

Economy and Transport Board

Agenda

Thursday 19 September 2013 11.00am

Smith Square Rooms 1 & 2, Ground Floor Local Government House Smith Square London SW1P 3HZ

To: Members of the Economy and Transport Board

cc: Named officers for briefing purposes



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Economy and Transport Board

19 September 2013

The Economy and Transport Board meeting will be held on Thursday 19 September 2013 at 11.00am in Smith Square Rooms 1 & 2, Ground Floor, Local Government House, Smith Square, London, SW1P 3HZ.

Please note that there will be a Lead Members' Pre-meeting at 9.15am in Meeting Room 6.

Refreshments will be available upon arrival and lunch will be at 1.00pm.

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: <u>aicha.less@local.gov.uk</u>
Conservative:	Luke Taylor: 020 7664 3264 email: luke.taylor@local.gov.uk
Liberal Democrat:	Group Office: 020 7664 3235 email: libdem@local.gov.uk
Independent:	Group Office: 020 7664 3224 email: independentgroup@local.gov.uk

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.

Location

A map showing the location of Local Government House is printed on the back cover.

Contact

Virginia Ponton (Tel: 020 7664 3068, email: virginia.ponton@local.gov.uk)

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LGA Economy & Transport Board

Terms of Reference

The purpose of the Economy and Transport Board is to provide strategic oversight of all the LGA's policy and improvement activity in relation to transport, economic development, business support, regeneration, job creation and skills and training provision, in line with the LGA priorities. The Economy and Transport Board will also address specific regulatory and LGA European lobbying priorities as they relate to this activity.

Boards should seek to involve councillors in supporting the delivery of these priorities (through task groups, commissions, Special Interest Groups (SIGs), regional networks and other means of wider engagement); essentially operating as the centre of a network connecting to all councils and drawing on the expertise of key advisors from the sector.

The Economy and Transport Board's responsibilities include:

- 1. ensuring the priorities of councils are fed into the business planning process.
- 2. developing a work programme to deliver the business plan priorities relevant to their brief, covering lobbying, campaigns, research, improvement support and events and linking with other boards where appropriate.
- 3. sharing good practice and ideas to stimulate innovation and improvement.
- 4. representing and lobbying on behalf of the LGA, including making public statements on its areas of responsibility.
- 5. building and maintaining effective relationships with key stakeholders.
- 6. involving representatives from councils in its work, through task groups, Commissions, SIGs, regional networks and other mechanisms.
- 7. responding to specific issues referred to the Board by one or more member councils or groupings of councils.

The Economy and Transport Board may:

- appoint members to relevant outside bodies in accordance with the Political Conventions.
- appoint member champions from the board to lead on key issues.

LGA Economy & Transport Board

Membership

Councillor	Authority	
Conservative (7)		
Tony Ball [Vice Chair]	Basildon BC	
Philip Atkins	Staffordshire CC	
Martin Tett	Buckinghamshire CC	
Gillian Brown	Arun DC	
Kevin Bentley	Essex CC	
Ann Steward	Breckland DC	
Mike Whitby	Birmingham City	
Substitutes:		
Ranil Jayawardena	Basingstoke & Deane BC	
Jason Ablewhite	Huntingdonshire DC	
David Westley	West Lancashire DC	
Phillip Bicknell	Windsor & Maidenhead RB	
Labour (7)		
Peter Box CBE [Chair]	Wakefield MDC	
James Lewis	Leeds City	
Chris Roberts	Greenwich LB	
Barrie Grunewald	St Helens MBC	
Joan Dixon	Derbyshire CC	
David Wood	Tyne & Wear ITA	
Tudor Evans	Plymouth City	
Substitutes:		
Michael Mordey	Sunderland City	
Liberal Democrat (2)		
Roger Symonds	Bath and North East Somerset Council	
Heather Kidd [Deputy Chair]	Shropshire Council	
Substitute:		
Ian Stewart	Cumbria CC	
Independent (2)		
Mike Haines [Deputy Chair]	Teignbridge DC	
Jason Kitcat	Brighton and Hove City	

LGA Economy & Transport Board

Board meeting dates for 2013/14

DAY (2013)	DATE	TIME	ROOM at Local Government House
Thursday	19 September 2013	11.00 – 13.00	Smith Square Rooms 1 & 2
Thursday	28 November 2013	11.00 – 13.00	Smith Square Rooms 1 & 2
DAY (2014)			
Thursday	30 January 2014	11.00 – 13.00	Smith Square Rooms 1 & 2
Thursday	27 March 2014	11.00 – 13.00	Smith Square Rooms 1 & 2
Thursday	5 June 2014	11.00 – 13.00	Rathbone Rooms 1 & 2
Thursday	31 July 2014	11.00 – 13.00	Smith Square Rooms 1 & 2



Agenda

Economy and Transport Board

19 September 2013

11.00am - 1.00pm

Smith Square Rooms 1 & 2, Ground Floor, Local Government House

	Item	Page	Time
Part 1			
1.	Notes of the previous meeting	3	11.00am
2.	Chair's Report	9	11.05am
3.	Priorities for 2013/14	13	11.10am
4.	Local Economic Growth – moving the agenda forward	17	11.20am
	External speaker: Martin McTague , Chair of the Local Government Policy Unit, Federation of Small Businesses		
5.	Employment and skills – moving the agenda forward	27	11.50am
6.	Transport update	35	12.25pm
For in	formation		
7.	Streetworks	43	12.45pm
8.	Outside bodies	47	12.50pm
9.	Economy & Transport Board at party conferences	55	12.55pm



Note of Meeting 25 July 2013

Title:	Economy and Transport Board
Date and time:	25 July 2013, 11.00am
Venue:	Local Government House

Attendance

Position	Councillor	Political Group	Council
Chairman	Peter Box CBE	Labour	Wakefield MDC
Vice Chair	Tony Ball	Conservative	Basildon DC
Deputy Chair	Roger Symonds	Liberal Democrat	Bath and North East Somerset
Deputy Chair	Mike Haines	Independent	Teignbridge DC
Members	Martin Tett	Conservative	Buckinghamshire CC
	Ann Steward	Conservative	Norfolk CC
	Gillian Brown	Conservative	Arun DC
	Mike Whitby	Conservative	Birmingham City
	Phillip Bicknell	Conservative	Windsor & Maidenhead RB
	Joan Dixon	Labour	Derbyshire CC
	Colin Rosenstiel	Liberal Democrat	Cambridge City
	Heather Kidd	Liberal Democrat	Shropshire Council
Apologies			
	Andrew Carter	Conservative	Leeds City
	Philip Atkins	Conservative	Staffordshire
	Chris Roberts	Labour	Greenwich LB
	Claire Kober	Labour	Haringey LB
	Barrie Grunewald	Labour	St Helens MBC
	David Wood	Labour	Tyne & Wear ITA
	Tony Page	Labour	Reading Council

In attendance: Ian Hughes; Kamal Panchal; Piali Das Gupta; Rachael Donaldson; Charles Loft; Virginia Ponton (LGA); Graham Richards (ORR).

Item Decisions and actions

The Chair welcomed all to the meeting and noted apologies.

1 Notes of the previous meeting

Decision

The notes of the previous meeting were agreed.

2 Chair's Report

The Chair highlighted that the local case for parking enforcement was well received by the Transport Select Committee. The Lord Heseltine plenary at the LGA's Annual Conference had gone very well and the Chair stressed how councils have been demonstrating how they deliver growth and create jobs.

Cllr Tony Ball said that the Canadian guest at the Local Growth Campaign fringe session at Annual Conference had been particularly interesting. Cllr Ball recommended that the Board invite him to meet members when he is next in the UK.

Cllr Mike Haines noted that he had attended the Future High Streets Forum as well as the Centre for Public Scrutiny Annual Conference.

Cllr Roger Symonds urged local authorities to get involved with the Highways Maintenance Efficiency Programme (HMEP), which uses asset management to prevent potholes.

Cllr Heather Kidd said that attending the Local Growth APPG had been a useful opportunity to push local messages, which appeared to have been taken on board.

Action

 Invitation to be sent to the Economic development Agency for Edmonton, Canada to attend a future Board.

Russell Reefer

3 Local Economic Growth – Prioritising future work of the Board

Piali Das Gupta introduced the paper and asked for members' feedback:

- Members agreed to continue a focus on skills; working with business and providers to ensure courses match local needs; maintaining the link between the Economy and Transport and Children and Young People Boards; and ensure a focus on skills outcomes.
- Members agreed to enlist business and other partners to help articulate to Government how councils deliver growth. Members were frustrated at repeatedly demonstrating councils' role; case study evidence has been sent and a different approach is now needed to convince Government to trust local government, devolve powers, remove barriers and reduce delays in guidance and funding so that councils can drive growth.

