developing community, cultural and commercial hubs – as well as looking at the importance of the night time economy in helping to diversify that local offer.
10. I attended a Distressed Retail Property Taskforce meeting on behalf of the LGA. Facilitated by the British Council of Shopping Centres and sponsored by DCLG, it looks at options for leveraging investment into retail property in town centres, including opportunities offered by a redefined relationship between local authorities and retail property investors. The Taskforce, which meets twice a year, will soon commission research into the issue.



Councillors' Forum

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