

Item 1

Note of Previous Meeting

Title:	Economy & Transport Programme Board
Date and time:	18 November 2010, 11am
Venue:	Local Government House, Smith Square

Attendance

Position	Councillor	Political Group	Council
Chairman	Peter Box	Labour	Wakefield MDC
Deputy Chair	Richard Knowles	Liberal Democrat	Greater Manchester ITA / Oldham MBC
Deputy Chair	Andrew Cooper	Independent	Kirklees MBC
Members	Shona Johnstone	Conservative	Cambridgeshire CC
	Andrew Carter	Conservative	Leeds City
	Kevin Lynes	Conservative	Kent CC
	Philip Atkins	Conservative	Staffordshire CC
	Norman Hume	Conservative	Essex CC
	Antonia Bance	Labour	Oxford City
	Mark Dowd	Labour	Merseyside Travel / Sefton C
	Roy Davis	Labour	Luton BC
	Heather Kidd	Liberal Democrat	Shropshire Council
	Zulfiqar Ali	Liberal Democrat	Rochdale MBC
Substitutes	Tony Ball	Conservative	Basildon DC
	Tony Page	Labour	Reading Council

Apologies

Vice chair	Jim Harker	Conservative	Northamptonshire CC
	Andrew Cooper	Independent	Kirklees MBC

**Also in
Attendance**

In attendance: Nick Sharman, Matthew Farrow, Patrick Newton and Bob Pinkett (CBI); Dr Andrew Povey (Surrey CC); Paul Raynes; Caroline Green; Philip Mind; Laura Caton, Fatima de Abreu (LG Group); Jonathan Bray (PTEG).

Item	Decisions and actions	Action by
------	-----------------------	-----------

Welcome and Introductions

Cllr Box (Chairman) welcomed Members to the meeting and introduced Nick Sharman (Chair, CBI local government panel) and his colleagues, Matthew Farrow, Patrick Newton and Bob Pinkett.

1 The private sector role in job creation, local growth and local enterprise partnerships

Nick Sharman outlined the CBI's key policy positions. They welcomed business involvement in local enterprise partnerships, although there is scope to improve business engagement in some places. They were concerned about the removal of the regional tier and whether local enterprise partnerships would be too fragmented. They supported tax increment financing but not the localisation of business rates. The CBI saw scope to bring together the government interventions on skills, business support and employment support.

Members agreed that proper business involvement in council economic development activity was vital and that it was important to encourage full private sector participation in local enterprise partnerships and other national-level business organisations. The Chairman thanked Mr Sharman for his presentation and hoped that the Board would see him again in a few months.

Action

Officers to continue dialogue with CBI and invite them back for a further discussion in 2011, and ensure that the LGA engages widely with business organisations.

Philip Mind

2 Post spending review economic policy discussion

Following a presentation, the Chairman led a discussion on the implications of the Spending Review for local economies and the role of local government.

The Board said:

- It was important for the LGA to engage effectively with the wide range of business organisations, including the CBI;
- There was still a lack of clarity around the transfer of assets following the demise of RDAs and risks around asset value and maturity and wider regeneration. The LGA should pursue a transfer to local enterprise partnership and stronger consultation with places;
- The LGA should give more emphasis to financial mechanisms that enable local public sector partners to engage effectively with the business sector to generate funds and promote growth;

- The education and skills system needs to be more responsive to the needs of local employers and local people. There were various strands of policy on education, skills and apprenticeships that the Board should discuss and take the opportunity to review the lobbying stance. This needs to take account of the impact of the re-balancing of the economy on young people who are more vulnerable to unemployment;
- A knowledge of what businesses can learn from local government is important, given the efficiency gains the sector has made – too often the emphasis was the other way round;
- Issues remained around the role of LEPs in those RDA functions which are migrating to the national level, including encouraging the science and technology agenda, innovation and promoting inward investment. The Board should discuss this at their next meeting;
- Communication, engagement and best practice must be shared amongst members, particularly in relation to the new local enterprise partnerships;
- There were particular issues in identifying match funding for ERDF and a risk that expertise on European funding from RDAs would not be effectively transferred into the new arrangements.

The Board discussed implications of drops in the value of property and assets and agreed that without urgent clarity, councils would be unable to make a proper analysis of their funding positions. Members agreed that an overlap of interest exists between their and the Environment and Housing Programme Board and that lobbying positions should clearly address the issues of both.