- Members agreed to highlight the difficulties in engaging with the civil service and felt that local government should be more direct with Government, press Government to be more hands-on, to join up departments and hold Whitehall to account.
- There was also concern about the major disconnect between MPs and local government and members felt that they have a responsibility to get closer to their MPs and demonstrate what local authorities are doing.
- On the idea of a local treasury, members wanted to get a wider view from a range of different areas, develop the idea and demonstrate whether it could create savings and benefits.
- There are opportunities for business to benefit from EU Structural Funds but some are unaware of these and others feel the application processes are too cumbersome.
- Members highlighted the importance of local authorities responding to the New Homes Bonus consultation.

Action

- Officers to take on Board members' comments and bring another paper on 2013/14 priorities to the September Board.
- Officers to provide a brief on the detail of the single pot when announced and secure relevant press statements.

lan Hughes/Piali Das Gupta

4 Transport Update

Charles Loft introduced the item.

Members discussed difficulties for Local Transport Bodies due to last minute changes of criteria by Government and the need for clarity on the transport funding contained in the single pot.

Graham Richards, Deputy Director of Railway Planning and Performance, Office of Rail Regulation (ORR) presented to the Board on ORR's draft determination and engaging with local government, LEPs and passengers. The review of National Rail looks at economic aspects as well as health and safety and asset management. Railway enhancements focus on reducing the reliance on public subsidy, creating a more efficient system and improving transparency and local accountability. ORR wants operators to engage better with National Rail. Members discussed:

- concern over the increases to freight charges and subsequent increases in freight vehicles using roads. There was also an example of freight trains being unable to access entire lines due to low tunnels.
- concern that where operator user charges are set to increases, passenger fares will rise as a result.
- improving track points to be more resilient against weather conditions, in order to decrease disruption.
- how ORR ensures operators deal with increases in capacity and overcrowding.
- whether 92% punctuality of trains is good enough. Members pointed to international evidence of greater train punctuality and asked whether there is any research on how late rush hour trains

affect the UK economy.

- frustration where the rail system is not flexible enough to meet local needs.
- what accountability and duty stations have to ensure they maintain a pleasant environment; litter and graffiti can affect the appearance of a town or high street and affect the local economy.

Graham said that the consultation and decision information on freight charges can be shared with members and that Network Rail are taking the opportunity to carry out improvement works, for example for freight access, at the same time as other planned works.

On punctuality, he said that this is a key issue for Passenger Focus but that evidence points to passenger satisfaction only diminishing at a certain percentage point, i.e. lower than 92%. Network Rail build their plans around DfT's capacity metrics and ORR check the feasibility of these. ORR can impose sanctions for poor performance such as fines or recovery plans for non-delivery and licence breaches.

ORR's environmental focus tends towards carbon reduction but Graham understood that the focus on station environment could be stronger. He urged members to send any examples of issues or good practice.

The Chair thanked Graham for an interesting discussion.

Action

• Email to be sent to members on the review of the Local Transport Act Charles Loft 2008.

Virginia Ponton

Virginia Ponton

- Item to be added to the September Board to discuss the reform of the Highways Agency.
 Eamon Lally / Charles Loft
- Information on increased freight charges; performance; and overcrowding on trains to be circulated to members.
- Members' comments to be sent to Graham Richards at ORR.

5 Supporting councils to deliver growth

Kamal Panchal introduced the item and welcomed Brian Reynolds, Head of Productivity, LGA.

Brian asked members' for feedback on the growth support offer to councils, in particular the new Economic Growth Adviser programme. The programme is open for bids for funding and he urged local authorities to take part. The programme covers all regions and types of authorities and can assist councils which already have firm ideas or those who are at an earlier stage.

The Chair asked how the programme links to local partnerships and alliances especially with businesses and whether these partners could act as wider advocates of local government and the work the sector is doing to promote growth.

Members praised the peer challenge offer, which provides an invaluable objective view for local authorities as well as giving peers good practice and challenges to take back to their own authorities.

Brian said that there is a diverse group of advisors, including from the Federation of Small Businesses and the National Park Authority, for a rural dimension. He took the comments on board to feed into the programme.

Ian Hughes said that officers are also in dialogue with the British Chambers of Commerce to see how to link with them and potentially involve them in peer challenges.

The Chair thanked Brian for attending.

Action

• Officers to take on board members' comments.

Brian Reynolds / Kamal Panchal

6 Annual Review of the Year

The Chair highlighted the Annual Review of the Year which provided a good reflection for the Board and which had been well received by the LGA Executive.

The Chair closed the meeting.



Item 2

Chair's Report

Purpose of report

For noting.

Summary

This report sets out Group Leaders' activity between the Board meetings. This report is presented to the LGA's Councillor's Forum as a record of Board activity.

Recommendation

Members are asked to note the report and comment as necessary.

Action

Officers to take actions as directed.

Contact officer:	lan Hughes
Position:	Head of Programmes
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Economy and Transport Board – report from Cllr Peter Box CBE (Chair)

- As we start the new year on the Board, I have been reflecting on the big priorities that we have to address over the next year. In June and July, the Government made announcements about extending Local Growth Deals to all LEP areas (a long-term lobbying objective of the Board) and localising EU funding (again, a long-term objective of the LGA). Whilst both of these announcements provided a good direction of travel, they did not reflect the scale of ambition found in councils or the breadth of devolution called for by Lord Heseltine.
- 2. In the coming months, councils will be engaged in the detailed work of producing the first drafts of their EU spending plans and the Strategic Economic Plans which need to be delivered in the autumn. But we must remember that the remit of these plans (as set out by Government) does not reflect local government ability to deliver growth and jobs, which was set out so clearly in our conference document, *Rewiring Public Services*.
- 3. At the last Board meeting, we discussed the most effective work that the LGA could deliver and we felt that we needed to twin-track our work over the coming months.
- 4. In terms of the immediate need, councils will need support in delivering these Strategic Economic Plans. I have heard from colleagues who have attended BIS and CLG workshops over the summer on local growth funds and there continues to be confusion about the aligning funds, departmental rules and future resources. It is some distance from the joined-up £70 billion proposed by Lord Heseltine. The LGA has prepared a prospectus of support on growth that can be drawn down by councils, available <u>here</u> and I would be keen to hear from councillors about any further support they might need.
- 5. However, the Board was clear that we need to maintain the pressure on national parties for further economic devolution. Local Growth Deals are a good step forwards, but we need further devolution to support growth. For example, there are so many funding streams which were identified for devolution by Lord Heseltine that remain in the hands of Whitehall civil servants rather than local businesses and partners. Members were very clear that the spirit of the Heseltine work needed to be revived, especially the work to ensure that localities had a greater powers to support skills and employment.
- 6. At our September meeting, we will be looking to push forward on the LGA's Rewiring agenda and to have a clear work and lobbying programme with our business partners for future economic devolution.

Skills and youth unemployment

7. Joint work between the Economy and Transport Board and the Children and Young People Board has continued over the summer, where we have pushed the case for local authorities to have greater levers over services to help young people into work and learning. This has included publishing a poll of unemployed young people which found services too complicated and poorly targeted to their personal needs; a press release on where some councils are putting Government's Youth Contract to shame in areas where local authorities are leading it rather than national agencies; and recently a report



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highlighting a drop in the number of young people receiving support on national skills and employment programmes over the last three years.

- 8. We have had a good deal of press attention on our work, which has been beneficial in our efforts to influence the Deputy Prime Minister's Review of national schemes and services to 16-24 year olds, which is due to report in mid- September. The LGA Chairman has met with Sir Jeremy Heywood to discuss the review, our officers have fed in evidence and held a roundtable with local authorities and the review team, and on 5 September a Lead LGA member will meet the DPM, the Rt Hon Nick Clegg MP, to discuss the review and its recommendations.
- 9. We have also sent in a submission to the new construction and youth unemployment parliamentary inquiry chaired by LGA President Lord Best, and former Labour housing minister Rt Hon Nick Raynsford MP (Greenwich and Woolwich). Our submission assesses the challenges, including the poor responsiveness of the skills system as a major barrier to local economic growth, and recommends a way forward that builds on local partners' capacity to support young people into work, as advocated by the LGA's *Rewiring Public Services* campaign.

Streetworks

10. I, along with other Board and Lead Members, attended the second Streetworks Task Force on 25 July. We have developed a common understanding between Highway Authorities and utilities of what good reinstatements look like, based on five principles: cooperation; communication; quality; safety and impact reduction. Business partners asked for improvements in communication and access to information on compensation and what to expect from different companies and public sector organisation if they are affected by streetworks. A framework is being drafted on engaging and communicating with businesses. There were also discussions around contractor performance, which will be looked at in more detail at the next meeting in September.

