

Leicestershire Strategic Senior Officers' Group

3rd January 2007

Lyons Inquiry into Local Government - Promoting economic prosperity: considering the implications of Eddington, Barker and Leitch.

Report of Leicestershire County Council

Purpose of Report

1. To seek the contribution of the Group to a response to the questions raised by the Lyons review about the findings of the Eddington, Barker and Leitch reviews.

Background

2. The Lyons review of Local Government is due to report in 2007. The Government has asked the review to consider the implications of the Eddington Transport Study, the Barker Review of Land Use Planning and the Leitch Review of Skills (the 3 reviews). The consultation paper to which Lyons would like responses is attached as Appendix 1 to this report.

3. The context is provided by the initial views of the Lyons review (published in 'National Prosperity, Local Choice and Civic Engagement' in May 2006) that local authorities have a unique responsibility and ability to represent the needs and views of an area and its people, and to pursue the well-being of the community. This view is reflected in the recent local government white paper – which places strong emphasis on local authorities' leading partnerships to plan strategically and to shape places.

4. Lyons considers that the 3 reviews raise three common issues: *governance*, how and by whom decisions about policy and funding are made; *convening*, the bringing together of different services and decisions to get the best overall solution; and, *funding*, how it can be used to provide flexibility and incentives to respond to economic changes and make appropriate strategic decisions.

5. The attached paper then goes on to ask specific questions on these issues for each review (pages 5 - 6) and gives more context on each review (pages 8 – 13).

6. Comments are required by the 19th January.

Leicestershire Context

7. In Leicestershire we operate at national, regional, sub regional, housing market area (HMA) levels as well as within the County. It is important that 'Leicestershire Public Service PLC' has a coherent view of the needs and opportunities in the County and that:

- (a) these are presented with the necessary evidence to ensure that appropriate funding and support is obtained from resource allocations determined outside the County;
- (b) decisions within the County reflect mutually agreed priorities across themes and the responsibilities of individual agencies.

8. With specific reference to spatial planning, transport, economic development:

- (a) National and Regional level – there is a general need to achieve ‘fair funding’ by making the case for Leicestershire in terms of direct funding to agencies. Funding for infrastructure to support development and for transport improvements has been obtained through the regional funding allocations process (for Leicestershire’s share of regionally important schemes), through grants for funding local transport plans and by successful bids to Government for New Growth Points and Transport Innovation Grant funding. Both the latter were undertaken with partners in the Three Cities Sub Region. Economic Development funding comes through emda, mainly via LSEP.
- (b) The Three Cities Sub Region and Housing Market Areas (HMA) – the 6 principal local authorities are currently developing governance structures for the Three Cities which has been recognised as a ‘city region’ and has already obtained funding for growth points and transport innovation funds. A funding framework, possibly a Multi Area Agreement (MAA), will be prepared which will probably include culture and skills as well as physical economic development, land use and transport. This will be the vehicle for agreeing what funds should be allocated for Three Cities area wide priorities and how much should be allocated to each HMA including Leicester Shire. HMA structures will be required to prepare proposals to the Three Cities level and to agree priorities and allocations between the City and County areas.
- (c) Within Leicestershire a new Sustainable Community Strategy and the development of the LAA will provide a framework for agreeing strategic priorities across themes and geographies. There is the opportunity to use planning and funding for spatial development and transport improvements (developer contributions, New Growth Points Funding, etc.) as a basis for agreeing improvement priorities for the main towns and developing a coherent programme that includes priority neighbourhood regeneration, town centre improvement, culture skills planning, etc.

9. This context suggests that the tools for governance, convening and the management of funding are already available within the Leicestershire Together partnership framework and using the Sustainable Community Strategy and the LAA. There may need to be some adjustments to strategic planning processes and further development of joint working in some settings to achieve a more joined up approach.

Recommendation

10. It is recommended that the Group:
- (a) gives initial consideration to the issues raised in the Lyons Inquiry consultation at the meeting;

- (b) sends written comments for inclusion in a response by 16th January (to Andy Robinson)
- (c) agrees that the Chair signs off the final response.

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