

Economic development improvement offer

Purpose of the report

For discussion and direction

Summary

Under the new Local Government Group (LG Group), the Board leads both lobbying and improvement work. This report outlines how the LG Group could provide improvement support to local authorities in work on economic growth.

Recommendation

Board members are asked to discuss the suggested areas of support and how the LG Group can more effectively support portfolio holders of economic development in member councils.

Action

LG Group officers to implement programme of support as agreed by members.

Contact officer: Kamal Panchal
Position: Senior Adviser, LG Group
Phone no: 020 7664 3174
E-mail: kamal.panchal@local.gov.uk

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Background

1. Under the new integrated LG Group, the Board provides the political leadership of both lobbying and improvement services. Whilst funding for the latter is small, members are asked to consider some key themes for a Board-led improvement programme to June 2012.
2. There has been a great deal of change in the world of local economic development over the last year:
 - 2.1 The institutional landscape has changed with the introduction of sub-regional Local Enterprise Partnerships (LEPs) following the abolition of Regional Development Agencies and Regional Spatial Strategies.
 - 2.2 Unemployment is a growing concern, especially youth unemployment, which now stands at over 20%.
 - 2.3 Government, through the establishment of LEPs, will increasingly want to deal with local places through effective sub-regional public-private partnerships. The expectation is that all local and national efforts have to be about facilitating and driving private-sector growth.
 - 2.4 Local authorities are driving the localism agenda and through new powers and greater confidence are expected to coordinate and lead on improving the economic potential of their areas. This is critical as clearly the economic profiles, challenges and potential vary from place to place.

The key issues in developing a sector-led improvement offer

3. LG Group officers recently held a roundtable of senior local authority economic development officers to gauge views on learning support from the LG Group and to test ideas for inclusion in any offer. Whilst there was a clear view that support and development was being addressed locally, it was suggested that a national offer from the LG Group would be welcome and have suggested the topics below as possible features in a LG Group support programme for officers dealing with regeneration:
 - 3.1 Looking at resource models and powers open to local government and its local partners and how these can be unlocked to drive the economic

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- development process – especially for those areas without access to Enterprise Zones and Regional Growth fund.
- 3.2 Exploring how councils can work together across sub-regions in supporting large projects; how duty-to-cooperate can work in practice.
 - 3.3 Engaging with and harnessing the business community to deliver local/sub-regional priorities.
 - 3.4 Opportunities from decentralised business rates.
 - 3.5 Emerging priorities, such as superfast broadband, green economy.
 - 3.6 Aligning local authority expenditure with LEP priorities, including New Homes Bonus.
 - 3.7 Providing young people with better services to access the jobs market.
 - 3.8 Collaborating with prime contractors on the Work Programme.
4. It is also important that a member-level offer is developed which addresses the new economic development landscape and the inter-dependencies with other social and environmental policy agendas.
 5. One area of work that has been underdeveloped in the past has been supporting a learning and development network of regeneration and transport portfolio holders in councils. Such a network would also allow the Board to test lobbying positions with a wider network of councils. It is suggested that any improvement offer to councils is based around the idea of developing such a network.
 6. Members are asked to consider this issue and any early topics that would provide effective development and learning for members. Some suggestions which have already been received include:
 - 6.1 public / private sector opportunities and relationships
 - 6.2 leadership skills in a new world
 - 6.3 cross-boundary working
 - 6.4 unlocking resources and using public assets to promote growth
 - 6.5 relationship with central government and with town and parish councils
 - 6.6 the impact on economic development of other reforms, for example community asset transfer.

Delivery and learning styles

7. If we are to develop an improvement offer for members and officers, it is important that we consider a number of ways of delivering such support to ensure that busy officers and members are able to take up any offers.
8. The Local Growth Campaign (for which there is a separate paper – Item 4), will provide a forum in which councils can debate both practice and emerging ideas. But there is a need to offer a mix of approaches in supporting councils, both at

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officer and member level. Traditionally, the LG Group have found effective ways of engaging officers in learning and sharing initiatives, with on-line mechanisms, such as Communities of Practice and discussion papers proving popular. For example, there are over 500 members signed up to the LEP Community of Practice and over 450 on the Tackling Worklessness community. The last three on-line discussions attracted around 250 'participants'. There are very few elected members on the Communities of Practice platform.

9. Summary feedback to the LG Group is that whilst on-line mechanisms are effective for council officers, what tends to work better for elected members are face-to-face, bespoke activities, such as a Leadership Academy. In December 2010, a Leadership Academy event was piloted on the issue of LEPs which attracted 25 participants, 90% of whom found it an effective learning method. The 2-day event involved a mix of speakers, group discussions and networking. Elected members, businesses and central government contributed at the event.
10. Officers are exploring how we could deliver such events with a much smaller budget, through working with business and regional associations to ensure that costs are low.

Conclusion and next steps

11. Board members are asked to consider the issues raised in the report. Following direction from Board members, LG Group officers will develop early events and a longer-term programme which will be discussed at future Board meetings.
12. It should be noted that transport issues in relation to improvement support are dealt with in an earlier report to this Board on transport delivery.

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