Parking

- 11. A number of statements relating to proposed new guidance on parking were issued by DCLG ministers during August.
- 12. On 30 July, I responded to stories suggesting that Communities Secretary Eric Pickles was considering relaxing rules on double yellow lines so that motorists could park on them for up to 15 minutes when visiting local shops. My message focused on how yellow lines keep traffic moving and people safe and how each local area needs to decide how best to draw more shoppers to the high street.
- 13. On 1 August, I responded to a report on council parking charges published by the RAC Foundation, which was picked up by much of the national media.

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Item 3

Priorities for 2013/14

Purpose of report

For discussion and direction.

Summary

This paper sets out members' steer from last year on the Economy and Transport Board's priorities for 2013/14. Members are asked to discuss and further develop the priorities for 2013/14.

Recommendation

Members are asked to comment on the priorities for 2013/14.

Action

As directed by members.

Contact officer:	Ian Hughes
Position:	Head of Programmes
Phone no:	020 7664 3101
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Priorities for 2013/14

Background

- 1. This is the first Economy and Transport Board of the new LGA year and it is the opportunity for members to prioritise the work of the Board over the next year.
- 2. At our Conference in July, the launch of <u>*Rewiring Public Services*</u> was well received by councils, parties, business and other organisations. It set out a radical reform agenda for public services, demonstrating how local partners could provide more efficient and effective services at the local level.
- 3. The steer from the LGA Executive is for the Board to move the *Rewiring* agenda to the next stage, examining how local government and its partners could offer better outcomes for communities and to ensure that these proposals are influencing party manifestoes in the run up to the 2015 general election.
- 4. At the July Board meeting, members gave a general steer for the focus on local economic development and growth.
 - 4.1. Whilst there has been a good direction of travel in terms of economic devolution in recent years, we must demonstrate that local partners' delivery ambitions exceed the boundaries of current local powers.
 - 4.2. The Government's response to the Heseltine proposals and the development of Local Growth Deals will require much work at a local level and the LGA should offer support. However, the Board should have a longer-term agenda and ensure that those aspects of the Heseltine report that have not been delivered are not forgotten.
 - 4.3. Any work in detailing future devolution proposals need to be focused and offer tangible solutions.
 - 4.4. The Board has already undertaken much work in key areas such as transport and skills and third party endorsement of LGA positions should be prioritised.
- 5. At this Board meeting, members are offered three papers to focus the work programme around the *Rewiring* agenda and to build on past years work:
 - 5.1. Further economic devolution, building on the work of Heseltine and local growth deals.
 - 5.2. Localising skills and employment services it is suggested that we follow up the detailed work on youth provision with more detailed work on adult unemployment.



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- 5.3. Focusing our transport work on a joint programme with business partners to promote how a *Rewiring* agenda for public policy on roads could help business and growth.
- 6. Members gave a clear steer that working jointly with business should be a critical element of the work programme. At this Board meeting, the Federation of Small Businesses will attend to set out their ambition on public policy and where they would propose joint work with councils. It is also suggested that this year, rather than running a series of Town Hall debates, we concentrate our resources in securing slots for members at national business events.



Item 4

Local Economic Growth – moving the agenda forward

Purpose of report

For discussion and direction.

Summary

This report recaps the priorities for future action agreed by the Board in July and summarises developments over the summer, including the publication of the guidance for Growth Deals (**Appendix A**). It sets out options for advancing the local growth and devolution agenda for the Board's consideration.

Following the Board's steer for the LGA to seek greater engagement with external stakeholders, particularly the business sector, Martin McTague, Chair of the Local Government Policy Unit at the Federation of Small Businesses (FSB), has been invited to set out the FSB's views on the Heseltine Review and how local authorities and businesses can work together to deliver growth.

Recommendation

Members are asked to discuss the issues raised and make recommendations for the 2013-14 work programme.

Action

Officers to take forward as directed by members.

Contact officer:Piali Das GuptaPosition:Senior AdviserPhone no:020 7664 3041E-mail:piali.dasgupta@local.gov.uk



Local Economic Growth – moving the agenda forward

Background

- 1. When the Board last met in July, members took stock of the progress that has been made in securing greater devolution of growth-related funding and powers and agreed priorities for action in the coming year. Members noted a number of key lobbying successes for the LGA, especially the commitment to negotiate Growth Deals with every Local Enterprise Partnership (LEP) and the devolution of the lion's share of European Union Structural and Investment Funds (EU SIF). However, the Board also registered its disappointment that the implementation of the Heseltine Review has fallen well short of its full potential and agreed that the LGA would have an important role to play to keep the momentum towards devolution going.
- 2. Members agreed that future activity should fall under three broad themes:
 - 2.1. Support councils to work with their LEP partners to maximise the opportunities to localise funding and powers through the Growth Deal process.
 - 2.2. Develop the local treasury concept from *Rewiring Public Services* to illustrate what good devolution would look like and what it could deliver for UK PIc; and
 - 2.3. Seek the endorsement of external stakeholders for our proposals, particularly the business sector.
- 3. The remainder of this report provides an update on recent developments and options for delivering on the Board's priorities.

Recent developments

- 4. Over the summer, the Government published initial guidance for LEPs on the Growth Deals and developing their EU SIF strategies, confirming our concerns that departments would reassert their centralising tendencies. The LGA's briefing on the Growth Deals guidance is attached at **Appendix A**. The headline messages are as follows:
 - 4.1. The Single Local Growth fund announced by the Chancellor in the June Spending Round is now the "Local Growth Fund" (LGF), with different allocation processes for different streams of funding:
 - 4.1.1. About £1 billion will be allocated to LEPs on the basis of their Strategic Economic Plans.
 - 4.1.2. A portion of Local Transport Majors funding will be allocated by formula.
 - 4.1.3. A further unspecified portion of transport majors funding will be allocated on a scheme specific basis outside of the LGF process.



- 4.1.4. The New Homes Bonus will continue to be allocated to councils on the basis of new homes delivered but about £400 million will be expected to be pooled to support LEP plans. The Department for Communities and Local Government (DCLG) is consulting on the mechanisms for pooling and our proposed response will be agreed at the LGA Executive on 12 September. Officers will provide an update at the meeting.
- 4.1.5. The £170 million European Social Fund (ESF) skills-match cash, announced as part of the LGF, will be conditional on LEPs signing up their entire ESF skills allocation to match against a voluntary Skills Funding Agency (SFA) programme,
- 4.1.6. The Government will be looking for evidence that all local authorities within a LEP have put in place formal arrangements for collective decision-making and coordination of growth functions across boundaries.
- 5. Government departments have held a series of workshops on various aspects of the July announcements to try to clarify how the Growth Deal process will work, but the general feedback is that the landscape is now messier and more complicated than ever. Key concerns include:
 - 5.1. Of the funding streams identified in the Heseltine Review, only £500 million in Further Education capital funding has been devolved into the LGF. The lion's share of the funding that Lord Heseltine felt would be better invested if localised £17 billion for skills, £21 billion for local infrastructure and housing, £5.5 billion for employment support, and almost £5 billion for business support and innovation will stay under the control of different government departments.
 - 5.2. There are inconsistent messages coming from Government about the scope for the LGF to increase over time. Ministers have indicated that the £2 billion which has been allocated is a "starting point", but the Growth Deals guidance states that the funding streams which the Government considers appropriate for devolution have now been decentralised.
 - 5.3. Not only has the single pot idea given way to multiple funding streams, the sudden decision to change the rules about how transport majors and New Homes Bonus funding is allocated has cast uncertainty over existing investment plans and the future of the newly-set up Local Transport Boards.
 - 5.4. It is unclear how the City Deals and Growth Deals processes will align as some of the areas now negotiating City Deals are likely to be involved in developing the LEP Strategic Economic Plans that will be the basis of Growth Deals.
 - 5.5. There is a lack of clarity over how Strategic Economic Plans will be assessed, which is particularly important given that the Government has clearly stated that LEPs which are considered to have the strongest plans will get a bigger share of funding.



- 5.6. The decision to make access to the ESF skills-match cash conditional on LEPs signing up to the SFA opt-in programme came as a surprise. We have been told that this was a last-minute ministerial decision and our call for the two to be disaggregated has been rejected.
- 6. Since the publication of EU funding guidance to LEPs, and details of national opt-in programmes, LEPs and councils have arranged local consultative meetings before drafting their local EU SIF strategies, which must include pipeline projects and match funding. First drafts will be submitted on 7 October and finalised by January, with live running of funds expected in mid-2014. A shadow National Growth Board has been established to oversee major arrangements on the design and delivery of EU funds. Local areas are represented on it through the LGA (three places) and the LEP Network (four places). The first meeting took place on 13 September. LGA representatives are Cllr Sir Merrick Cockell (Cons), Cllr Sir Albert Bore (Lab) and Cllr Ian Stewart (Lib Dem). An oral update on any issues arising can be provided at the Board meeting.

