

regeneration and transport board

agenda

Thursday 22 July 2010

11.00am

Room 128

Shire Hall

Cambridgeshire County Council

Castle Hill

Cambridge

CB3 0AP

To: Members of LGA regeneration and transport board

cc: Named officers for briefing purposes

www.lga.gov.uk

LGA Regeneration & Transport Board

22 July 2010, Room 128, Shire Hall, Cambridgeshire County Council

Notification

There will be a meeting of the **Regeneration & Transport Board** at **11:00 on Thursday 22 July 2010** in Cambridgeshire County Council, in Room 128, Shire Hall, preceded by **Group meetings** at **10am**. The Schedule follows:

10.00am - Group Meetings:

Labour Group: Room 128

Liberal Democrat Group: Room 125

Conservative Group: Room 115

11am – 1.00pm – Board Meeting

1.00 – 1.30pm – Buffet Lunch

1.30 – 3.30pm

Following the Board Meeting, Members will be taken on a local tour to include:

- The guided busway;
- The site of a potential new railway station;
- The proposed Northstowe new town;
- The new Addenbrookes access road and southern fringe development;
- Cambridge Station, where a new transport interchange is being built.

3.30pm

Finish, allowing Members travelling by train to depart from Cambridge Station.

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.

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: Angela Page: 020 7664 3264 email: angela.page@local.gov.uk
Liberal Democrat: Evelyn Mark: 020 7664 3235 email: libdem@local.gov.uk
Independent: Group Office: 020 7664 3224
email: independent.group@local.gov.uk

Location

Cambridgeshire County Council
Meeting Room 128, Shire Hall
Castle Hill
Cambridge
CB3 0AP

A local map and directions is printed on the back cover.

Contact: Fatima de Abreu

Tel: 020 7664 3136

email: Fatima.deabreu@local.gov.uk .

Carers' Allowance: As part of the LGA Members' Allowances Scheme a Carer's Allowance of up to **£5.73** per hour is available to cover the cost of dependants (ie. Children, elderly people or people with disabilities) incurred as a result of attending this meeting.

LGA Regeneration & Transport Board

22 July 2010

Regeneration & Transport Board - Membership 2009/2010

Councillor	Authority
Conservative (6)	
Jim Harker [Vice-Chair]	Northamptonshire CC
Shona Johnstone	Cambridgeshire CC
Andrew Carter	Leeds City
Peter Jackson	Northumberland Council
Ricky Bower	Arun DC
Kevin Lynes	Kent CC
Substitutes:	
Lesley Clarke	Wycombe DC
Labour (4)	
David Sparks OBE [Chair]	Dudley MBC
Mahroof Hussain	Rotherham MBC
Mark Dowd OBE	Merseyside Travel / Sefton Council
Roy Davis	Luton BC
Substitutes:	
Peter John	Southwark LB
Tony Page	Reading Council
Liberal Democrat (3)	
Richard Knowles [Deputy Chair]	Greater Manchester ITA / Oldham MBC
Heather Kidd	Shropshire Council
Zulfiqar Ali	Rochdale MBC
Substitutes	
Isobel McCall	Milton Keynes Council
Independent (1)	
Prof John Whitelegg [Deputy Chair]	Lancaster City

14 Member Board

LGA Regeneration & Transport Board

22 July 2010, Room 128, Shire Hall, Cambridgeshire County Council

Attendance 2009-2010

Councillor	2.9.09	18.11.09	21.1.10	25.3.10	24.5.10	22.7.10
Conservative Group						
Jim Harker	YES	YES	NO	YES	NO	
Shona Johnstone	YES	YES	YES	NO	YES	
Andrew Carter	YES	NO	NO	NO	YES	
Peter Jackson	NO	NO	NO	YES	YES	
Ricky Bower	YES	YES	YES	YES	YES	
Kevin Lynes	YES	YES	YES	YES	YES	
Labour Group						
David Sparks OBE	YES	YES	YES	YES	YES	
Mahroof Hussain MBE	YES	NO	YES	YES	YES	
Mark Dowd OBE	YES	YES	YES	YES	YES	
Roy Davis	YES	YES	YES	YES	YES	
Liberal Democrat Group						
Richard Knowles	YES	YES	YES	YES	YES	
Heather Kidd	YES	YES	YES	NO	YES	
Zuliyar Ali	YES	YES	NO	YES	NO	
Independent						
John Whitelegg	YES	YES	YES	NO	NO	
Substitutes			Cllr Tony Page Cllr Lesley Clarke Cllr Jon Ball	Cllr David Mackintosh	Isobel McCall Cllr Tony Page	

LGA Regeneration & Transport Board

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Date of Next Meeting: Wednesday 15 September, Local Government House

22 July 2010

Local Enterprise Partnerships

Summary

The government has written to councils in England inviting them, working with business, to bring forward outline proposals for Local Enterprise Partnerships (LEPs) by 6 September. The Board discussed the creation of LEPs at their last meeting and gave a steer on our lobbying stance. This note summarises the issues raised by the creation of LEPs and the steps the LG Group has taken so far to support members.

Recommendations

Members to note and discuss the issues raised by this report.

Action

Officers to take forward members' suggestions.

