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PEOPLE AND PLACES BOARD

VISION AND WORK PROGRAMME

Note by the Chairman

Non-metropolitan areas account for about half of England's economy. This means that their economic contribution and growth potential are just as significant for the nation as that of the cities. Worldbeating multi-billion pound British businesses like JCB or Vodafone choose non-metropolitan places for their headquarters, and R&D crucial for the nation's economic future is taking place at science parks and universities across the country. The quality of life and the human capital of our places are major economic assets in their own right. Cities and non-met areas are not in competition, but they both have a vital role to play in the country's competitiveness.

The mix of businesses, and the challenges, in areas of less dense population are, however, different from the major urban areas, and so is the pattern of governance. Non-metropolitan areas attract skilled workers with their distinctive quality of life. The right investments in those areas can deliver significant positive returns for public money. Different challenges - both economic and administrative - need different solutions. The changes to the LGA's Board structure allow us to reflect both the metropolitan and the non-metropolitan agendas. Together, we can make the national economic cake larger so it can be more fairly shared.

I believe the role of our new board will be to develop greater clarity on the role of non-metropolitan authorities in enabling economic growth for the long-term benefit of residents, and on how transformation in public services can enable that. We should consider how planning and infrastructure provision, publicly-funded skills and employment programmes, and housing might be better-deployed in a non-metropolitan setting to drive growth, and how public services, including better integrated health and care, together with greater use of joined-up public funding, might help to drive transformation and improve efficiency in services, to the benefit of residents.

When we meet, I will invite each member of the Board to briefly sketch their vision for what we should be trying to achieve, seen from the perspective of their place. I would hope that we can bring to that discussion a sharp focus on the improvement we want to offer residents and businesses, and leave the public sector's institutional and organisational baggage behind us.

Subject to that discussion, I wanted to sketch out the five priorities which I would propose for the Board's initial work programme:

1. Public service reform

At last year's LGA conference, we launched the Re-Wiring Public Services prospectus which set out a radical agenda for public service reform. One of the

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main proposals was for a local Treasury in each area to help drive growth and join up silo budgets. This would allow areas to integrate services and move forward with budget pacts with local business, reaching a local consensus on fiscal incentives and local spending (rather than deals negotiated through Whitehall). We need to flesh out what this might look like in detail for areas outside cities and what benefits the nation could accrue from locally agreed incentives with business.

2. Housing

There is a national consensus that we need to provide more suitable, affordable homes, in a sustainable way, than the current arrangements make possible. With nine out of ten planning applications approved, and half a million unimplemented applications in the pipeline, it is clear that the principal constraint is not planning or land supply. Rather, there is a need for councils and business to work together to unlock difficult sites and address financing problems. There are also issues connected with the private sector's overall capacity which suggest we should look at what can be done to encourage small firms, self-builders, and councils themselves to do more.

3. Planning and infrastructure to support growth

Planning for and delivering the infrastructure needed to support housing development is key to councils' ability to sustain growth and meet needs in their areas. To be successful, councils will need to work together across local authority boundaries, and engage effectively with LEPs. Councils will need to show that they can negotiate strategic planning policies and take difficult decisions in order to safeguard against centralisation of strategic planning decisions.

The Board's work could focus on building evidence of how councils can successfully deliver the duty to cooperate and promoting the positive role that planning plays in attracting investment and funding strategic infrastructure to meet wider needs and growth ambitions, together with working on ways of ensuring growth is supported by properly-funded infrastructure.

4. Jobs and skills

One of the great disappointments of the delivery of the Heseltine Review was the failure of ministers to devolve responsibility of skills to the local level. Yet the problem of youth and adult unemployment remains. With major welfare reforms in the pipeline and the Work Programme due to be re-let after the election, a major opportunity is coming up to improve the way we help people get into, or back to, work.

The devolutionary thrust of the Heseltine Review needs to be maintained by councils and pushed forward with tangible local proposals for the 2015 manifestoes. The frustration of councils has been mirrored by LEP Chairs. With

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much of the evidence base in place on the benefits of a local approach, there is a need to create a strong alliance at a national level with business to ensure that manifesto proposals on skills reflect a local approach.

A final area of work for the Board over the coming months will be to liaise with the work of the Independent Commission on Growth in non-City areas which the LGA is establishing under Sir John Peace's chairmanship. The review will report through this Board. Its remit, which complements the proposed role of the Board, is described in a separate note under our third agenda item for today, and Sir John will be joining us for that discussion.

I would propose that the lead members of the Board should each take a particular role in spearheading our work on these themes. Guided by our discussion at our initial meeting, I would expect the lead members to work with LGA officers to develop more specific ideas and proposals and bring them to the Board at subsequent meetings.