Next steps

- 7. The coming year will be a crunch time in British politics, with party election manifestos expected to be firmed up. There is a risk of complacency on the part of national politicians who may take the view that the degree of devolution that has already been delivered is sufficient, especially now that the Office for National Statistics has indicated that economic growth during the second quarter of the year reached 0.7%. By contrast, local civic and business leaders generally agree that far more radical steps still need to be taken. The challenge for the champions of a localist agenda will be to demonstrate that the case for ambitious devolution is stronger than ever and to find fresh ways to expose the limitations of the current system and how it is holding the UK economy back.
- 8. Members' steer in July was for Board work to focus on continuing to push for a more ambitious implementation of the recommendations of the Heseltine Review; fleshing out the economic growth proposals in *Rewiring Public Services* with a view to influencing election manifestos, and seeking endorsement of our proposals from external parties, particularly the business sector. Members' views are sought on the following options to deliver on these objectives:
 - 8.1. <u>Reviving the debate</u>: With the Government taking the view that substantial devolution has now been delivered and local leaders understandably focused on their individual plans and Growth Deals, we believe that it will be vital for the LGA to lead the charge in refreshing and reviving the debate about what ambitious devolution looks like and what it can achieve. Lord Heseltine's advice to the LGA at the annual conference was that we are best-placed to "hold the Government's feet to the fire". We suggest that we shift gears in pushing for decentralisiation by exposing how centralised and bureaucratic the system remains and illustrating how it provides poor value for money, discourages investors and generates unnecessary bureaucracy and cost. We would then contrast this to show how the decentralisation provides a more effective approach to growth, drawing on the early lessons from the City Deals to show what greater devolution can deliver.



- 8.2. <u>Rewiring for economic growth</u>: We propose to model how a local treasury might operate, testing how it might function and what it could deliver on the ground with sector and other partners. Strands of this work could include modelling a local investment fund created from devolving and pooling public budgets and testing how it could operate and what it could deliver with sector and business partners; identifying the economic policy levers that could be devolved from central government to a local treasury; making proposals for harnessing the potential for universities to act as talent and investment magnets for local economies; drawing on lessons from more decentralised economies such as Germany; and commissioning new academic research to demonstrate the links between decentralisation and economic competitiveness.
- 8.3. Engagement with external stakeholders: The LGA took significant steps in deepening our relationships and identifying common cause with groups like the Federation of Small Businesses, British Property Federation, the British Chambers of Commerce and the Confederation of British Industry last year. We propose to build on this engagement to seek endorsement of our core proposals for devolution and undertake joint lobbying activities where possible. In particular, the business community could help us to illustrate how the current system is holding back business growth to bolster the case for the Heseltine recommendations
- 9. As agreed by the Board in July, we will also continue to provide on-going support to member councils to help them deliver their growth aspirations and maximise the opportunities from the City Deals and Growth Deals processes. For example, LGA officials are currently working with organisations such as the LEP Network to develop a programme of events to support leaders and key LEP areas' staff to identify and share solutions to common issues; learn from leading areas; and be better prepared for new responsibilities, such as skills and EU funding. We are also supporting regional roadshows with council Leaders in November as they will have a significant focus on growth.



Item 4

Appendix A

Guidance on Growth Deals for LEPs

August 2013

As part of the 2015/16 Spending Round publication on 26th June, the Chancellor committed to negotiating a Growth Deal with every Local Enterprise Partnership (LEP) and announced the creation of a £2 billion annual Single Local Growth Fund to be spent under the direction of LEPs . It also confirmed that the majority of spending decisions for England's £5.3 billion European Union Structural and Investment Funds (EU SIF) for 2014-2020 would be devolved to LEPs.

In July 2013, the Government published guidance for LEPs on the Growth Deal negotiations (including more detail on how the Local Growth Fund will be allocated).¹ This briefing summarises the key points in the guidance.

LGA Key Messages

- The Government's objective of unleashing the ambition and creativity of local leaders by devolving more resources and responsibilities to them through Growth Deals is important recognition of the role that local partners up and down the country are playing to support economic recovery.
- We particularly welcome the Government's move to give LEPs a lead role in shaping and targeting England's allocation of EU funds to drive local growth. Councils have a long tradition of working with EU funds and their expertise will be crucial to helping LEPs plan how to use these funds to maximise value for money and boost economic growth, employment, and support to the most vulnerable.
- It is right that the guidance does not seek to impose a "one size fits all" formula for the development of local economic strategies and we urge the Government to maintain this flexible approach as Growth Deals are being negotiated.
- Nevertheless, there are worrying signs that the promise of the Heseltine Review may be giving way to business as usual in Whitehall. The dropping of the word "single" from the Local Growth Fund, which will now operate as multiple streams of funding governed by different rules imposed by the centre, shows that government departments are still failing to join up and let go.
- The constant chopping and changing of government policy from changing the rules for the New Homes Bonus two years in to creating separate Local Transport Bodies that now need to integrate into new structures illustrates precisely why the current system needs reform. Civic and business leaders want to focus on action on the ground, not the shifting demands of a central bureaucracy.

¹ <u>https://www.gov.uk/government/publications/growth-deals-initial-guidance-for-local-enterprise-partnerships.</u>



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 Councils and their LEP partners are undaunted in their commitment to act as champions of growth in their areas. It is vital that Whitehall departments follow through on the spirit of the Heseltine Review in the Growth Deals negotiations and deliver the ambitious devolution that is needed to turn our fragile economic recovery into prosperity.

Allocation of Local Growth Fund (LGF)

There will be different allocation processes for different streams of funding considered to be part of the LGF:

- About £1 billion will be allocated through the Growth Deal process on the basis of LEP Strategic Economic Plans. Areas that are deemed to have the strongest Plans are expected to get a greater share of the funding.
- A portion of Local Transport Majors funding will be allocated by formula and the Department for Transport confirmed in July that most Local Transport Boards will receive a third less than the indicative allocation announced in January 2013.²
- A further unspecified portion of Local Major Transport Funding will be allocated on a scheme specific basis outside of the LGF process.
- The £170m ESF skills match will be conditional on LEPs committing their entire ESF skills allocation to an optional Skills Funding Agency opt-in model. It is unclear what happens to this allocation if LEPs do not sign up to the wider Skills Funding Agency programme.³
- The New Homes Bonus will continue to be allocated to councils on the basis of new homes delivered but about £400 million will be expected to be pooled to support LEP plans. In July, DCLG launched a technical consultation on the mechanisms for pooling.⁴
- Although the Strategic Economic Plans will be multi-year, LGF resources for 2015-16 are expected to be spent within that financial year.

Growth Deals

- Growth Deals will be negotiated with all LEPs on the basis of their Strategic Economic Plans.
- The Government envisages that Growth Deals will include:
 - Influence over growth-related levers as well as some freedoms and flexibilities
 - o A share of the LGF

² <u>https://www.gov.uk/government/speeches/local-transport-body-funding-allocations</u>

³ <u>https://www.gov.uk/government/publications/european-structural-and-investment-funds-strategies-supplementary-guidance-to-local-enterprise-partnerships</u>

⁴https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/225369/New_Homes_Bonus_and_the_Local_Gr owth_Fund_technical_consultation.pdf



- Commitments from local authorities within LEPs regarding the use of the proceeds of asset disposals; reforms such as a coordinated approach to the development of local plans by local planning authorities and collective decision-making by all local authorities within a LEP
- The Government has signalled that requests for resources outside the LGF are expected to be agreed only on an exceptional basis.
- LEPs wishing to change their boundaries should write to Ministers as soon as possible, and proposals for changed boundaries should address the same criteria that were in the original invitation of June 2010 to business and civic leaders.⁵

Strategic Economic Plans

- There will be no set format for the Plans, but they will be assessed against three core themes:
 - o ambition and rationale for intervention for the local area;
 - o value for money; and
 - o delivery and risk.
- The Plans are expected to provide a reasonable level of detail about the individual interventions which make up the overall programme.
- There are specific expectations of local authority partners within LEPs that will be assessed against the Plans, including commitments from local authorities to:
 - \circ $\,$ align or pool their spending on growth,
 - o set up arrangements for collective decision-making,
 - o demonstrate effective collaboration on economic development activities

Key Milestones

- October 2013: LEPs to submit first draft of EU SIF strategies to Government
- **December 2013:** LEPs to share the first draft of their Strategic Economic Plans with Government
- January 2014: Final drafts of EU SIF strategies to Government
- March 2014: Final drafts of Strategic Economic Plans to be submitted
- June 2014: Government completes assessment of Strategic Economic Plans
- July 2014: Local Growth Fund offer made to LEPs and Growth Deal negotiations completed; spending of EU SIF Funds 2014-20 begins (subject to European Commission approval)
- April 2015: Growth Deals to be implemented.

⁵https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5649/1626854.pdf



Item 5

Employment and skills - moving the agenda forward

Purpose of report

For discussion and direction.

Summary

This paper updates members on our Hidden Talents work, which aims to position local government at the centre of integrated and devolved solutions to help all young people into learning or a job.