Local Enterprise Partnerships

Background

1. The Secretary of State for Business, Innovation and Skills and the Secretary of State for Communities and Local Government have written to councils inviting them to put forward proposals to form a Local Enterprise Partnership to take on the responsibilities previously held by Regional Development Agencies. A copy of the letter is attached (**Annex A**).
2. This is a welcome confirmation that councils will play the lead role in local economic development.
3. The invitation raises a number of big issues: the scope of these partnerships (and councils' ambition); their relationship to existing bodies; the assets and liabilities of the RDAs; their geography and relationship to real economic geography; and governance including the ways in which business is involved.
4. We have made it very clear to Ministers that all of these issues should be resolved locally, and that we believe it would be at odds with the overall direction of Ministers' policy to try and insist that council-developed LEPs should have to conform to centrally-prescribed formulas.
5. We have said, in an email Dame Margaret Eaton sent to council leaders, that councils should challenge any national government guidelines (for example, the Secretary of State's letter proposes equal business/council representation on the Boards, a business Chair and that the geography of LEPs would cover groups of upper tier authorities). A copy of this email is also attached at **Annex B**.
6. The letter also made a number of other key points:
 - a. On scope, LEPs could cover the full range of inter-linked issues that underpin local economic performance such as local transport provision and infrastructure investment, housing, regeneration, business support, skills and employment and training provision – that they should be as broad as councils want them to be;
 - b. In many places, the models for LEPs, and the partnerships with business, already exist, and councils and business will wish to continue with them;
 - c. The precise form and geographical coverage of LEPs will vary from place to place. Our message to government has been the need for flexibility.

Some LEPs will be regional, others sub-regional, and others more local reflecting the best way to tackle local economic challenges.

7. We are expecting a consultation paper from BIS on the regional growth fund in two or three weeks and a white paper on sub-national economic growth once the LEP proposals have been submitted.
8. The LG Group is offering support in developing outline proposals and in future phases through:
 - a. The peer network, to places that want and need help to develop their proposition – Rob Whiteman has written to all Chief Executives outlining LG Improvement and Development’s offer of support;
 - b. An online seminar likely to be on 28 July, a community of practice will be launched that day for officers, members and experts to share and develop ideas;
 - c. an expert panel to advise on the key issues with their thinking disseminated in print media, events and online;
 - d. An advice note has been commissioned by LG Improvement and Development from Shared Intelligence (a leading economic development company);
 - e. An event in the Autumn, although we need to know more about the process after 6 September. This will clarify as we learn more about the white paper from BIS officials.
9. Our key message is that this is a marvellous opportunity for local government to bring forward ambitious proposals to lead the economic development of their places.

Financial Implications

9. None.

Implications for Wales

10. None.

Contact Officer: Phillip Mind
Phone No: 0207 664 3243
Email: Philip.mind@lga.gov.uk

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Communities and Local Government

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To: Local Authority Leaders and Business Leaders

Cc: Local Authority Chief Executive Offices

29 June 2010

Dear colleague,

Local enterprise partnerships

We are writing to you to invite you to work with the Government to help strengthen local economies. The Coalition Government is committed to reforming our system of sub-national economic development by enabling councils and business to replace the existing Regional Development Agencies. The purpose of this letter is to invite local groups of councils and business leaders to come together to consider how you wish to form local enterprise partnerships.

We are working with the Regional Development Agencies (RDAs) to enable this transition. We are reviewing all the functions of the RDAs. We believe some of these are best led nationally, such as inward investment, sector leadership, responsibility for business support, innovation, and access to finance, such as venture capital funds. Some of their existing roles are being scrapped, such as Regional Strategies. The forthcoming White Paper on sub-national economic growth will set out our approach in more detail.

Separate arrangements will apply in London, where discussions are currently underway with the Mayor of London on how we can further decentralise powers, particularly in the context of the abolition of the Government Office for London.

We are determined that the transition from the existing RDAs be orderly, working to a clear timetable.

Meanwhile, we are keen to encourage local businesses and councils to work together to develop their proposals for local enterprise partnerships. We want to encourage a wide range of ideas, and to aid that, we would suggest some parameters.

Role

We anticipate that local enterprise partnerships will wish to provide the strategic leadership in their areas to set out local economic priorities. A clear vision is vital if local economic renewal is to be achieved. The Coalition Government is determined to rebalance the

economy towards the private sector. We regard local enterprise partnerships as being central to this vision.

Partnerships will therefore want to create the right environment for business and growth in their areas, by tackling issues such as planning and housing, local transport and infrastructure priorities, employment and enterprise and the transition to the low carbon economy. Supporting small business start-ups will therefore be important. They will want to work closely with universities and further education colleges, in view of their importance to local economies, and with other relevant stakeholders. In some areas, tourism will also be an important economic driver. Further details will be set out in the forthcoming White Paper.

Governance

To be effective partnerships, it is vital that business and civic leaders work together. We believe this would normally mean an equal representation on the boards of these partnerships and that a prominent business leader should chair the board. We would, however, be willing to consider variants from this, such as where there is an elected mayor responsible for the area, if that is the clear wish of business and council leaders in the partnership area. The governance structures will need to be sufficiently robust and clear to ensure proper accountability for delivery by partnerships.

