

BROMSGROVE DISTRICT COUNCIL

CABINET

4 JUNE 2008

SUB NATIONAL REVIEW OF ECONOMIC DEVELOPMENT AND REGENERATION

Responsible Portfolio Holder	Roger Hollingworth, Leader of the Council
Responsible Head of Service	Kevin Dicks, Chief Executive
Non-Key Decision	

1. SUMMARY

- 1.1 The report seeks members views on the Government's consultation paper "Prosperous Places: Taking Forward the Review of Sub National Economic Development and Regeneration".

2. RECOMMENDATION

- 2.1 It is recommended that members endorse the responses to the consultation document as outlined at 4.2

3. BACKGROUND

- 3.1 In July 2007 the Government published the recommendations of the Review of sub-national economic development and regeneration. This sought to provide the framework to enable central and local government and other partners to work together to help maximise prosperity in all parts of England and tackle social deprivation and inequality.
- 3.2 The consultation paper "Prosperous Places: Taking Forward the Review of Sub National Economic Development and Regeneration" published on 31st March 2008, details the implementation of those recommendations.
- 3.3 The consultation paper (attached at Appendix 1) invites views on the governments detailed proposals for implementing SNR and has a response date of 20th June 2008. Legislation is expected in the next parliamentary session, beginning in November 2008.
- 3.4 The consultation sets out and seeks views on the proposals contained in the SNR for putting in place reforms that would:
- Streamline the regional tier, introducing integrated strategies and giving the Regional Development Agencies (RDA's) lead responsibility for Regional Planning;

- Strengthen the local authority role in economic development, including a new statutory duty to assess local economic conditions: and
 - Support collaboration by local authorities across economic areas.
- 3.5 It is intended that the integrated strategies will replace the regional economic strategies and regional spatial strategies. The strategies should set out, for each region, a vision of how and where sustainable economic growth should be delivered.
- 3.6 It is suggested, within the consultation paper, that a Regional Forum of Leaders (RFL) is created to represent all local authorities in the region. The role of the RFL will be to sign off the integrated strategy and to hold the RDA and its partners to account. The RFL for the West Midlands has already been created with Paul Middleborough (Leader, Wychavon District Council) representing the Worcestershire Districts. Roger Hollingworth (Leader, Bromsgrove District Council) acts as deputy to Paul. Councillor Dr George Lord (Leader, Worcestershire County Council) also sits on the RFL.

4. RESPONDING TO THE CONSULTATION

- 4.1 It is suggested that given the Councillor Paul Middleborough represents the Worcestershire Districts that a collective response to the consultation should be submitted by Worcestershire.
- 4.2 The consultation questions and the suggested responses are as follows:

Chapter 3 Stronger Partnerships for Regional Growth

Q1. How should RDA's satisfy themselves that sufficient capacity exists for programme management and delivery at local or sub regional level?

Response: We do not see a role for RDA's assessing local authority capacity. A new performance framework has been developed for local authorities and it should be through the new Comprehensive Area Assessments that capacity should be addressed.

Regional Improvement and Efficiency Partnerships have recently drawn up strategies in each region and will be assessing the nature of existing economic development capacity and the need to build capacity in the future. We believe that efforts to build local authority capacity should be led by the local government sector itself.

Q2. Do you agree that local authorities should determine how they set up a local authority leaders' forum for their region, and that the Government should only intervene if the required criteria are not met or it failed to operate effectively? If not what would you propose instead?

Response: Agree with the proposals.

Q3. Are the proposed regional accountability and scrutiny proposals proportionate and workable?

Response: Yes however we are concerned that the proposals as they currently stand take away some of the democratic accountability of the current arrangements and this needs to be addressed.

We are also concerned that the consultation paper explicitly states that the accountability of RDAs to the Secretary of State for Business, Enterprise and Regulatory Reform “is the principal way” that RDAs will be held to account. We think that accountability to the elected councils in the region should be as important, given that RDAs will take responsibility for regional planning, which affects the property rights of individuals and businesses and determines the future character of places.