The paper also proposes a further area of work on adult employment and skills, and seeks a steer from members on how to focus and develop this work.

Recommendation

Members are asked to discuss and make recommendations.

Action

As directed by members.

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Employment and skills – moving the agenda forward

Hidden Talents - a local offer for young people

- Young people remain at a structural disadvantage in the labour market. Latest figures reinforce this. While overall unemployment is down on last month's figures, at 7.7 per cent in September 2013, youth unemployment and 16 – 24 year old disengagement have increased over the same period. 19 per cent of economically active young people remain unemployed.
- 2. Reducing youth disengagement from work and learning is a priority issue for local authorities and the LGA. Despite having some key responsibilities for re-engaging young people, such as supporting the Raising of the Participation Age and helping the vulnerable into work, local authorities have no influence over the majority of national provision necessary to achieve success.
- 3. To address this, the LGA's Economy and Transport Board and Children and Young People Board jointly lead a programme of activity, called Hidden Talents, with the objective of positioning local government at the centre of integrated and devolved solutions to help all young people into learning or a job. Lead Members of the two Boards regularly meet to shape this work.
- 4. The Hidden Talents campaign has been successful in moving local government to the centre of debate on the solutions to the youth unemployment challenge. The campaign covers the range of key services to young people, including education, skills and apprenticeships, re-engagement provision, careers advice, and support in the labour market.
- 5. In line with the wider *Rewiring Public Services* campaign, all activity has sought public service reform that:
 - 5.1. locally shapes and integrates services for young people most disengaged, or likely to disengage, to ensure positive participation in mainstream services.
 - 5.2. matches local education and training provision to the aspirations of young people, and the demands of employers in local labour markets.
- 6. The campaign has engaged local authorities, partners, and young people themselves in seeking to articulate the limitations of centralised and fragmented services to young people, and make the case for devolved models. Work (which can be found on the <u>Hidden Talents pages</u> of the LGA website) has included:
 - 6.1. *Hidden Talents I* report, highlighting the centralised and fragmented nature of services to young people, and the structural growth in long-term youth unemployment (Autumn 2012).



ltem 5

- 6.2. Skills mismatch research exposing the gaps between the qualifications young people were receiving and the demands of employers in local labour markets (Winter 2012).
- 6.3. Launch of *Hidden Talents II* report making an evidenced case for change, building on the examples of what councils are already doing to propose public service reform that could reduce youth unemployment by 20 per cent in three years (Winter 2013).
- 6.4. Publishing a public opinion poll of young people that demonstrated long-term unemployed are least satisfied with services because they do not meet their complex personal needs (Spring 2013).
- 6.5. Analysing and releasing data showing how councils with devolved Youth Contract provision helped 57 per cent of young people into work and learning in Leeds, Bradford and Wakefield, and 47 per cent in Newcastle and Gateshead, while nationally contracted provision averaged just 27 per cent (Summer 2013).
- 6.6. Published research assessing the success rates of national programmes, which demonstrate a 10 per cent fall in the number of young people starting on one of Government's 35 schemes in the last three years (Summer 2013).
- 7. The campaign has been well received by local authorities, partners and a range of policymakers. Press coverage has been regular and strong throughout the last two years, with widespread coverage across BBC TV, radio and online, Sky News and the full range of national newspapers. It has had a widespread influence on policy development and practice, including for example:
 - 7.1. influence over, and reference in, the Heseltine Review, and a range of Work and Pensions, and Education Select Committee Inquiries.
 - 7.2. the development of local authority plans within the Whole Place Community Budgets and City Deal processes.
 - 7.3. the role for LEPs in developing skills strategies to influence Further Education provision.
 - 7.4. the devolution of the Youth Contract wage subsidies and 16/17 re-engagement provision in some places.
 - 7.5. opening the door on the debate for devolved welfare-to-work provision, including a commitment from Rt Hon Liam Byrne MP.
- 8. In July, the Deputy Prime Minister launched a review into schemes for 16 24 year olds, offering a big opportunity to reinforce the case for greater local authority role in national schemes for this age group. The review prompted by the Youth Contract's poor performance combined with pressure from the LGA and others focuses on rationalising the complexity of provision for young people not going to university.



- 9. The Cabinet Office review team, led by Cabinet Secretary Sir Jeremy Heywood, will report to the Prime Minister and Deputy Prime Minister in mid-September. The LGA has sought to influence this review over the course of the summer, this has included:
 - 9.1. Submitting evidence and publishing research including research exposing the poor success rates of national schemes for young people, which received widespread press attention and partner and public support.
 - 9.2. A range of political representation meetings the LGA Chairman, Sir Merrick Cockell, met with Sir Jeremy Heywood, and Cllr Kevin Bentley attended a private seminar with the Deputy Prime Minister and other senior Ministers and partners (Cllr Bentley will report back to the Board).
 - 9.3. On-going work between officers and the Review Team including a joint LGA/Cabinet Office Roundtable with a number of Local Authorities leading innovative work in this area.
- 10. Lead Members of the Economy and Transport Board and the Children and Young People Board met earlier this year to shape future activity for the Hidden Talents programme, which will:
 - 10.1. <u>Shorter term</u>, influence the Autumn Statement, advocating the role of local authorities through:
 - 10.1.1. influencing the next steps of the Clegg Review, and the role of local authorities in leading and scrutinising provision for young people.
 - 10.1.2. engaging Government and partners to influence the development of on-going reforms in provision for 16 24 year olds.
 - 10.2. Longer term, seek public service reform that influences party manifestos by:
 - 10.2.1. developing detailed cost benefit analysis for council-led approaches to re-engaging young people.
 - 10.2.2. engaging employers in building the case for local approaches that offer employers genuine leverage over the entirety of the provision for young people.
 - 10.2.3. reinforcing the case for devolved re-engagement provision and careers advice for harder to reach young people up to 24 years old.

Developing an offer for adult employment and skills

11. As evidenced above, LGA work on employment and skills has to date focused on young people through our Hidden Talents work; this is ongoing.



- 12. This provides the LGA with an opportunity to develop and put forward the case for joined up, place based solutions to more effectively equip adults with the skills to support transitions into sustained jobs.
- 13. Councils are already developing effective solutions in this area. However these local efforts are often hampered by centralised national employment and skills schemes, often designed in isolation from one another, and which seldom offer sustained outcomes or any connect with existing local initiatives. For instance the Work Programme, which has not been as effective as local efforts to support the long term unemployed back to work.
- 14. It is for this reason we propose to develop a local offer on adult employment and skills, to capture the excellent work going on in local areas, and influence the future direction of employment and skills policy.
- 15. Councils have a unique and legitimate role in bringing in-depth intelligence, expertise and value to back-to-work and skills programmes given their role in:
 - 15.1. Universal Credit local partnerships.
 - 15.2. designing local services to support families with complex needs, and new oversight roles in other local services such as health and police.
 - 15.3. preparing people for national Work Programme interventions.
 - 15.4. local schemes to develop, identify and address skills gaps, and support transitions into jobs.
 - 15.5. future job creation through planning and brokering employer leverage.
- 16. They are working within new place based partnerships which have far more resonance with local skills and labour markets – community budgets, City Deals, LEPs and Employment and Skills Boards. This emerging landscape should help make England's skills and employment support system simpler, more joined up and more oriented towards local growth. These innovations should be built on to develop the Board's work.

Suggested focus on adult employment and skills

- 17. In the short term, the Autumn Statement provides an opportunity to develop our offer. We know that there is widespread concern about the performance of the Government's Work Programme, and that Ministers are concerned by this. It is also understood that the Work Programme has underspend by £248 million during the 2012-13 period. One possible suggestion from the LGA could be that this underspend is localised, through local schemes to support the long term unemployed and/or local pilots based on unemployment hotspots, building on Whole Place community budgets. Members views are sought on this.
- 18. <u>Longer term</u> aims, framed within our *Rewiring Public Services* work, could be to build the case for place based budget in adult employment and skills, by:



- 18.1. <u>Employment</u>: develop a proposal for a more localist approach to the Work Programme when it is next let in 2015. This could include aligning its geography with the economic development actions of councils and their partners through LEPs, and for councils to commission it.
- 18.2. <u>Skills</u>: develop a proposal for adult skills provision and the newly created National Careers Service to become more relevant to the local labour market. Work could also seek to ensure LEPs and councils pull together labour market intelligence to identify current and future skills needs, and identify sector gaps, to influence skills provision.
- 18.3. Ensure strong local leadership at both local and national level which should continue to ensure the £5.3 billion EU funds is localised for the duration of the 2014-2020 programme to support local areas' employment and skills needs.
- 19. Members' recommendations are sought on whether or not to take forward adult employment and skills work, plus any suggestions for additional avenues to pursue, other than those highlighted.



Item 6

Transport update

Purpose of report

For discussion and direction.