Size

We have been concerned that some local and regional boundaries do not reflect functional economic areas. We wish to enable partnerships to better reflect the natural economic geography of the areas they serve and hence to cover real functional economic and travel to work areas.

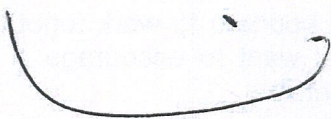
To be sufficiently strategic, we would expect that partnerships would include groups of upper tier authorities. If it is clearly the wish of business and civic leaders to establish a local enterprise partnership for a functional economic area that matches existing regional boundaries, we will not object. We will welcome proposals that reflect the needs of every part of England, not least areas that are economically more vulnerable. Government is keen to work closely with and through capable local enterprise partnerships which meet these criteria.

Going forward

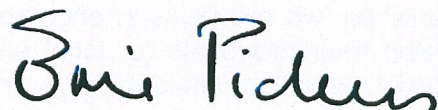
As set out in the Budget, we will publish a White Paper later in the summer, which will set out the Government's approach to sub-national growth. Legislation to abolish RDAs and enable local enterprise partnerships was announced in the Queen's speech and is expected to be introduced to Parliament in the autumn.

We would therefore welcome outline proposals from partnerships of local authorities and businesses, reflecting the Coalition Government's agenda, as soon as possible, and no later than 6 September.

Yours sincerely



The RT Hon Dr Vince Cable MP
**Secretary of State for Business,
Innovation and Skills
and President of the Board of Trade**



The RT Hon Eric Pickles MP
**Secretary of State for
Communities and Local Government**

22 July 2010

To: Council Leaders in England

Dear Colleague

Formation of Local Enterprise Partnerships

The Secretary of State for Business, Innovation and Skills and the Secretary of State for Communities and Local Government have written to you today inviting you to put forward a proposal to form a Local Enterprise Partnerships to take on the responsibilities previously held by Regional Development Agencies.

The LGA welcomes both the government's confirmation that councils will play the lead role in local economic development, and the invitation to bring forward proposals for these partnerships, working closely with local businesses.

I know you will already be considering how you want to see the scope of these partnerships, their relationship to existing bodies, and their geography and governance. We have made it very clear to Ministers that all of these issues should be resolved locally, and that we believe it would be at odds with the overall direction of Ministers' policy to try and insist that council-developed LEPs should have to conform to centrally-prescribed formulas.

There is clearly an opportunity for local government, working with business, to bring forward ambitious proposals on the scope of local enterprise partnerships (LEPs), and play a much bigger role driving up the performance of the local economy.

The precise remit for LEPs locally will be a matter for you to determine, but clearly they could provide local authority leadership, jointly with business, based on real economic geography, for the full range of interlinked issues that affect local economies, such as local transport provision and infrastructure investment, housing, regeneration, business support, skills and employment and training provision.

In many places, the models for LEPs, and the partnerships with business, already exist, and councils and business will wish to continue with them. In such cases, they will be well-placed to move quickly to take on the role of LEPs.

The precise form and geographical coverage of LEPs will vary from place to place. Our message to government has been the need for flexibility. Some LEPs will be regional, others sub-regional, and others more local reflecting the best way to tackle local economic challenges.

On all these points, it important that councils set out what they want and think is necessary. I believe that the Ministerial letter is intended as a genuine invitation. If you feel that what it suggests is too restrictive for what your area needs, I would

strongly encourage you to ask for more than is immediately on offer and engage Ministers about the reasons why.

It is obviously very important for the credibility of the local government sector as a whole that we make an authoritative and ambitious response to this invitation from the government. Many of you will have clear proposals already or be confident that you can develop one rapidly with local partners and neighbours. Some of you may want to call on help from within the local government sector to develop a proposition. The LGA Group is ready to offer support, for example through the IDeA's peer network, to places that want and need help to develop their proposition. Our Regional Associates will be in touch with you or your officers to discuss how we can help in the next few days.

I believe today's invitation from government has the potential to be a landmark moment that decisively turns the tide away from the centralised quango state of the last thirty years and allows councils to take control of the economic destiny of their local areas again. I encourage you to seize the moment.

Yours sincerely

E. Margaret Eaton

Dame Margaret Eaton OBE
Chairman
Local Government Association

The Work Programme

Summary

This note updates members on the Work Programme and the LGA response.

Recommendations

Members to note the report and discuss the issues it raises.

Action

Officers to take forward members' suggestions.

Contact Officer: Phillip Mind
Phone No: 0207 664 3243
Email: Philip.mind@lga.gov.uk

The Work Programme

Background

1. The Board agreed at its last meeting that we should lobby government for a role in commissioning the new Work Programme. The LGA's lobbying on place-based budgets has also identified employment support as a key component of the economic budgets that would form part of a place-based budget.
2. Since the last Board meeting (on 24 May) government has announced that:
 - a. the Work Programme will be commissioned centrally by DWP - in the first instance through Framework Agreements with large prime contractors;
 - b. the Working Neighbourhoods Fund will be reduced by 10% in year - as part of the £1.165 billion in year reduction to local government budgets;
 - c. the Future Jobs Fund will be wound down and no new contracts signed;
 - d. the funding for the LG Improvement and Development programme on worklessness has ended although the sums involved were small.
3. The role of local enterprise partnerships is covered in a separate note. But there is a tension between a bigger role for councils, working with business, in promoting local economic development and a centrally commissioned Work Programme.
4. Alongside these announcements, our contacts with DWP officials have identified that:
 - a. DWP ministers have met potential prime and sub-contractors for the Work Programme in seminar discussions with the private and voluntary sectors. Whilst we have offered a seminar with local government, officials have rebuffed our offer and said ministers would like to meet us when their thinking is further forward;
 - b. Ministers do not see a local government role in commissioning the Work Programme, although councils could commission services themselves using their own resources through the DWP Framework Agreements;
 - c. DWP are exploring the implications of Total Place with councils from Swindon, Birmingham and Worcestershire. LGA officers are involved in these discussions.

