



Lyons Inquiry into Local Government: Promoting economic prosperity Eddington, Barker and Leitch

Bradford Council Response 19 January 2007

1. Summary

- 1.1 This note provides a response from the City of Bradford MDC to the additional questions published by Sir Michael Lyons in December 2006. In doing so, we identify some of the implications for local government of the Eddington, Barker and Leitch reviews.

2. Key Messages

- 2.1 The key messages we would seek to highlight as inputs into this phase of the Inquiry are:
- Place-shaping requires attention to detail and a focus on outcomes rather than means. A balance needs to be struck between national policy expectations and local ambition and accountability.
 - The sources of funding for local government determine its scope for decision making and its ability to determine and deliver priority investment.
 - Suggestions of new organisational and institutional arrangements for local government will not work if imposed on a 'one size fits all' basis.
 - The Council has a key role to play in co-ordinating agencies to work together to respond strategically to skills needs.

3. EDDINGTON

3.1 Governance

Can local authorities work effectively in partnership to deliver transport outcomes or are new/reformed institutions necessary?

Bradford Council has been working successfully as one of the West Yorkshire Transport Plan Partners using a Member Steering Group drawn from all five Councils and the Passenger Transport Authority to inform, direct and monitor LTP preparation and delivery. Strategic approval of the LTP submission and programme is given through the Association of West Yorkshire Authorities. These arrangements are effective. The challenge has come in pursuance of a transport agenda for the City Region's eleven partners. The ability to devise new arrangements is confirmed by the submission in November 2006 of the City Region Development Programme, and its Transport Vision shows that partners are able to show the behaviours necessary to come together. In particular, the intention to add a further fare zone beyond the West Yorkshire boundary is evidence of ability and resolve to follow a common purpose where transport is concerned. A Congestion Partnership has been set up by the City Region partners which also shows commitment to a sustained and shared approach.



What are the key behaviours required of local authorities to work in such partnerships? Would new institutional or contractual arrangements be needed to support them?

A key characteristic of any new arrangements must be subsidiarity. Some local authority partners in current transport arrangements are substantial spatial and economic entities in their own right, such as the Bradford district with nearly 500,000 people. New institutions for wider areas will succeed only where they draw their influence by consent rather than imposition.

Do the issues considered by Eddington – particularly the potential benefits of aligning transport with other policy powers – offer the best overall design for governance arrangements? How could local government make use of any new bus powers in line with its broader role in promoting economic development?

The suggested powers that may be introduced in a Road Transport Bill are valuable in building balanced partnerships with the bus industry. The Bradford district has a growing population of working age which is a strategic resource for increasing economic productivity of the city region. Improved accessibility and mobility for this workforce to training and jobs is essential. This means that the bus must be affordable, reliable and available between locations and at times convenient to emerging development patterns and not just historic arrangements. Access to adequate revenue support for relevant service patterns and levels is important.

A closer relationship with the rail industry is necessary for local government. The spatial impacts of rail can be deeper than that of the bus in areas where there is a rail network.

3.2 Convening

How can local authorities make the links between transport and other elements of economic development and quality of life most effectively at the local level?

Local authorities can ensure that the Sustainable Community Strategy is used as a good opportunity to draw together transport, economic development and other quality of life elements between wider partners. Within the local authority the Local Development Framework provides a key opportunity to relate activities including the local economy with their transport impacts and to make use of transport to facilitate future development patterns.

3.3 Funding

How could current funding arrangements best be reformed to support cost effective and appropriate spending and investment decisions at sub-national level?

Government needs to be more clear about what are national transport networks and not confuse funding of these with sub-national networks where more local decision making is both informed and appropriate. It is important that transport within places which are important for local economic growth is given as much recognition as key interurban corridors and national gateways.

The Regional Funding Allocation process has been more about prioritising from national project lists rather than being outcome focused based on local and city economies.

The dilemma with much transport funding is that it is provided nationally and is subject to national evaluation criteria which do not account for local prioritisation and responsibility for outcomes. The regeneration and economic benefits of transport expenditure are undercounted. While access to national funding is incentivised to a small degree, the scale of transport expenditure required to provide and maintain adequate transport

networks and the accountability for it is closely related to the alternatives in raising local revenue.

4. BARKER

4.1 Governance

What specific measures are needed to ensure that local planning authorities have appropriate flexibility over issues of solely local impact? Are there particular implications from the Review's recommendations on the use of green belt land?

The Local Development Framework introduced by the 2004 Act is over prescriptive and inhibits local flexibility. It is perhaps too soon to pass final comment, but there is sufficient concern that the tests of 'soundness' are inhibiting creativity and progress and are resulting in plan-preparation becoming both more risk averse and expensive in resources. The inability to change allocations through other than a Development Plan Document and the hierarchy of DPDs means that Planning in areas of major and rapid change, especially where business and economic issues are involved, is unable to play a pro-active part. There are inadequate up to date guidelines for 'departure' applications owing to the proper dependence upon the plan-led system but insufficient flexibility within plan preparation to enable it to be credible, other than as a block to development. There is concern in some quarters that the final Review report promotes a presumption for development. If true this is arguably the inevitable outcome of over complex and prescribed plan-making.