Summary

This paper summarises the Economy and Transport Board's work to date on devolution and funding on transport issues and proposes the priorities for the year ahead.

Whilst the LGA has had some significant successes in calling for devolution of transport powers and for increased transport funding, especially highways maintenance, we are proposing further work on devolution to match the ambition of local partners.

In summary, it is proposed our lobbying focusses on:

- 1. Achieving a step change in influence over the **New Highways Agency** and Route Based Strategies.
- 2. A new roads campaign that calls for a: **Rewiring** of local transport provision; and brings decisions together in one place to deliver a better system for managing roads to deliver local growth ambitions.
- 3. Ensuring that **Growth deals** and the (Single) Local Growth Fund support local ambition whilst giving councils and Local Enterprise Partnerships maximum freedom to decide delivery.

Recommendation

Members are asked to discuss the proposed priority areas and provide a steer for next steps.

Action

As directed by members.

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Transport update

Background

1. In the last twelve months, the LGA has called for greater devolution and increased funding across a range of transport issues, and these are summarised below. Whilst councils have enjoyed some success, our *Rewiring Public Services* work offered a more comprehensive agenda of reform and better outcomes for communities. This paper provides an assessment of our current position and proposes a way forward.

Our Devolution and funding asks

- 2. Local Authority Majors Transport Scheme funding The LGA successfully lobbied for devolution of the Local Transport Majors funding, which following this year's spending review, amounts to £819 million per year. Funding was devolved to new sub-regional Local Transport Boards (LTBs). However, before the fund could be shared between LTBs it was absorbed into the Local Growth Fund (see below). This is to be allocated to Local Enterprise Partnerships (LEPs) on Government's assessment of LEP Strategic Economic Plans along with £200 million a year of Integrated Transport Block funding. These funds remain officially within the Department for Transport's (DfT) budget and ultimately it is DfT that is responsible to Parliament for them, which therefore questions the true freedom that councils have to spend them.
- 3. <u>Strategic Roads Network and the Highways Agency</u> The Government's 'command' paper Action for Roads, published in July 2013, sets out their vision for the future of the Strategic Road Network (SRN) and how it will be managed. The LGA had lobbied for the Highways Agency (HA) to be restructured along sub-regional basis for example to the LTBs and for councils to have a strong role in managing its network. Instead it is to remain a centralised organisation. However, the HA has embarked on a series of route-based strategies to develop the next generation of investment plans for the network. Given the inter-dependencies between local and strategic roads networks, councils are keen to be involved. Following discussion with the LGA, the DfT recognise that local authorities are central to the discussions on the appropriate solutions for the SRN. Proposals for next steps are covered below.
- 4. <u>Bus devolution</u> The LGA has consistently lobbied for councils to be given the option of franchising local bus services or making Quality Contracts work and for the Bus Service Operators Grant (BSOG paid to operators on a mileage basis irrespective of the profitability of services) to be devolved to councils along with concessionary fares funding. DfT has devolved BSOG in part. In London, it has been completely handed over to councils; the proportion tied to tendered services has also been devolved and a proportion of the remainder has been used to fund better bus areas.
- 5. <u>Rail Devolution</u> The LGA lobbied Government in support of proposals for local authorities to have more influence over franchises at a local level. The collapse of the West Coast franchise and the subsequent Brown Review of Rail Franchising had led Government to a rethink on the franchising process. The Brown Review was essentially supportive of local authority involvement and we hope to see developments later this year in respect of the north of England, London and the West Midlands.



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- 6. <u>Moving traffic offences</u> The Traffic Management Act Part 6 provides powers for councils outside London to enforce moving traffic offences (e.g. banned turns, yellow box junctions, cycle lane infringement). We have defeated arguments against the granting of these powers to councils outside London on the grounds of lack of demand or difficulty but the powers remain unactivated. A submission from the LGA went to the Transport Minister in early December, accompanied by submissions from Sheffield and Nottingham City councils detailing how these powers could assist traffic management and bus services in those cities. Ministers are considering the issue.
- 7. <u>Highways Maintenance</u> Although not large enough to address the £800 million per annum maintenance deficit, the LGA's lobbying of DfT to provide more resources for roads maintenance to councils was part successful with the Spending Review confirming an additional £300 million. Members should note that whilst the Government has increased highway maintenance funding it has decreased the part of the transport block grant available outside the Local Growth Fund by the same amount.

Rewiring public services

- 8. Whilst it is clear that councils have benefitted from some additional transport funding and devolution of responsibility from Government, it falls far short of our comprehensive *Rewiring* agenda which identified that, in England, infrastructure investment in our local areas originates from a plethora of sources and transport infrastructure is no exception. Whilst these provide much needed investment in localities, programmes could be coordinated in a much more effective way. One of the major problems is that there is too much ringfencing, even within the Local Growth Fund that was supposed to be the single investment pot that gave local areas the freedom to make the priority investment according to local needs.
- 9. Another major barrier to local growth is that Government programmes operate in silos. For example:
 - 9.1. We can spend money redesigning roads but we cannot enforce traffic regulations that might achieve the same impact for less money.
 - 9.2. We cannot afford to subsidise socially necessary bus services but public money is given to operators of profitable services in the form of BSOG. Full devolution of BSOG would allow a wider range of services to run.
 - 9.3. Too much transport investment is tied up in big central government schemes when the evidence shows small local schemes produce better results.

Next Steps in delivering the Rewired agenda in transport

10. Councils have been asking for much greater devolution of powers and responsibilities and the direction of travel from DfT is welcome, although falls far short of councils' levels of ambition as set out in *Rewiring Public Services*. There is therefore a need to reestablish the transport devolution agenda beyond Local Growth Deals and influence the preparation for party manifestoes. The Board has also provided a clear steer to work



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with businesses on lobbying and to ensure that emerging proposals are tangible and grounded in reality.

- 11. Many organisations, including groupings of councils, are developing ideas for the future of bus policy. For example, momentum is currently building behind the proposals made by the alliance, Greener Journeys, in their Bus 2020 - a manifesto for the next Parliament (<u>http://www.greenerjourneys.com/bus2020/</u>). Greener Journeys brings together local government (TfL and PTEG) and bus companies. Its manifesto focusses on three proposals:
 - 11.1. expanded support for councils and bus companies to provide bus priority measures.
 - 11.2. a tax relief scheme for bus season tickets 'Bus Bonus' to operate in pilot areas outside London.
 - 11.3. concessionary fares for apprentices.
- 12. Therefore three areas of work are suggested as priorities for the Board and LGA resources. These are set out below.

Investment in the Strategic Roads Network

- 13. Councils have consistently identified the HA as one of the biggest barriers to delivering local growth. The Government, in its command paper *Action for Roads* has pledged to reform and modernise the HA and seek to guarantee its budget for the long-term. It has also stated that it will "support a much greater local and regional stakeholder involvement in planning for the [strategic roads] network and help to inform our investment decisions for the next spending review". Whilst the Government and HA's preferred approach is through route-based strategies, the reform does offer a significant opportunity for LGA members to influence how one of the most important shapers of place does its business and embed local involvement in decision-making on the SRN.
- 14. Given this opportunity, and as discussed at the last meeting, we are currently planning a seminar in the Autumn for Board members and LEPs with the DfT and HA to draw on the evidence of the pilot route-based strategies and provide an opportunity to present the scale of ambition that local authorities have to place shape. From this event, a programme of lobbying will be devised to help shape the reformed HA.
- 15. Members are asked to feedback on the content for this joint event and what outcomes they would like from it. As a reminder, the proposed suggested agenda may include:
 - 15.1. Context: Local Government, growth and transport
 - 15.2. Lessons from the pilot route based strategies
 - 15.3. Effective partnerships in developing route based solutions
 - 15.4. Local influence over HA performance measures.



Rewiring for Better Roads Campaign

- 16. Whilst Route-Based Strategies and Local Growth Deals present significant opportunities for councils to influence national programmes, they fall far short of our proposals in *Rewiring Public Services*. A programme of work based on a stronger narrative that describes the benefits of greater local transport management to growth and business will help push the transport devolution agenda beyond growth deals and influence the party manifestoes in preparation for a new Government from 2015.
- 17. Such work would need to be targeted and it is suggested that the focus should be on roads. Roads investment is currently managed through a plethora of agencies and funds; and current funding levels (for example to properly tackle potholes and bring greater resilience to extreme weather) are not sustainable.
- 18. From a growth perspective, the real issue is that businesses need a resilient, effective and properly 'wired' transport system to ensure that UK Plc is competitive. Therefore, building on the successful experience from the focussed Streetworks campaign (see separate information report at Item 7), a joint business/growth led approach would provide a compelling narrative on wider roads policy which could include:
 - 18.1. what properly joined up budgets could deliver.
 - 18.2. benefits of greater local influence over links between local and SRN.
 - 18.3. how national programmes can be rewired and better coordinated/ integrated and delivered at less cost.
- 19. The advantages of such an approach would be to move the debate away from micromanagement of our roads to a bigger picture and to demonstrate how local partners can play a strategically stronger role in the management of our roads network.
- 20. The streetworks campaign is expected to reach a conclusion later this autumn, which will then free up capacity to deliver a new programme and, subject to the views of the Board, to approach representative business organisations, such as "The 39 LEPs Group", who are already interested, to explore joint messages.
- 21. Members are asked to consider the Rewiring for Better Roads Campaign and provide comments on its scope.