5. Senior DWP officials have stressed that they would like to build on the partnership working with councils developed over the last few years.
6. We would like to discuss with the Board our lobbying strategy in the light of these developments.
7. We expect the outline LEP proposals and work on place-based budgets to increase the pressure on DWP to consider how they can offer local government a stronger commissioning role.
8. We also see some big risks with the Work Programme – firstly around value for money and rewards to providers and secondly that the new programme does not mesh with local government’s support to get people back into work. So we do not need to change tack.
9. But we would suggest giving more weight to ideas that have been part of our position but which we have given comparatively less emphasis. Where councils would like to exercise the role, this could include:
 - a. dramatically strengthening council performance management and oversight and redress for citizens over Work Programme providers and Job Centre Plus;
 - b. councils or LEPs contributing to or taking responsibility for the tender specification, assessment and selection of contractors (who would have been pre-listed by DWP through the Framework Agreement process);
 - c. more radically, identifying ways in which councils could be incentivised to help people into work and off benefits, particularly for those people who have more complex needs. This would mean councils getting a share of the returns from reduced benefit payments which currently accrue solely to the Treasury. This is a key underpinning premise of the Work Programme but the opportunity to receive these kind of payments is currently being restricted to DWP contractors;
 - d. Putting more emphasis on the connections between our campaign for place-based budgets and effectively helping local people back into work.
10. Separately, we are:
 - a. arranging a seminar in the early autumn to bring together potential Work Programme providers and local councils to explore innovative ways of working together;
 - b. preparing a case study publication illustrating the range and success of activity council undertake on unemployment.

Financial Implications

None.

Implications for Wales

The Work Programme applies in Wales.

Contact Officer: Phillip Mind
Phone No: 0207 664 3243
Email: Philip.mind@lga.gov.uk

LG Group Revenue Support Grant Top-slice Bid

Summary

Officers will update the Board orally on discussions with the government about future RSG-funded activity within the LG Group.

Recommendations

The Board is asked to anticipate its future role as a Group Programme Board and comment on the emerging approach to scoping the future RSG-funded work programme.

Action

Officers to feed the Board's views into the planned conversations with member councils and the government about uses of RSG.

Contact Officer: Paul Raynes
Tel: 020 7664 3037
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22 July 2010

Transport Update

Summary

This paper provides an update on LGA activities relating to the Board's priorities on transport since the last meeting in May.

Recommendations

The board is asked to note the report and to agree that the motion to lobby for investment in UK roads be taken forward as part of the planned work programme on infrastructure as outlined in paragraph 5.

Action

Officers to progress work programme in light of the Board's comments.

Contact Officer: Caroline Green
Phone No: 0207 664 3359
Email: caroline.green@lga.gov.uk

Transport Update

Reform of Bus Subsidy

1. As proposed at the last meeting of the Board, the LGA met with Secretary of State for Transport, Phillip Hammond and Transport Minister, Norman Baker on 1st July to discuss future reform of the bus subsidy system. Cllr Harker presented the LGA's proposals for bringing together existing funding streams into a single pot under the control of local authorities. Ministers agreed that there is a need to consider options for reform which could facilitate a greater degree of control over spending while providing greater leverage over the outcomes that subsidy buys in terms of services and control over fares. Ministers also agreed that the LGA and DfT officers should work together to develop options for reform. Following the meeting, Cllr Harker wrote to Philip Hammond (see letter at **Annex A**) and LGA officers are pursuing a programme of work running in parallel with the spending review process to develop options for reform.

Bus Partnership Forum

2. The Bus Partnership Forum met with Norman Baker on 12th July to discuss bus policy and priorities for the coalition government. Discussion included reform of bus service operators grant (BSOG), concessionary fares, punctuality and rollout of smartcards. It provided a further opportunity for the LGA to present our proposals for bus subsidy that would allow all of these issues to be dealt with in a more coherent and joined up way with greater impact locally. It was agreed at the meeting that the officer working group bringing together local authorities and operators should be convened to explore options for reform of bus subsidy to report back to the Forum.
3. The Minister said he would be considering options for radical reform of reimbursement for Concessionary Travel, but that major reform in 2011/12 is unlikely given that Councils will need to agree schemes by the beginning of December 2010. Ministers intend to consult on revised guidance for reimbursement over the summer with a view to improving processes within the current system. Local government representatives stressed the importance of ensuring that no councils was left out of pocket as a result of the transfer of responsibility for administration of concessionary fares in two tier areas and asked that options for the transfer of funding be consulted on as a matter of urgency.