Chapter 4 Integrating regional strategies to promote growth

Q4. Do you agree that the regional strategy needs to cover the elements listed at paragraph 4.13? Are there other matters that should be included in the regional strategy to help in the delivery of key outcomes?

Response: Agree to the suggested elements.

Q5. Do you agree with the way in which we propose to simplify the preparation of the regional strategy, as illustrated in the figure (on page 35) in particular allowing flexibility for regions to determine detailed processes? If not what other steps might we take?

Response: Agree to the process as long as it takes account of the democratically elected members.

Q6. Do you think the streamlined process would lead to any significant changes in the costs and benefits to the community and other impacts?

Response: We believe the proposed process would increase costs and there are concerns as to how these would be funded. It is also felt that this would take away the democratic mandate that local authority members have.

Chapter 5 Strengthening sub regional economies – the role of local authorities

Q7. Which of the options for the local authority economic assessment duty (or any other proposals) is the most appropriate?

Response: Option 2 is the preferred option as it gives most flexibility but is still within an overall framework.

Q8. What additional information or support do local authorities consider valuable for the purposes of preparing assessments?

Response: Can't identify anything else.

Q9. How should lead local authorities engage partners, including district councils, in the preparation of the assessment?

Response: District Councils are a key partner in this moving forward. It is suggested that a formal partnership be set up whereby all partners are involved but that District and County Councils take the lead.

Q10. Which partner bodies should be consulted in the preparation of the assessment?

Response: Those suggested in paragraph 5.20 and any that are identified locally as being of sufficient importance.

Q11. Should any duty apply in London and, if so, which of the proposed models is most appropriate?

Response: No comment.

Q12. Do you agree that there is value in creating statutory arrangements for sub-regional collaboration on economic development issues beyond MAA's? What form might any arrangements take?

Response: Agree that some statutory arrangements should be created but these need to allow flexibility to enable the challenging agenda to be addressed. No specific views on what form the arrangements should take.

Q13. What activities would you like a sub-regional partnership to be able to carry out and what are the constraints on them doing this under the current legislation?

Response: Agree to those at 5.37

Q14. How would a sub-regional economic development authority fit into the local authority framework?

Response: See answer to Q1. It should be aligned with the LAA and the specific indicators of Local Authorities under the new performance framework.

Q15. Should there be a duty to co-operate at sub-regional level where a statutory partnership exists? To whom should this apply?

Response: Yes – it should apply to all partners.

5. FINANCIAL IMPLICATIONS

5.1 None directly to this authority.

6. LEGAL IMPLICATIONS

6.1 None directly to this authority.

7. COUNCIL OBJECTIVES

7.1 None directly to this authority.

8. RISK MANAGEMENT

8.1 There are no direct risks to this authority.

9. CUSTOMER IMPLICATIONS

9.1 None.

10. EQUALITIES AND DIVERSITY IMPLICATIONS

10.1 None.

11. VALUE FOR MONEY IMPLICATIONS

11.1 None.

12. OTHER IMPLICATIONS

Procurement Issues
None
Personnel Implications
These will need to be considered in more depth once final proposals are produced.
Governance/Performance Management
None
Community Safety including Section 17 of Crime and Disorder Act 1998
None
Policy
These will need to be considered in more depth once final proposals are produced.
Environmental
None

13. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	Yes
Executive Director - Partnerships and Projects	Yes
Executive Director - Services	Yes
Assistant Chief Executive	Yes
Head of Service	N/A
Head of Financial Services	Yes
Head of Legal, Equalities & Democratic Services	Yes
Head of Organisational Development & HR	Yes
Corporate Procurement Team	No

14. WARDS AFFECTED

All wards

15. APPENDICES

Appendix 1 Prosperous Places - Taking forward the Review of Sub National Economic Development and Regeneration

16. BACKGROUND PAPERS

None

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