Local Growth Deals / Local Growth Fund

- 22. Whilst keen to ensure that future Government policy on transport is much more balanced towards local influence, councils are currently busy trying to maximise the opportunities from Growth Deals and the Local Growth Fund.
- 23. Recent DfT-led workshops for local authorities and LEPs on Growth Deals / Local Growth Fund for councils have highlighted concerns already expressed by member councils on the complexity of Government's approach to devolution, which have been covered in the previous item on Local Economic Growth.



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- 24. It is proposed that the LGA will continue to work with key Government departments to ensure that council and LEPs' concerns are properly addressed and the LGA will continue with their offer of support to councils and LEP areas in helping them to deliver on their LEP ambitions.
- 25. Members are asked to share their Growth Deals / Local Growth Fund concerns from a transport perspective.

Recommendations

26. Members are asked to discuss the three priority areas above and provide a steer for next steps.



Item 7

Streetworks

Purpose of report

To note.

Summary

At the House of Commons in December 2012, The Chair of the Board, Cllr Peter Box, launched an LGA report '<u>Holes in Our Pockets – how utility streetworks are damaging local</u> <u>growth</u>'. At the launch of the report, Cllr Box called the major utility companies to a summit so that the issues raised in the report could be addressed.

A Streetworks Summit was held on 14 March and led to the establishment of a Task Force bringing together the utility companies, local government and business groups (the contractors' trade body has joined subsequently). Its purpose is to see how we can work together better to reduce the disruption caused by streetworks and improve the quality of reinstatements.

The Task Force has produced a statement on "what good looks like" and is developing tools to better inform business of streetworks and to see how data can be better shared to drive up contractor performance.

A note of the last meeting is attached for information.

Recommendation

Members are asked to note the report.

Action

Officers to take actions as directed.

Contact officer:	Kamal Panchal / Charles Loft
Position:	Adviser / Senior Adviser
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E-mail:	kamal.panchal@local.gov.uk / charles.loft@local.gov.uk

25 July 2013 2-4pm

Note of meeting

Attendees: Paul Jewel (Western Power); Jeremy Bending (National Grid); Peter Box (LGA, Chair); Tony Ball and Mike Haines (LGA, Vice and Deputy Chairs); Anita Solanki (NJUG and SevernTrent); Samantha Brothwell (NJUG and Western Power); MicDave Turnbiull (BT Openreach and NJUG) Michael Conway (CECA and FM Conway); Dave Capon (JAGUK); Mark Beasley (TfL); Shane Brennan (Association of Convenience Stores); Richard Mace(DfT) – Matthew Lugg (Highways Maintenance Efficiency Programme – HMEP); LGA Officers (Ian Hughes, Eamon Lally, Charles Loft and Ben Knowles).

1. WELCOME AND INTRODUCTIONS

2. WHAT DOES GOOD LOOK LIKE?

The paper was discussed and changes agreed.

LGA and NJUG to liaise on releasing this as a joint statement.

3. INFORMATION TO BUSINESS

The NJUG document would benefit from additions to include the regulators' and highway authorities' details.

The business groups felt their members needed access to a website that would show where streetworks were planned like the London Works one.

There should also be information on how companies dealt with complaints

NJUG to circulate document with utilities details added.

LGA to investigate what was available in terms of websites covering the rest of England.

Dave Capon and Mark Beesley to circulate a framework for engagement with business for comments.

Discussion to resume at next meeting

4. CONTRACTOR PERFORMANCE

There was a discussion over the extent to which the ETON system would allow contractors to be identified and whether this was the right approach.

Dave Capon reported that JAGUK were working with a contractor to identify the reasons why things went wrong and would report back at the next meeting

Discussion to be resumed at next meeting following Dave's report

5. HMEP UPDATE

Matthew Lugg gave an update on the HMEP streetworks activity. A steering group had been established consisting of NJUG JAG(UK) DfT HTMA. A questionnaire had been devised.

6. NEXT MEETING TO BE HELD ON THURSDAY 19 SEPTEMBER LOCAL GOVERNMENT HOUSE 2-4PM (TBC)



Item 8

Appointments to outside bodies

Purpose of report

For consideration.

Summary

The document attached at **Appendix A** details the outside bodies to which the Economy and Transport Board should appoint members. These appointments will be sent to the LGA Executive in October for endorsement.

This year, the Board has been invited to appoint to two new bodies; the National Institute of Adult Continuing Education (NIACE) and ELGIN (the trading name of Roadworks Information Limited). Further information on these organisations and on the role that LGA representatives are invited to take up is set out in this paper.

Recommendation

Members are asked to consider appointments to outside bodies and agree with the Board's Lead Members.

Action

As directed by members.

Contact officer:Virginia PontonPosition:Member Services Support OfficerPhone no:0207 664 3068E-mail:virginia.ponton@local.gov.uk



Appointments to outside bodies

Background

- 1. The Economy and Transport Board appoints members to the LGA Rural Commission, the Bus Partnership Forum and the HS2 Environmental Forum.
- 2. For 2013/14, the Board has been invited to appoint a member to sit on National Institute of Adult Continuing Education (NIACE) and the Guardianship Committee of ELGIN (the trading name of Roadworks Information Limited).

NIACE

- 3. The LGA has been represented on the NIACE Company Board by the Chair of the Children and Young People Board, however, with its remit in skills, it would be appropriate for the Economy and Transport Board to appoint a member to represent the LGA.
- 4. NIACE is a national non-governmental organisation for England and Wales, which represents the interests of adult learners and potential learners, as well as providers of such learning. NIACE works for the promotion, study and general advancement of adult continuing education. With particular emphasis on those who have missed out on opportunities or who are under-represented in learning, NIACE's work aims to secure more opportunities for adults to learn; extend learning to different adults; and promote better quality learning.
- 5. Working with a range of stakeholders, NIACE develops knowledge and understanding of adult learning in order to support and encourage better practice, better policy and the promotion of learning to individuals and employers.
- 6. The Economy and Transport Board is invited to appoint a representative to NIACE's Company Board, which has overall legal responsibility for all activities and operations of NIACE. All members of the Company Board are, by virtue of their position, Company Directors as defined by the Companies Acts and Charity Trustees as defined by the Charities Acts. By accepting the position on the Company Board members agree to take on the legal responsibilities of these roles.
- 7. The Company Board consists of a maximum of 15 members, six of whom (including the LGA representative) are elected and up to eight of whom can be co-opted, and are chosen to ensure a balance of skills, experience and diversity.
- 8. The Company Board is responsible for all NIACE governance and regulatory and accountable functions, including financial and legal matters. The Company Board can create standing committees with delegated authority to carry out work on its behalf.



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- 9. The LGA representative is also invited to be a member of one of NIACE's standing committees: the Audit Committee; Resources Committee; and the Policy and Strategy Committee.
- 10. The Company Board attend the Annual General Meeting held in October and there is a Members' Residential held in January each year to which all Board and Committee members are invited.
- 11. The next meeting of the Company Board is Thursday 26th September 2013 at 1.30pm 4.00pm in Leicester.

ELGIN

- 12. The Economy and Transport Board has also been invited to appoint a member to ELGIN's Guardianship Committee.
- 13. ELGIN is the trading name of Roadworks Information Limited, a new company established in 2011 to promote the open publication of roadworks information. ELGIN is a private company, but operates with Government regulatory oversight under agreed Public Data Principles.
- 14. ELGIN aims to produce a national roadworks database paid for by the subscriptions of Highway Authorities. The database is called *roadworks.org* and seeks to achieve greater coordination through greater transparency in roadworks data. The ELGIN roadworks portal supports local authorities to meet their statutory requirement of publishing roadworks data in a consistent way so that it can be used nationally.
- 15. Currently ELGIN gathers, aggregates and publishes roadworks data from the public registers of over 140 public bodies. A further 60 private sector companies, including utility companies, are using the data gathered by ELGIN to plan their works.
- 16. The Guardianship Committee represents stakeholders in the public highways sector and aims to oversee ELGIN's custodianship of public sector roadworks data. Currently its membership consists of:
 - 16.1. Mike Ashworth, Traffic Manager Derbyshire & Chairperson of the National Traffic Managers Forum (proposed Chair).
 - 16.2. Keith Davenport, Traffic Manager Warwickshire and Chairperson of the ELGIN Users Group.
 - 16.3. Nick Illsley, Department for Transport and Chief Executive Traffic England.
- 17. The LGA representative of the Guardianship Committee, would take on a scrutiny role to ensure that ELGIN, as a private sector company and custodian of public sector roadworks data, adheres to Public Data Principles.



