

## Urban Cost Pressures

### Purpose of report

For discussion.

### Summary

This paper updates the City Regions Board on work to further explore the particular cost pressures facing urban areas. A representative from WPI Economics, the provider commissioned to support this project, will attend the meeting and give a presentation setting out the latest developments and findings from this work. The slides for this presentation will be circulated separately in advance of the meeting.

### Recommendation

Members are asked to:

1. **Agree**, following a presentation at the meeting the focus and direction for the concluding phase of this work.

### Action

Officers will take forward the work described below and report back to the next Board.

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## **Urban Cost Pressures Update**

### **Background**

1. At the September 2019 meeting of the City Regions Board members discussed commissioning research into the particular cost pressures facing urban areas and the scope fiscal devolution might play in meeting these pressures.
2. Subsequently, Members agreed that the Board should undertake further work to produce more quantitative evidence on urban cost pressures, with a view to influencing future funding arrangements for councils.
3. As reported to the meeting of City Regions Lead Members in December, LGA officers have commissioned an external provider to support this work. Following an open and competitive tendering process WPI Economics is the provider appointed. At the January meeting of the City Regions Board, members supported the proposal to explore in more detail cost complexity as it relates to housing and homelessness in urban areas.
4. As reported to the City Regions Board in March, this phase of research was contingent on interviewing senior council officers. Given the coronavirus crisis this work was paused to reflect demands on council staff during this initial period. Work has now resumed and the initial findings of this research were discussed by City Regions Lead Members on 20 May.
5. A member from the team conducting the research will join the Board meeting and give a presentation setting out the findings from this work. The slides for this presentation will be circulated separately in advance of the meeting.

### **Next Steps**

6. Members are asked to agree, following a presentation at the meeting, the focus and direction for the concluding phase of this work.