

City Regions Board

1. The City Regions Board was established as a result of the LGA's constitutional review earlier this year. It has met twice, in London in April and for a second time in Liverpool earlier this month.
2. With a clear cross-party consensus on city region devolution emerging after recent announcements by the Chancellor and the Leader of the Opposition, the Board has agreed a tightly focused work programme to ensure that we can push the boundaries further. Over the next year we will focus on, devolution and public service reform; skills employment and welfare reform; and trade and investment policy.

Devolution and public service reform

3. We have formally sponsored the RSA's City Growth Commission, an independent, business-led commission examining the role and responsibilities of English city regions. This review will report in October to influence party conferences and the run up to the election. It will examine the contribution that powerful city regions could provide to the national economy with greater devolution. Importantly, the Board has asked the RSA to look specifically at the important contribution that smaller cities can make.
4. We have advance plans for an international peer review that would bring leaders from major European and Commonwealth cities to look at the social and economic challenges facing English city regions and assess whether they have the tools needed to successfully meet those challenges. This exercise would bring powerful new voices into the devolution debate by showing that English city regions need autonomy in line with what cities in other countries have in order to be competitive globally, while pointing to areas where English city regions are leading the way internationally. Preliminary discussions have been had with LGAs in Germany, The Netherlands, Canada and South Africa, who have all been very positive. We are currently in the process of confirming panellists, with a view to arranging a visit in late autumn. This review exercise is intended to open a wider discussion on exchange of best/emerging practice internationally.
5. In the autumn, we intend to look at the future of LEPs, building on the recognition of the city and sub-region as the primary body of delivery. The key issues include freeing the business voice from bureaucracy, embedding public accountability, and improving geographic alignment. We have already engaged the new Local Enterprise Partnership (LEP) Network and found that there was significant overlap of views with local government on how local economic development can be strengthened. The LGA and the LEP Network are now working together in developing a call for major changes from Government to strengthen local partnerships, with key messaging focused on greater devolution of economic development powers and funding as well as more joined-up central government.
6. In the autumn, we will be developing our work on financial devolution and we will be working with the LGA's independent Local Government Finance Commission to build on their work to model how place-based budgets and public service integration could

operate in a city region, within a system that takes into account issues such as redistribution.

Skills, Employment and Welfare Reform

7. The focus of our work here is to ensure that there is political consent to a local delivery of skills, employment and welfare reform when ministers re-let the Work programme in 2016. Cities have reported that the lack of devolution in this area is stifling local growth.
8. To set the context for the work, we commissioned the Centre for Social and Economic Inclusion to set out the future skills and employment challenges that will hit the desk of an incoming (or returning) skills minister. This report was launched at LGA Conference and not surprisingly, it suggests that without reform to the current system we will fail to provide the skills to drive growth. The research shows that the current population will have an average of qualification level of 2.3 (GCSE or equivalent) by 2022, when a qualification level of 3 or above (A level or equivalent) is required. This is the first in a series of reports that CESI will provide to the Board up to the end of 2014.
9. We are now commissioning academic research to evaluate localised pilots on skills, employment and welfare reform. This is a joint commission with the People and Places Board. The aim is to get this into the public domain by the autumn.
10. From the above, we plan to work with councils on a *deep-dive* to develop what a localised model could look like after the re-letting of the work programme in 2016.

Trade and investment

11. Earlier this month, the Board had a discussion about what a progressive and dynamic economy requires in terms of trade capacity. Our work to date shows that the devolved delivery models in London, Scotland, Wales and Northern Ireland are working, but with the number of foreign investment projects secured outside London (in England) having declined by 25 per cent between 2010 and 2012. This gap in city region responsibility was picked up in many of the Strategic Economic Plans which have been recently signed off by leaders.
12. The Board examined English city strategies, international perspectives and business demands. From this Board discussion, we scoped out the parameters of a deep dive with business to explore the greater role that English city regions could play in encouraging UK businesses to export and attract foreign investment. We will be working with Chief Executives' advisors over the summer to develop the detail.

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