What different approaches could be taken to enable strategic decisions to be taken at an appropriate spatial level? Can local authorities work effectively in partnership across wider areas to do this or are new/reformed institutions necessary?

The Local Government White Paper offers positive and welcome comment on the role and place of Planning within local authority structures. However, the ability to exercise greater local discretion is an inevitable requirement for Planning to be seen as a worthwhile area of strategic activity for a local authority rather than simply a regulatory task. There is doubt that the current plan-making is sufficiently appealing when compared with other areas.

Government provides a raft of national planning policy. The drive to update this is understood although it is leading to inertia as plan preparation is constantly out of date and runs the risk of 'unsoundness'. There is scope for national planning policy to be more concise and focus on general principles rather than attempting to cover all possible aspects.

The Review's comments on green belt appear to apply more to the South East than other areas of the country where environmental quality is more clear cut and current national planning policy continues to provide a firm approach. Regional Spatial Strategies are the suitable vehicle for reviews of the purpose of green belts.

The introduction of Regional Planning Bodies is a sufficient intervention in local authorities' Planning responsibilities, especially where these are 'unitary' authorities with a clear spatial identity. Partnership between local authorities needs to have some wider purpose such as economic or transport engagement to which Planning would respond.

What role should local authorities have in relation to a future independent Planning Commission and how should they best work with local communities on their concerns and potential benefits?

The role and responsibility of a Planning Commission needs to be set against a clear statement by Government of those matters of national importance which should fall into its remit. While it may be appropriate for decisions to be taken in the national interest, it is important that local opinion is heard, impacts mitigated and compensation paid at considerate levels. The Planning Commission's role will be facilitated by Government presenting a 'hearts and minds' approach to proposals. This is a complex country where quality of life is based increasingly upon interdependence. While a national plan may be anathema, the nation's comprehensive infrastructure needs could be better presented.

4.2 Convening

How can local authorities link work on planning, housing and transport issues most effectively?

The pro-active work of the Regional Planning Bodies provides a sufficient baseline for working together.

4.3 Funding

What would be the most effective and practical means of creating incentives for local authorities to support appropriate growth?

Incentives for local authorities to support appropriate growth assume that they are not doing so. This is somewhat of an assertion. Until Government changes the purpose of the Planning system, its participants will expect a balanced approach to decision making. There is already an expectation from some quarters that the planning system can act as a development tax. The key issue is infrastructure provision and for the majority of authorities outside the growth areas there is insufficient critical mass of new development for the Planning system to manage this. What is required is a more apparent linkage between development and infrastructure investment.

5. LEITCH

5.1 Governance

With their new strategic leadership role, how can local authorities relate most effectively to a reformed Learning and Skills Council on 14-19 education issues? What are the merits of the different options for managing the division of these responsibilities?

Bradford has had 14-19 structures in place since 2001, including the recently formed Confederation Strategic Executive which includes all 14-19 stakeholders and is chaired by the DCS. Organisational structures have changed over time but have been effective in devising a strategic approach.

Given the changing nature of relationships and restructures within both the LSC and the Local Authority, we intend to progress a strategic officer group to review the nature of relationships and reach a clear understanding of precise roles and responsibilities. Although vital, such co-ordinating mechanisms do take time. In Bradford, this work is further complicated by the outsourcing of the education contract to a private provider (Serco/Education Bradford).

Alongside this work on 14-19 education, Bradford Council has recently been working to improve its strategic role on workforce skills and employment issues within the District. The intention is to establish a strategic funders group that draws together the LSC, Job Centre Plus and the RDA in identifying a common understanding of workforce skills priorities, and subsequently steering local commissioning to meet such agreed goals. The success of this work will be reliant upon the extent to which agencies (including the LSC

and its newly created economic development team) are enabled to act flexibly in line with local priorities.

5.2 Convening

What links need to be made between employment and skills provision, and other local services and responsibilities?

The creation of appropriate pathways is essential to effective employment and skills provision. Clearly the role of education in helping school leavers to be job ready is vital, and this involves not just the attainment of NVQ Level 2 standards but equally an appropriate knowledge of business and industry. Clear pathways post 16 are currently not assisted by the complexity of provision, and as a result the resources expended in this area are not necessarily maximised.

In order to achieve a strong and prosperous economy, it is vital that employment and skills provision is well connected to both analysis of key growth sectors, as well as interventions that promote job growth. Such linkages ensure that local residents are supported to gain and progress within *available* employment, and equally supports the productivity of local businesses.

Bradford's Community Strategy and Local Area Agreement recognise both the centrality of the economy to achieving the District's vision, and the role of people in creating a prosperous economy. Such a holistic understanding emphasises the need to draw on the skills, knowledge and resources of a wide range of stakeholders when progressing the workforce skills and employment agenda, including the health sector. The employment and skills boards suggested by the Leitch review provide suitable vehicles for creating and maintaining these links.