LGA General Assembly motion on roads

4. Surrey County Council submitted a motion to the LGA Group General Assembly on 6th July proposing that the LGA lobby to support investment in roads as a means of supporting jobs and economic growth. The motion was remitted to the Regeneration and Transport Board for further discussion (a copy of the motion is included at **Annex B**).
5. The motion is consistent with the Board's arguments that decisions about investment in local infrastructure, including roads will require a radically different approach to planning and funding for infrastructure to give councils more flexibility to target investment most effectively. It is therefore suggested that that the motion is taken forward as part of the Board's planned programme of work on infrastructure including the report on funding and planning for infrastructure planned for publication in late July.
6. We suggest that the Chairman write to Cllr Povey, the Leader of Surrey County Council in the terms attached (**Annex C**).

Weathering the storm II – Improving UK resilience to severe winter weather

7. The LGA report following our review of UK resilience to severe winter weather was launched at Annual Conference. The report draws on councils' experience of the severe weather experienced over the last two winters and evidence from key stakeholders (including transport operators, business representatives, salt suppliers, regional resilience teams and wider public services providers). The report include actions for government, salt suppliers, councils and their partners to ensure that we are better able to respond to severe weather in future. The recommendations of the report are attached in **Annex D**. The report has been submitted to the DfT review looking at the response to winter weather which is expected to report in the near future.

Financial Implications

None.

Implications for Wales

None.

Contact Officer: Caroline Green
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Email: caroline.green@lga.gov.uk



promoting better local government

Rt. Hon. Philip Hammond MP
Secretary of State for Transport
Department for Transport
Great Minister House
76 Marsham Street
London
SW1P 4DR

02 July 2010

Dear Secretary of State,

I was grateful for our extremely useful and productive meeting yesterday. I thought it would be helpful to write to clarify some of the issues we discussed and propose some specific actions to take things forward.

We agreed that existing rates of growth in subsidy for buses cannot be sustained in the spending environment we face. But if funding is reduced without changing the system, bus companies will simply withdraw services and put up fares. Neither central nor local government will be able to influence the way the cuts impact at local level. I think we agreed therefore, that we need to consider options for reform which might allow us to exercise a greater degree of control over spending while also giving us greater leverage over fare increases and protect valued bus services.

At the meeting, I set out our proposals for bringing the different streams of funding together into a single pot under the control of councils. This would allow us to target the subsidy and buy specific outcomes in return for funding. I understand that your chief concern with this model is whether councils would be able to exercise control over fares. We agree that this is an important objective. It is our belief that there are ways in which this can be done without primary legislation and would like to undertake further work with your officials to explore these options.

I also note the view you expressed at the meeting that funding for concessionary fares must be fully protected. I can understand a reluctance to include it as part of a single subsidy pot because it is driven by the commitment to pay operators on a "no better no worse off" basis for delivering the national concession. But we do not believe that the commitment to fully fund the concessionary fares scheme means that it has to be funded through the current flawed funding system. Our argument is that concessionary fares could be purchased more cheaply as one outcome from a single pot of funding. Operators and councils have already negotiated fixed deals on concessionary fares in a number of areas across the country – historic Welsh and Scottish failure to secure a good deal is not evidence that such a deal cannot be reached.

I appreciate options for reform need to be developed rapidly so that they can be implemented at the same time as funding is reduced. I welcome your agreement that our officers should undertake a programme

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Chief Executive: *John Ransford*

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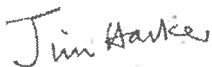
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of work running in parallel with the spending review process to develop options for reform and address the legal and state aid issues that arise. This working group might present detailed proposals and recommendations to Norman Baker, as you suggested, by early September, with a view to implementing new arrangements from April 2011.

Finally, I wanted to clear up the confusion at the meeting over the impact of current subsidy on passenger numbers. Your department's statistics published on the 17th June show that bus passenger journeys in England decreased by 1.8 per cent between 2008-09 and 2009-10. The decrease in non-metropolitan areas was 2.4 per cent, and in metropolitan areas there was an annual decrease of 3.3 per cent. London saw a slight annual increase of 0.5 per cent. Outside London – which operates a different system of subsidy to the rest of the country - rides are down about 6% over the last decade. I feel this demonstrates our point that the current method of subsidising buses is not resulting in increased passenger numbers.

I look forward to hearing from you and hope the next stage of this work can begin immediately.

Yours sincerely,



—
Cllr Jim Harker
Vice Chair, LGA Economy and Transport Board.

22 July 2010

Motion to LGA General Assembly from Surrey County Council on Investment in UK Roads

Surrey County Council, supported by West Sussex County Council, East Sussex County Council, Central Bedfordshire Council, Hampshire County Council, Southampton City Council, Isle of Wight Council, and West Berkshire Council.

Proposes that:

“This Association expresses its concern that the state of the UK’s roads continues to provoke unnecessary problems, financial costs and huge frustrations for residents, businesses and councils alike throughout the country.

A study by Oxford Economics estimated that if transport infrastructure spending in the South East had been maintained over the past 15 years at 1% of GDP, as seen in 1989-91, UK GDP could be expected to have been around £1.6 billion (1%) a year higher by 2006 than it actually was. This in turn would have generated an additional £750 million a year in tax revenues that would be available to support public spending elsewhere in the country.

