

RSA Inclusive Growth Commission Update

Purpose

For discussion and direction.

Summary

This paper updates members on the activity of the RSA Inclusive Growth Commission since the last Board meeting, outlines the recommendations from the Commission's Interim report, and asks members to reflect on the first draft of the LGA submission of evidence to the Commission.

Recommendation

That the board note the update and provide a steer on content of the LGA draft submission to the call for evidence.

Action

Officers to take forward their work as directed by members.

Contact officer:

Claire Hogan

Position:

Senior Adviser

Phone no:

07766 250347

Email:

Claire.Hogan@local.gov.uk

RSA Inclusive Growth Commission Update

Background

1. At the last Board meeting Members received an update on the activities of the RSA's Inclusive Growth Commission and were asked to reflect on how LGA officers might best support the Commission in the wake of a significantly changed national context. Members outlined key areas they wanted the report to address and for the LGA to highlight in its evidence submission to the Commission. A summary of some the points Members of the Board made is as follows:
 - 1.1. The evidence on which the report is based must be compelling and include international examples.
 - 1.2. The report must be solutions-focussed and include examples that work at a council or combined authority scale, rather than solely at micro scale.
 - 1.3. The report must recognise the importance of helping already economically successful areas maintain momentum as well as raising growth in other areas.
 - 1.4. Members raised concerns regarding the use of GVA as a metric to judge growth. Whilst it might be useful in making international comparisons, it has severe limitations and cannot record the inclusivity of growth.

Interim Report

2. The Commission launched its [Emerging Findings report](#) on 23 September. The report calls on Government to make inclusive growth "its working definition of economic success and give policy makers at all levels of government a mandate finally to bring economic and social policy together." The report defines inclusive growth as:
 - 2.1. [...] broad based growth that enables the widest range of people and places to both contribute to and benefit from economic success. Its purpose is to achieve more prosperity alongside greater equity in opportunities and outcomes.
3. The report identifies a £190 billion 'inclusivity gap' representing how far behind the lowest growth areas in the UK are from the national average. Its recommendations included:
 - 3.1. The Chancellor to ensure local areas are the major beneficiaries of any changes to public spending announced in the Autumn Statement, so that civic leaders can invest in projects which best promote local inclusive growth.
 - 3.2. Social infrastructure policies should be designed to enable people and places to contribute to growth – including investment in skills and training – and should be put on a par with traditional capital spending, and expanded alongside physical infrastructure spending to promote medium-term growth.
 - 3.3. New 'grown-up' devolution deals should devolve social policy, and should provide more funding for social and capital projects. These moves should include smaller towns and cities overlooked by existing devolution settlements, as well as the major metro centres.

- 3.4. The government should set out in the Autumn Statement how new devolution deals will spread prosperity across social and geographical boundaries, and commit to a place-based Spending Review before 2020.
- 3.5. New inclusive industrial strategies should prioritise generating jobs and work progression in lower/middle skilled sectors, not just high-tech. They must also incorporate the skills, transport, housing and planning needs which enable people to access jobs.

Evidence used to inform the work of the Commission

4. The work of the Commission has been informed by an extensive programme of evidence gathering including:
 - 4.1 A formal written call for evidence exercise which closes on 31/12/16 (see para 5).
 - 4.2 Roundtable discussion: Inclusive growth for dynamic resilient communities (London, May 2016).
 - 4.3 Roundtable discussion: New approaches to Productivity, Skills and Labour Markets (London, June 2016).
 - 4.4 Evidence hearing: What does inclusive growth look like for Sheffield? (Sheffield, June 2016).
 - 4.5 Evidence hearing: Inclusive Growth in Plymouth (Plymouth, June 2016).
 - 4.6 Roundtable discussion: Inclusive Growth (Labour Party Conference, September 2016).
 - 4.7 Roundtable discussion: Inclusive Growth (Conservative Party conference, October 2016).
 - 4.8 Evidence hearing: Inclusive Growth in Nottingham (Nottingham, 1 November, 2016).
 - 4.9 Evidence hearing: Inclusive Growth in London (London, 18 November, 2016).

Call for Evidence

5. The Commission will publish its final report in March 2017 and the evidence from the hearings, roundtable discussions and a formal call for evidence will be used to inform its content. A list of questions designed to guide responses to the call for evidence is provided at **Appendix A**.
6. Using previous guidance from the Board and detail from the LGA autumn statement submission, a first written draft of the LGA's response to the call for evidence has been drafted and is presented at **Appendix B**, ahead of the consultation's closing date of 31 December.
7. To ensure that Board members have an opportunity for discussion with the authors of the final report, officers have provisionally invited Charlotte Alldritt, Director of the Inclusive

Growth Commission, to attend the 30 January 2017 Board to discuss the Commission's findings and emerging recommendations.

8. **Members are asked to comment on the draft submission and provide a further steer on areas of particular focus or priority that should be included.**