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- 18. The LGA representative's contribution would provide an insight into innovative practices of making data openly available which could act as an exemplar for other open data initiatives to support the sector in achieving transparency.
- 19. The group meets a minimum of once a year.
- 20. This appointment would link to the Economy and Transport Board's Streetworks campaign as well as work that the LGA is currently pursuing to develop a sector-led approach to data transparency, where the LGA is supporting authorities in opening up data and promoting the more meaningful use of open data so that they can be combined and compared.

Recommendation

- 21. Members are asked to consider the appointments to outside bodies as set out in **Appendix A**.
- 22. It is recommended that appointments be confirmed through the Economy and Transport Board Lead Members.

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Economy and Transport Board - Appointments to Outside Bodies

Outside boay	background	Kepresentatives	Allowances / Expenses	LGA CONTACT UTTICE
National Institute of Adult Continuing Education (NIACE)	Exists to encourage more and a wider range of adults to engage in learning of all kinds.	1 place	LGA will cover reasonable travel and subsistence.	Jasbir Jhas jasbir.jhas@local.gov.uk Nick Porter nick.porter@local.gov.uk
ELGIN, Guardianship Committee	Brings together public highways sector stakeholders to scrutinise ELGIN's custodianship of public sector roadworks data.	1 place	LGA will cover reasonable travel and subsistence.	Charles Loft <u>charles.loft@local.gov.uk</u> 020 7665 3874
Future High Streets Forum	Chaired by the Rt Honorable Mark Prisk MP, DCLG Minister for growth and housing, the forum brings together stakeholders from the public and private sector active in town centres in order to find creative solutions in improving high streets.	1 place	LGA will cover reasonable travel and subsistence.	lvor Wells <u>ivor.wells@local.gov.uk</u> 020 7664 3119
HS2 Environmental Forum	Representatives: Cllr Martin Tett 1 x vacancy	2 places	LGA will cover reasonable travel and subsistence.	Cllr Martin Tett
Bus Partnership Forum	Brings together senior representatives from the bus industry, central and local government.	4 places	LGA will cover reasonable travel and subsistence.	Charles Loft charles.loft@local.gov.uk 020 7665 3874

Motorists Forum	Intended to be the primary regular	1 place	LGA will cover	Charles Loft
	channel through which road users		reasonable travel	charles.loft@local.gov.uk
	and other key stakeholders from	Member to be appointed on an 'as	and subsistence.	020 7665 3874
	the roads and motoring sector	required to attend' basis.		
	contribute to government thinking			
	on priorities for and performance			
	of roads. The Forum will help to			
	shape topics of current interest,			
	and set a longer term strategic			
	direction for roads and motoring			
	policies.			



Item 9

Economy & Transport Board at party conferences

Purpose of report

For information.

Summary

This paper outlines the LGA's activities and those relating to the Economy and Transport Board at the party conferences in October.

Recommendation

Members are asked to note the report.

Action

As directed by members.

Contact officer:	Thomas Coales
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Economy & Transport Board at party conferences

- The LGA will be holding a corporate reception at each of the three main party political conferences this year, to publicise the *Rewiring Public Services* campaign. Each reception features a front bench party spokesperson. At the time of writing, the Deputy Prime Minister and Leader of the Opposition have been confirmed for the Liberal Democrat and Labour events, with an invite extended to Secretary of State for Communities and Local Government for the Conservative reception.
- 2. As part of the LGA's efforts to influence the 2015 party manifestos, a fringe event is being held at Liberal Democrat conference to debate the content of *Rewiring Public Services*. Panellists include:
 - 2.1. Chair: Mayor Dorothy Thornhill, Deputy Leader of LGA Liberal Democrat Group, elected Mayor of Watford.
 - 2.2. Rt Hon Don Foster MP, Parliamentary Under-Secretary of State for Communities and Local Government.
 - 2.3. Lord Shipley.
 - 2.4. Annette Brooke MP, Co-Chair of Liberal Democrat backbench CLG Committee.
 - 2.5. Cllr Ruth Dombey, Leader of London Borough of Sutton.
- The LGA has also proactively sourced over eighty speaking platforms for member councillors across the three events, offering a bespoke briefing for each opportunity. Listed below are a selection of those events sourced by the LGA for member councillors, on subjects related to the work programme of the Economy and Transport Board:
 - 3.1. The impact of localism for young people and their communities Private breakfast roundtable organised by the National Youth Agency. Cllr Steward attending at Conservative conference; Cllr Grunewald attending at Labour conference.
 - 3.2. Skills and Apprenticeships: Building employment and careers Private roundtable organised by Reform. Cllr Kevin Bentley attending at Conservative conference.
 - 3.3. Business and government: working together to support homeless young people into employment Public fringe organised by the End Youth Homelessness alliance. Cllr Mike Whitby speaking at Conservative conference.
 - 3.4. A Vision for 2035: The Future of Road Public fringe organised by the Chartered Institute of Logistics and Transport (UK). Cllr Kevin Bentley speaking at Conservative conference.



3.5. The future of British business growth

Private roundtable organised by the British Chambers of Commerce. Cllr Gary Porter, LGA Vice-Chairman, attending at Conservative conference; Cllr Sharon Taylor, Deputy Leader of LGA Labour Group, attending at Labour conference; and Cllr Gerald Vernon-Jackson, LGA Vice-Chairman, attending at Liberal Democrat conference.

3.6. Getting Britain's Cities Moving

Public fringe organised by Freight Transport Association (FTA). Cllr Peter Box speaking at Labour conference; Cllr Phillip Atkins speaking at Conservative conference; and Cllr Heather Kidd speaking at Liberal Democrat conference.

3.7. Placing the customer at the heart of parking management

Public fringe organised by the British Parking Association. Cllr Peter Box speaking at Labour conference; Cllr Ann Steward speaking at Conservative conference; and Cllr Heather Kidd speaking at Liberal Democrat conference.

3.8. Infrastructure investment and regional growth

Private roundtable organised by Reform. Cllr Kevin Bentley attending at Conservative conference.

3.9. Delivering the National Infrastructure Plan, and removing barriers to investment

Public fringe organised by the Infrastructure Alliance. Cllr Gary Porter, LGA Vice-Chairman, speaking at Conservative conference.

3.10. Beyond Portas: Can walking-friendly places save the high street? Public fringe organised by Living Streets. Cllr Mike Whitby speaking at Conservative conference; Cllr Peter Box speaking at Labour conference.

- 3.11. A platform for local growth: is partnering enough? Private roundtable organised by Pricewaterhouse Coopers. Cllr Sharon Taylor, Deputy Leader of LGA Labour Group, attending.
- 3.12. Opportunity for all: how business and government can get homeless young people into work Public fringe organised by End Youth Homelessness alliance. Cllr Peter Box speaking.

3.13. A Vision for 2035: The Future of Rail

Public fringe organised by The Chartered Institute of Logistics and Transport (UK). Cllr Liam Robinson, Chair of Merseyside Integrated Transport Authority, speaking at Labour conference.

 Details of all the public events that the LGA is involved in across the three party conferences, including the LGA's own receptions and fringe event, can be found online at <u>http://www.local.gov.uk/party-conferences</u>



LGA location map

87 Wandsworth - Aldwych Bus routes – Millbank

Local Government House London SW1P 3HZ Smith Square

Website: www.local.gov.uk Email: info@local.gov.uk Fax: 020 7664 3030

Public transport

(Circle, District and Jubilee Lines), Local Government House is well served by public transport. The **0** Victoria and Waterloo: the local nearest mainline stations are: St James's Park (Circle and District Lines), Westminster underground stations are

Millbank, and the 507 between Horseferry Road close to Dean Victoria and Waterloo stops in Buses 3 and 87 travel along Bradley Street.

Bus routes – Horseferry Road 507 Waterloo - Victoria

C10 Canada Water - Pimlico

- Victoria
- 88 Camden Town Whitehall - Westminster - Pimlico -Clapham Common

Local Government Association

For further information, visit the

Crystal Palace - Brixton -

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Oxford Circus

Transport for London website

at www.tfl.gov.uk

Cycling facilities

racks are in Smith Square. Cycle The nearest Barclays cycle hire racks are also available at Local Government House. Please telephone the LGA on 020 7664 3131.

Central London Congestion Charging Zone

and Pimlico (Victoria Line) - all

about 10 minutes walk away.

located within the congestion Local Government House is charging zone.

0845 900 1234 or visit the website For further details, please call at www.cclondon.com

Car parks

Abingdon Street Car Park (off Great College Street)

www.westminster.gov.uk/parking Horseferry Road Car Park Horseferry Road/Arneway Street. Visit the website at