In the current economic climate, it is more important than ever that all public spending be targeted to ensure that it is achieving the greatest possible impact. This Association believes that investment in roads in areas of high economic activity creates a virtuous circle in which these areas’ economic potential can be harnessed to create more jobs, more growth and significantly higher tax revenues that can be reinvested in all areas of the country.

This Association will use its influence to lobby for this investment.”

LGA Comments

The LGA group recognises the important of investment in the UK road network. Poor quality roads present a safety risk and add to congestion resulting in cost to local economies and increased traffic emissions. We have long campaigned for investment to address historic underfunding of road maintenance. LGA lobbying earlier this year secured an additional £100m for local authorities to deal with damage to roads caused by severe winter weather, but further investment is needed to bring roads up to acceptable standards. We strongly agree with the motion that all public spending needs to be targeted to deliver the greatest impact. We have argued that this will require a radically different approach to planning and funding for infrastructure to give councils more flexibility to target investment locally. We have begun discussing proposals for reform with the government.

the national voice for local communities

*From the Chair of the Regeneration and Transport Board
Councillor David Sparks OBE*

Dr Andrew Povey
Surrey County Council
17 Durnsford Way
Cranleigh
Surrey
GU6 7LN

Date

Dear Dr Povey,

The motion on investment in UK roads raised by Surrey County Council at the LGA General Assembly meeting on 6th July was remitted to the Regeneration and Transport Board for further consideration. I am writing in my capacity of Chair of that Board to set out how we will take forward your request that the LGA lobby government on this issue.

The LGA group recognises the important of investment in the UK road network. Poor quality roads present a safety risk and add to congestion resulting in cost to local economies and increased traffic emissions. Good infrastructure networks are crucial to economic recovery, attracting jobs and investment in our towns and cities.

We have long campaigned for investment to address historic underfunding of road maintenance. LGA lobbying earlier this year secured an additional £100m for local authorities to deal with damage to roads caused by severe winter weather, but further investment is needed to bring roads up to acceptable standards. We have estimated the cost of getting all roads up to an acceptable level is in excess of £8.5 billion pounds.

The Regeneration and Transport Board will highlight this issue in our campaign for continued investment in infrastructure. We entirely agree that all public spending needs to be targeted to deliver the greatest impact. Decisions about investment in infrastructure, including roads, need to be made locally.

We are arguing that this will require a radically different approach to planning and funding for infrastructure to give councils more flexibility to target investment most effectively. We are calling for all capital investment for infrastructure to be devolved to the local level under control of councils who know how best to use it to support the

local economy. This would give councils more freedom to target investment in roads where it is a local priority.

But we recognise that in the current spending environment councils' budgets will be under extreme pressure. We therefore urgently need the freedom to develop new models to raise funding for essential infrastructure including roads. This includes models whereby we can make better use of our assets and future revenue streams to support infrastructure development and attract higher levels of investment from the private sector.

We are already talking to Ministers about our proposals for reform and will be publishing a report later this month which will set out our position in further detail. I will ensure that you receive a copy of the report and would welcome your response. If your officers wish to discuss our work further, they should contact Caroline Green (tel. 020 7664 3359; email. Caroline.green@lga.gov.uk)

Yours sincerely,

Cllr David Sparks OBE

Weathering the Storm II – Improving UK resilience to Winter Weather 2010

Recommendations

1. Councils, local transport operators, service providers and businesses should work together to review winter resilience plans to ensure they reflect priority needs locally. This should include coordination of policies and plans across administrative borders to ensure consistency in the way that road networks are treated and services are delivered.
2. Councils should provide clear information to the public and local partners on the levels of service they can expect in the event of severe winter weather both in advance of the winter and during periods of exceptionally cold weather.
3. Service providers and businesses should also review their contingency plans to ensure they can respond effectively in the event of reduced road networks and suspension of services.
4. The government should issue clear and unequivocal advice to individuals and organisations that they will not be at risk of litigation should they clear footways themselves. If, as we saw last winter, government lawyers feel unable to advise Ministers to give such guidance, the government should bring forward legislation to clarify the position.
5. The government should recognise that salt supply is a strategic resilience issue; make it clear to the firms involved that that is the government's view; and liaise with suppliers during the spring and summer to ensure that the suppliers have business continuity plans in place for the prospect of a winter of high demand.
6. Salt suppliers should improve communications with their customer base to ensure that even in times of high demand or when Salt Cell is in operation, they can provide accurate information about the size and timing of deliveries to councils. This is essential in assisting councils in making mutual aid arrangements and improving the possibility of joining up orders and deliveries to groups of councils in an area.
7. The government should secure an agreed way of working with the salt suppliers in emergency situations which clearly defines how they will use the information provided by Salt Cell and how they will communicate with customer.

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Government should reserve the right to intervene and provide logistical and communications support to the suppliers if they fail to keep to these commitments; and should hold a contingency plan for how it will do so.

8. Before next winter, DfT should review the Salt Cell process and publish a clear terms of reference, framework for operation and trigger conditions in case Salt Cell process should be required in future.
9. Groups of councils, supported by the government as appropriate should make arrangements for strategic reserves of salt held at sub-regional or regional level to be used to smooth distribution and supply problems during times of high demand. The geographical coverage and size of these reserves should be decided by the councils within the constituent area and arrangements for its use made locally.
10. Where they have not already done so, councils should let DfT know of their salt re-stocking requirements as soon as possible to ensure we enter next winter as well prepared as possible.

