

## **Economy and Transport Board: Annual Review of the Year**

### **Devolving Economic Powers to Supporting Growth**

1. At the LGA annual conference in 2012, the Board set out an ambitious agenda for local economic growth. Our recommendations were drawn from the Board's Local Growth Campaign and our town hall debates, including: extending City Deals to all councils that had the ambition to deliver more growth, devolution of skills funding, a new relationship with higher education and greater local autonomy over transport planning. One year on, it is pleasing to report that many of the Board's recommendations have now become the mainstream of national policy making:
  - 1.1. After the successful conclusion of the first City Deals, the Board leaders lobbied Government hard to extend City Deals to other city areas and counties. Twenty more areas have been given the green light to negotiate a second wave of City Deals and the Government committed to negotiating Growth Deals with every Local Enterprise Partnership (LEP) in the June Spending Review.
  - 1.2. Our lobbying of Department for Transport (DfT) to devolve more resources for transport to councils has been very successful, with the June Spending Review (SR) more than doubling local major transport scheme funding from £375 million per year to £819 million per year and setting out a £300 million per annum increase in road maintenance budget. With underspend on local roads maintenance at around £800 million, problem is not solved but the 13 per cent increase over 2010 SR funding shows we are being heard.
  - 1.3. We have built a new relationship with Universities UK (UUK). Derby's Vice Chancellor who leads for UUK on local growth presented to the Board meeting. UUK and the LGA produced a joint report which set out good local/Higher Education collaboration of growth to stimulate debate at a LEP level, which was launched at an LGA/UUK Town Hall debate in Manchester, at which we made the joint call for better local collaboration. The Department for Business, Innovation and Skills (BIS) has recently launched the Whitty Review to look at Higher Education's role in economic growth, showing that we created a debate for others to follow.
  - 1.4. The Board made a number of strong representations to Government Ministers and senior officials to back Lord Heseltine's call for devolution of up to £70 billion in funding from central government departments to LEPs. The June SR announcement of a £2 billion annual single pot is a small step in the right direction, although we have expressed strong concerns that it is largely comprised of already-devolved funding. The Board will renew efforts in the next municipal year to press for more ambitious devolution of funding and powers to LEPs.

**Item 4.d**

1.5. Localisation of skills is the Board objective that has proved the hardest to crack, but we made important progress this year, including the devolution of some skills money through the Heseltine single pot. Our Hidden Talents campaign published a report showing that a local approach to tackling youth unemployment could cut the number of unemployed young people by 20 per cent and save £1.25 billion a year. It garnered significant media coverage and parliamentarians have shown an interest in exploring our proposals. The BIS Skills Minister, Matthew Hancock, invited detailed proposals from councils for the localisation of skills work following a May roundtable. At our Hidden Talents conference in June, Liam Byrne, the Shadow Secretary of State for Work and Pensions, welcomed our proposals and recognised the need for radical reform of the Department for Work and Pensions (DWP) in delivering employment support. The Board will be ramping up its efforts in this area in the next year.

**Improving Streetworks**

2. One of the big concerns of councils was the continued poor management of street works by utilities companies which costs councils millions of pounds a year. We formed a partnership with business leaders who were equally concerned about street works and the effect upon trade.
3. To highlight the issue we arranged a seminar at the House of Commons and published a short publication 'Holes in our Pockets' to highlight the negative effects of poorly planned streetworks on retail and business, as well as the cost to tax payers of repairing poorly resurfaced roads. The report was well received and the utility companies responded positively to a subsequent invitation to a summit on 14 March.
4. At the summit, LGA invited utilities to work with us to address the issues. Utilities companies agreed there was a problem to be solved and a task force has been established to take matters forward. The task force met in May and will meet again in July. Our partnership with utilities and businesses on this controversial issue has received positive publicity and public support.

**Supporting Councils**

5. The engagement of councils in our work has been a very important feature of the Board's approach to our economic development programme. It has ensured that we continue to hear directly from councils and their partners about what they are doing on skills and growth, and the barriers that prevent them from realising their ambitions to do even more. Our successful Town Hall debates from 2012 were rebranded as Town Hall summits this year with a view to focusing on the development of solutions and to build on the recommendations we had made at last year's annual conference.
6. We worked with council colleagues to hold Summits in Dacorum, Basildon, Staffordshire, Manchester, Reading and Bristol. Through the events we engaged with over 200 of our colleagues from councils and their partners. Highlights from this year's programme included the attendance of the Transport Minister, Norman Baker MP to the Staffordshire summit.

7. In addition to the Town Hall Summits, we also engaged the sector by continuing to roll-out focused development workshops for lead elected members and senior economic development officers. This year, attention was given to the role of district councils, given the particular role they play in two-tier areas on enabling growth. Two workshops were delivered, in London and Leicestershire, jointly with the District Councils' Network. Over 100 councillors and officers attended the workshops.

### **Winter Weather**

8. This past winter did not produce the dramatic weather of recent years, but did demonstrate that local government is now routinely well prepared with sufficient levels of salt stocks at the local level.
9. In an award winning campaign (LG communications reputation award), Members of the Economy and Transport Board, including its Chair, Cllr Peter Box, made several television and radio appearances which ensured that the messages that communities needed to hear were widely represented in the media.

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