

Local Democracy, Economic Development and Construction Bill

Summary

This report provides a brief update on the progress of the Local Democracy, Economic Development and Construction (LDEDC) Bill, which has reached its Lords Report Stage. An further update will be provided if the economic development provisions are reached before the Board meets.

Recommendations

To note progress on the Local Democracy, Economic Development and Construction (LDEDC Bill).

Action

Officers to take action as appropriate.

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1. The LDEDC Bill seeks to implement the Community Empowerment White Paper and the recommendations in the Sub-National Review of economic development and regeneration (SNR) that require primary legislation.

2. As agreed at the Board's last meeting, the key LGA priorities on the economic development provisions are as follows:

- **new economic assessment duty on upper-tier authorities:** we believe this should be exercised jointly by counties and districts in two-tier areas and that the legislation should spell out the areas that the duty should cover, rather than allow this to be left to statutory guidance (the current draft of the economic assessment guidance stretches to 10 pages)
- **new arrangements for developing integrated economic and spatial strategies at the regional level, to replace the current RES and RSS:** The proposals in the Bill are sufficiently close to our own compromise proposals on accountability for regional strategies that we support it, subject to some concerns about the extent of the power to be given to the Secretary of State to intervene in the strategy-making process.
- What the Bill does not contain is an enabling power allowing **RDAs to delegate their funding to councils and groups of councils**, which we regard as a central part of the SNR 'deal'. Ministers argue that legislation is not needed, as delegation can in effect take place through agreed joint investment planning within the framework of the new regional strategies. Our position is that we are not convinced that delegation can be delivered without legislation and we have supported amendments to the Bill to make delegation possible.

3. The Bill was introduced in the House of Lords on 4 December and had its second reading before Christmas. However, progress has been slow – it was initially allocated 4 days for its Committee Stage, but took 8 days. Its Lords Report Stage began on 17 March and two further days have been allocated for discussion – 23 March and 1 April.

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4. The discussion on Report on 17 March focussed on the local democracy provisions and if the economic development provisions are reached on 23 March a further update will be provided on the day the Board meets.

Implications for Wales

5. The Bill formally applies to England and Wales, however, most of the individual sections to do with economic development are restricted to English authorities and regions only.

Financial/Resource Implications

6. The work on the Bill will be met from within existing LGA Group budgets.