LG Group Annual Conference – Economy and Transport Programme

Summary

This paper updates members on the presence of the Economy and Transport programme at the LG Group Annual Conference.

Recommendations

Members are asked to note the report.

Action

Officers to take forward any suggested actions.

Contact Officer: Steve Skelton
Phone No: 020 7664 3074
Email: steven.skelton@lga.gov.uk

LG Group Annual Conference – Economy and Transport Programme

Background

1. Over 1200 delegates attended the LG Group Annual Conference, which this year was held in Bournemouth from 6 to 8 July 2010. The Economy and Transport programme held several events during conference in order to help engage members councils in our work and to spread our lobbying messages amongst partners and throughout the sector. This paper provides details of the relevant sessions.

Hidden Talents

2. Cllr Dame Margaret Eaton chaired a plenary session which explored the work that the LGA Group has been doing with partners such as the Prince's Trust and Tomorrow's People on the issue of young people not in education, employment or training. The session began with a video message from His Royal Highness the Prince of Wales.
3. There are almost one million young people who are not employed, in education or training. The recession has caused the numbers to rise, but this is not a new issue. The LG Group is calling for an integrated approach that brings together public support for young people at every stage of their journey in to learning and work. This session looked at where this is already happening, and how we can work together across local government to make sure we are getting the best out of Britain's young people.

Concessionary Fares

4. Cllr Jim Harker chaired a workshop session on the future of concessionary bus travel. The session looked at the urgent changes needed in the funding of concessionary bus travel in advance of changes to the administration of the scheme in two-tier areas from April 2011.
5. The session also explored the future reform of bus subsidy. The LG Association is calling for reform which could facilitate a greater degree of control over spending whilst providing greater leverage over the outcomes that subsidy buys in terms of services and control over fares.

Winter Weather

6. Cllr David Sparks chaired a workshop session that explored local resilience to severe weather. At the session delegates discussed councils' experience

of severe winter weather, and how they can seek to meet people's expectations for public service delivery during these periods.

7. The report, *Weathering the storm II - Improving UK resilience to severe winter weather*, was also launched at this session. The report is the result of the LG Association's review of how councils, salt suppliers and other local partners responded to the prolonged period of severe weather that the UK experienced in the winter of 2009/10. The review specifically looked at how all parts of the system can be better prepared, and work better together, in the future.

Supporting SMEs out of the recession

8. Cllr Paul Bettison, LG Regulation's Chairman, chaired a workshop session that explored how councils can help and support local small businesses. Speakers included Bob Neill MP, Parliamentary under Secretary of State for CLG, David Frost, Director General of British Chambers of Commerce and Cllr Mike O'Brien, Portfolio Holder for Community Safety and Enforcement at Medway Council.
9. The session looked at the importance of SMEs in the local economy, explored the Government's proposed Local Enterprise Partnerships (LEPs) to replace Regional Development Agencies, considered how good and effective council regulation can be helpful to businesses and heard how councils and their regulatory services can more effectively support SMEs in their locality.
10. At the workshop Councillor Bettison shared LG Regulation's soon to be launched publication "Lower carbon, lower costs – a resource directory for SMEs.

LGA Assembly motion on roads

11. Surrey County Council submitted a motion to the LG Group General Assembly on 6th July proposing that the LGA lobby to support investment in roads as a means of supporting jobs and economic growth. The motion was remitted to the Regeneration and Transport Board for further discussion. The Transport Update at Item 4 contains further details.

Financial Implications

12. None.

Implications for Wales

13. None.

Contact Officer: Steven Skelton
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Email: steven.skelton@lga.gov.uk

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Oral Feedback from Members

Summary

Members are invited to feedback the outcomes of recent Outside Bodies and other meetings.

Recommendations

The Board is asked to provide any steer for future meetings that may be required.

Action

Subject to comment from the Board, officers to take forward any suggested actions.

Contact Officer: Fatima de Abreu
Tel: 020 7664 3136
Email: Fatima.deabreu@local.gov.uk

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Note and Decisions of Previous Meeting

Present:

Chairman

Cllr David Sparks OBE (Dudley MDC)

Vice-Chair

Deputy Chairs

Conservative

Cllr Richard Knowles (Greater Manchester ITA / Oldham MBC)
Cllr Shona Johnstone (Cambridgeshire CC); Cllr Andrew Carter (Leeds City); Cllr Peter Jackson (Northumberland Council); Cllr Ricky Bower (Arun DC); Cllr Kevin Lynes (Kent CC)

Labour

Cllr Mahroof Hussain (Rotherham MBC); Cllr Mark Dowd (Merseyside Travel / Sefton Council); Cllr Roy Davis (Luton BC)

Liberal Democrat

Apologies

Cllr Heather Kidd (Shropshire Council)
Cllr Jim Harker, Vice-Chair (Northamptonshire CC); Prof John Whitelegg, Deputy Chair (Lancaster City); Cllr Zulfiqar Ali (Rochdale MBC)

Substitutes

Isobel McCall (Liberal Democrat, Milton Keynes Council); Cllr Tony Page (Labour, Reading Council)

In attendance

LGA Officers: Paul Raynes; Philip Mind; Caroline Green; Steve Skelton; Fatima de Abreu; Jonathan Bry (Pteg)

The Chairman welcomed members to the meeting.

