

**WYRE FOREST DISTRICT COUNCIL**

**CABINET MEETING**  
**THURSDAY 26<sup>th</sup> JUNE 2008**

**Prosperous Places: Taking forward the Review of Sub National Economic  
Development & Regeneration – CLG Consultation**

<b>OPEN</b>	
<b>COMMUNITY STRATEGY THEME</b>	<b>Economic Success Shared by All</b>
<b>CORPORATE PLAN THEME</b>	<b>District wide Regeneration</b>
<b>CABINET MEMBER</b>	<b>Cllr Stephen Clee</b>
<b>RESPONSIBLE OFFICER</b>	<b>Head of Planning, Health &amp; Environment</b>
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<b>APPENDICES</b>	<b>Appendix 1 – Summary of Responses</b>

**1. PURPOSE OF REPORT**

- 1.1 To agree the Council's response to the latest Department for Communities & Local Government consultation on the Sub National Review implementation.

**2. RECOMMENDATION**

**The Cabinet is asked to DECIDE:**

- 2.1 **To confirm the consultation response set out in Appendix 1 to this report.**

**3. BACKGROUND**

- 3.1 In March 2008, the Department for Communities & Local Government (CLG) published its second consultation document on the implementation of the Sub National Review (SNR) changes: Prosperous Places: Taking Forward the Review of Sub National Economic Development & Regeneration.
- 3.2 The consultation closed on 20<sup>th</sup> June 2008 and, under delegated powers, the Council's response was agreed with the Cabinet Member for Regeneration & Enterprise and forwarded in the timetable deadline. The response submitted is set out in Appendix 1 to this report.

**4. KEY ISSUES**

- 4.1 The consultation document sets out how the government intends to take forward the implementation of the SNR which was first announced in July 2007. The proposals set out reforms that would:
- Streamline the regional tier of strategies, e.g. Regional Spatial Strategy, Regional Economic Strategy and Regional Housing Strategy into one Sustainable Integrated Regional Strategy (SIRS) led by the Regional Development Agency
  - Introduce a statutory duty for upper tier local authorities to assess local economic conditions
  - Support collaboration across economic areas by local authorities by reaching over administrative boundaries.
- 4.2 The consultation poses a series of 15 questions to guide responses to the consultation and these, together with the Council's response, are set out in Appendix 1 of this report.

**5. FINANCIAL IMPLICATIONS**

- 5.1 There are no immediate financial implications for the Council as a result of this report.

**6. LEGAL & POLICY IMPLICATIONS**

- 6.1 There are no immediate legal and policy implications as a result of this report.

**7. RISK MANAGEMENT**

- 7.1 There are no immediate risks arising as a result of this report.

**8. CONCLUSION**

- 8.1 The Council will need to continue to take a vigilant and participative stance in relation to the introduction of the SNR in order to maximise the influence it can place on the proposed changes in order to secure the best economic regeneration and sustainable communities benefit for the district.

**9. CONSULTEES**

- 9.1 CMT

**10. BACKGROUND PAPERS**

- 10.1 Prosperous Places: Taking forward the Review of Sub National Economic Development & Regeneration. CLG March 2008.

**Response: to Consultation Question**

**Q1** *How should RDAs satisfy themselves that sufficient capacity exists for programme management and delivery at local or sub regional level?*

**Response:** The consultation document emphasises the economic regeneration dimension of the SNR, but is light on consideration of the roles and responsibilities under the Regional Spatial Strategy and the Regional Housing Strategy. Work on both of these strategies in the West Midlands has hitherto been premised on a devolved approach to evidence gathering and advice for both tiers of local government in the Region. The amount of resource provided to the Regional Assembly for these services must not be underestimated.

It should not be for the RDAs to assess the capacity that exists at the local authority or sub regional level to undertake delegated activities; this must be left to the local government sector to determine.

**Q2** *Do you agree that the 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 if it failed to operate effectively? If not, what would you propose instead?*

**Response:** It should be for the local authorities concerned to decide how best they are to be represented and, if a leaders' forum is the agreed model, then they should determine how that is set up. However, there seems to be no alternative models considered other than the leaders' forum and there may be other models that local authorities consider to be more effective; the opportunity should exist for these to be explored.

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

**Response:** No; first and foremost, the consultation fails to effectively deal with the democratic deficit that will result in the transfer of powers from the Regional Assemblies to the RDAs, especially the planning powers. At present, there is a greater degree of accountability to local members via involvement through the Regional Assemblies; this will be lost without adequate replacement. The suggestion that local authority scrutiny powers could compensate is not considered to be adequate to replace the 'seat at the table' that Members of both tiers of local government occupy, for example through the Regional Planning Partnership and the Regional Housing Partnership.

**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:** The elements listed have a bias towards economic regeneration and housing growth. There is little evidence of the importance of delivering sustainable communities in the widest sense, which is where the three strategy strands of Regional Spatial Strategy, Regional Economic Strategy and Regional Housing Strategy join. Economic growth will be unsustainable in isolation from the other two disciplines. It is unclear what the key outcomes actually are intended to be.

**Q5** *Do you agree with the way in which we propose to simplify the preparation of the regional strategy, in particular allowing flexibility for regions to determine detailed processes? If not, what other steps might we take?*

**Response:** The same response regarding the democratic deficit outlined in response to Q3 above applies here too. Extreme caution should be applied to any proposal to 'simplify' such an important and complex process. The examples of the Local Development Framework and the West Midlands Regional Spatial Strategy Phase 2 Revision being two cases in point.

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

**Response:** Joining the key regional strategies into a single integrated regional strategy has the potential to be a great deal more efficient and comprehensible, leading to a reduction in costs for the community, as well as a more logical way forward for the development of strategic guidance.

**Q7** *Which of the options [regarding the economic duty] is most appropriate?*

**Response:** The introduction of a duty on the upper tier authorities to undertake an economic assessment of their area is broadly welcomed, subject to the following provisos:

- The role of district councils in the process requires greater clarity
- Sufficient capacity and resources must be made available for the assessments to be carried out
- The use of the finished assessments needs to be clarified .

That said, option 2 appears most appropriate.

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

**Response:** Again, the bias is towards economic factors here and, if we are aiming to promote sustainable communities, then planning and housing information also needs to be factored in.

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

**Response:** Directly by involving the district councils, subject to capacity and through the Local Strategic Partnership.

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

**Response:** As listed in the consultation, plus the LSPs and Regional Observatories.

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

**Responses:** This is best left to those affected to respond to.

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

**Response:** Statutory arrangements might be restrictive and, whilst cross boundary working to reflect functional economic areas is supported, it is felt that this is best left to the local authorities across the region to determine.

**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:** This should include evidence gathering, policy development and service delivery where appropriate.

**Q14** *How would a sub regional economic development authority fit into this local authority performance framework?*

**Response:** Through the Comprehensive Area Assessment and the local scrutiny process.

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

**Response:** Possibly through the MAAs and those involved.

MP/JHL  
22<sup>nd</sup> May 2008