Decision

Members agreed a number of key economic issues for councils which will inform further lobbying and shape an improvement offer to councils on the economy.

Action

For the next Board meeting, officers will prepare the following reports, in consultation with other relevant programme boards:

- | | |
|---|-------------|
| • Education, skills and apprenticeships, setting out the LGA's lobbying stance. | Philip Mind |
| • Growth and investment. This will cover the implications for councils of the transfer of RDA functions, including inward investment to the national level. | Philip Mind |

- The LG Group's improvement and support offer to councils on the economy. Ian Woolford

Officers to prepare letters from Cllr Peter Box to Mark Prisk, Enterprise Minister, on the future of RDA assets and match funding for ERDF.

Philip Mind / Nick Porter

3 Investment in roads

The Chairman welcomed Dr Andrew Povey, Leader of Surrey County Council, who summarised his council's innovative approach to roads maintenance, including a focus on quality assurance and the use of latest technology, and the savings that have been achieved. Members agreed on the importance of sharing good practice widely across the sector and thanked Dr Povey for his extremely informative presentation.

Cllr Andrew Cooper emphasised the importance of councils having the powers needed to recoup the cost of damage to highways and manage the disruption caused by utility streetworks.

Members asked officers to undertake further work into how councils could be able to require a bond or deposit from utilities to simplify the procedure for recouping costs if remediation works are not completed properly and what further actions councils could take, including making full use of the powers in the *New Roads and Street Works Act 1991* (NRSWA).

The Board requested two amendments to the report's recommendations – additions are shown in bold:

- *Para 12* - The LGA supports road tolling for the national network as a means of attracting private investment in roads **where it has the support of local areas**.
- *Para 16* - The LGA supports the introduction of road movement charging for **foreign** HGVs which should be hypothecated to **HGV movements** in proportion to the road mileage for which each authority is responsible;

Members noted that not all councils have used capital receipts for road maintenance programmes.

Decision

Members noted the presentation and agreed the lobbying positions subject to members' amendments as set out above.

Action

Officers to prepare a further report on utility streetworks to reflect Members' comments.

Caroline Green

4 Transport Update

	<p>Cllr Richard Knowles highlighted the importance of influencing the Government's rail policy and in particular key issues around the capacity of the network, electrification, high speed rail and franchises. Members agreed to consider this in more detail at the next meeting.</p>	Caroline Green
	<p>Members emphasised the importance of continuing to lobby Government for a fair and equitable transfer of funding for concessionary fares from district councils to county councils. Members said they were very disappointed by the Government's decision to reject united calls from the local government family to fund the concessionary fares scheme from Formula Grant. It was agreed that the LGA should continue to lobby for more radical reform to the bus subsidy as well as fully supporting and representing councils during the transfer in responsibility and the negotiation of new local schemes in the New Year, which will be based upon revised reimbursement guidance.</p>	Caroline Green
	<p>Decision <i>Members noted the report and agreed to consider further reports on rail investment and concessionary fares.</i></p>	
	<p>Action Officers to prepare reports on rail investment and concessionary fares for the next Board meeting.</p>	Caroline Green
	<p>Officers to arrange a briefing note for Board representatives on the Bus Partnership Forum in advance of the meeting on 26 January 2011.</p>	Caroline Green
5	<p>Economy Update Members discussed issues surrounding the Government's deficit reduction and commented upon the LG Group's response. They requested greater detail on implications to councils of the universal credit and localisation of council tax benefit at the next Board.</p>	
	<p>Action Officers to provide a report on the implication of the universal credit for councils at the next Board meeting.</p>	Phillip Mind
6	<p>EU update Members noted the update</p>	
	<p>Action Officers to put the European Commission's Future of Transport White Paper on the agenda for March 2011.</p>	Jasbir Jhas and Laura Caton
7	<p>Confirmed membership of Outside Bodies Members noted the Membership and agreed to confirm the outstanding vacancies with their political groups.</p>	

8 Oral feedback from members

Members noted Cllr Heather Kidd's attendance at the Transport Futures meeting.

9 Note of previous meeting – 15 September 2010

Members approved the note of the last meeting and discussed options for meeting at a venue outside London in May / June 2011. Nottingham, Wakefield or Cornwall were suggested.

Action

Officers to consult with Lead Members on an outside venue for the May / June meeting.

Laura Caton

Date of next meeting: Thursday 20 January 2010, Local Government House