1. Post Election Lobbying Priorities

LGA Officers summarised the recently announced £6.2billion of in-year savings, and the likely implications for issues that fall within the Board's remit. Members were then invited to comment on the LGA's proposals for lobbying priorities on economy and transport.

The Board discussed the key themes and endorsed the recommendations, asking that officers take forward the following points:

- Further clarification on the reform of Regional Development Agencies (RDAs), future role and funding of the Homes and Communities Agency and the creation of council-led Local Enterprise Partnerships (LEPs) was needed and should include details of:
 - what would happen to the RDA's asset base;
 - who would nominate to their boards; and
 - confirmation of which RDAs would remain as well as clear indications of the LEPs remit;
- Local Authorities and local businesses need to work together to ensure agreements and ensure accountability;

- Progress on reformation of the bus subsidy system should be accelerated, and the commissioning of bus services by Shire areas need to be addressed;
- Important infrastructure projects remain delayed, pending further government decisions; these decisions must be conveyed quickly, to ensure there are no further, avoidable, hold-ups.
- Detailed clarification on DfT savings will be required;
- Lobbying should continue on redressing disparities in transport infrastructure investment between regions.

•
Members went on to discuss employment and skills lobbying priorities.

They agreed that:

- Lobbying for a stronger council commissioning role on employment support programmes should continue, to manage the risks associated with the implementation of the new Work Programme, including provider “cherry-picking”;
- Councils should offer to play a commissioning role for Job-Centre Plus services in order to ensure that these match local requirements;
- The new arrangements should take into account the distinct employment support needs of rural communities, including access to jobs and training particularly for people aged 16 to 19 years old;
- They asked for clarification on the funding architecture for adult skills.

Members recognised that existing infrastructure would have to be used in a more efficient and effective way to tackle issues. They agreed that lobbying, rather than focusing on funding, should reinforce the willingness of councils to lead partnership working and share best practice, and asked that emphasis be given to creation of incentives to do this.

Decision

The Board **noted** the report and asked for their comments to be reflected.

Action

- Officers to reflect members’ comments in taking forward lobbying priorities for the Board and provide updates as they arise. **LGA Officers**
- Request a meeting with Norman Baker MP (DfT) and Bus Partnership Forum to discuss reform of bus subsidy system **Caroline Green**

2 Transport Update

Members discussed investment and funding for transport infrastructure projects agreed:

- The importance of maintaining the road networks must be stressed in on-going lobbying

- Any review of infrastructure investment should examine the remit and role of the Highway Agency, and must seek to ensure better joining up between strategic and local road networks.
- Increased flexibility to move capital budgets between years would deliver more effective investment locally
- A more consistent and simpler approach to transport appraisal would also produce better outcomes from a smaller pot of public money.

It was also noted that the Government will, in 2010, begin consulting on six rail franchises in total.

Decision

- The Board noted the report.

Action

- Officers to reflect members' comments in taking forward lobbying priorities on transport issues. **Caroline Green**

3. LGA Group Business Plan

Paul Raynes highlighted proposed lobbying priorities in the LGA Group Economy and Transport Programme plan. Members were asked to note the inclusion of IDeA led improvement projects, and to note the funding of these may be affected by the recent change of government. In this event, the Business Plan would be revised accordingly.

Decision

- The Board noted the report.

Action

- Updated LGA Group Business Plan on agenda at next meeting. **LGA Officers**

4. Oral Feedback from Members

Cllr Bower informed colleagues of his recent attendance at the Motorist Forum and notified them that the LGA Transport Futures Group meeting would be taking place on 3 June in Edinburgh.

Decision

- The Board noted the update.

5. Board Meeting in Cambridge, Thursday 22 July 2010

Members discussed plans for the next meeting in Cambridge and agreed that most of them would travel the night before. Cllr Johnstone confirmed that members would be returned to the station at the end of the tour.

Decision

- Members agreed the itinerary for the next meeting.

Action

- Circulate names of local Hotels in Cambridge (as suggested by Cllr Johnstone). **Fatima de Abreu**
- Request a short briefing of the tour agenda for members over lunch / prior to the afternoon session. **Fatima de Abreu**

6. Note of the Last Meeting and Decisions Taken

Members noted and agreed the minute of the last meeting.

The next meeting will be held at **11am on Thursday 22 July** at the address below:

Meeting Room 128, Shire Hall
Cambridgeshire County Council
Castle Hill, Cambridge,
CB3 0AP

Directions to Cambridgeshire County Council, Shire Hall, Castle Hill, Cambridge, CB3 0AP

Nearest Station: Cambridge Station, Station Road, Cambridge, CB1 2JW

Shire Hall is the site of the County Council chamber, member offices and registry office. It is located 300m from the north-western perimeter of Cambridge city centre. The access point onto the site by foot and bike can be found from Castle Street.

There is only limited car parking available on site. The Central bus station at Drummer Street is around 1km away. The railway station on Station Road is 2.8km (1.7 miles) away.