What role should local authorities play in a new demand-led skills system?

Local Authorities have a lead strategic role to play in ensuring an effective demand-led skills system that responds well to current and future needs. In their place shaping capacity they should take the lead on ensuring delivery is well co-ordinated, avoids duplication and most importantly meets the needs of the economy and residents in both their own district and the wider labour market.

Local Authorities have a role to play in generating employment demand through a range of regeneration interventions. In Bradford examples include the development of the retail led Broadway city centre project, Building Schools for the Future, and the delivery of the Airedale Masterplan. The role of the Council itself as a substantial employer within the District should also not be forgotten.

The Local Authority is also well placed to develop an in-depth understanding of the local (and wider) economy, and identify appropriate and effective interventions to support its growth. Bradford Council is currently taking a proactive role in the development of a new economic strategy for the District, that will take a long term perspective, and draw specifically on labour market, skills attainment and benefit claimant information, as well as knowledge of scheduled transport development and planning decisions.

Finally, the Local Authority has a crucial role to play in mediating between the commercial requirements of existing businesses, and the needs of current and future residents. In delivering this role in Bradford, the Council provides job brokerage functions, alongside interventions to secure local employment within large scale contracts. Such a broker role is reliant upon the distinctive position the Local Authority occupies, and its ability to work with business, learning providers and funding agencies.

What role should local authorities play in the proposed Employment and Skills Boards, to ensure skills and employment issues are properly linked to wider work on economic prosperity and development?

As identified above, Local Authorities should play a proactive and prominent role in the proposed employment and skills bodies, in order to ensure effective mediation of perspectives and priorities and the achievement of a long term vision.

5.3 Funding

What implications for local authority funding do the Leitch recommendations or related proposals have?

Following the above approach, which emphasises the need for co-ordination and alignment of activity, the key issue with regard to funding is the need for greater flexibility in the use of existing resources, both within the Local Authority and across other public funding bodies including the LSC. Thus, the scope for bending resources to local priorities identified in last year's City Strategy pilots could usefully be rolled out, and enabling measures identified through the LAA process be permitted. There is further potential to build such flexibility into the design of new funding programmes, including the national ESF programme currently out for consultation.

With regard to such local influence over resources, we would welcome clarification on the Leitch recommendation that Government should 'target help where it is needed most'.

Leitch recognises the need for public funds to be focused on supporting lower level skills attainment to build sound foundations for a prosperous economy. We do not disagree with this approach. However, it is important to create a flexible system that recognises specific local circumstances. In Bradford for instance, where business start up rates are low and competitiveness not yet assured, there may be a case for providing additional public sector resources for higher level skills attainment, in order to achieve the equitable national growth that was identified as a priority within the Northern Way.

There will be financial implications to the Council's commitment to the employer pledge. Further discussion on engagement with the proposed expanded version of the Train to Gain programme would be welcomed.

6. General Questions

6.1 Do local authorities have the powers they need to effectively undertake their place-shaping role, particularly with regard to pursuing economic prosperity?

The Council and its partners take the responsibility and ability to represent the needs and views of an area and its people, and to pursue the well-being of the community extremely seriously. Work has commenced on revising the District's long term vision, sustainable community strategy (including economic strategy), local area agreement and local development core strategy to capitalise on this opportunity.

The pursuit of economic prosperity is a key part of that place-shaping role. Local Authorities must be given the space and opportunity to move forward, particularly in progressing the transport, skills and planning agendas, as per this specific consultation. Wider quality of life issues underpin economic success and infrastructure investments that build resilience and attractiveness need to be integrated with economic strategy making.

Bradford Council recognises 'convening' – the importance of bringing together different sectors, organisations, services and decisions to get the best overall solution – as relevant but recognition also needs to be given to the Council's specific interventions to address the risks each locality faces and its current position and trajectory.

All this would suggest that the democratic nature of local government provides the basis for leadership and strategic partnership in pursuit of long-term public policy and locally appropriate outcomes.

6.2 How do the issues raised by the three reviews, and the implications of their recommendations, vary between different parts of the country and different kinds of place?

Bradford Metropolitan District is two-thirds rural, contains five major settlements (Bradford, Shipley, Bingley, Keighley and Ilkley) and is a significant contributor to the Northern, and specifically Leeds City Region, economy.

The Reviews, the implications of their recommendations and any Government policy or initiative (as well as those from all other such Government work) plays out in a diverse, complex manner. Place-shaping requires attention to detail, and hence to the local below broad brush designations. This is the cornerstone of the localism debate and requires a focus on outcomes and less on the prescription of means. Co-production of enhanced skills, vibrant local economies and successful, sustainable places requires a clear policy perspective on the relationship not just between the state and citizens but between the national, local and neighbourhood tiers.

6.3 Are there any other aspects of these reviews relevant to local authorities and to their place-shaping role that have not been identified?

Bradford Council wishes to stress the importance of connectivity to other issues, some covered by recent and on-going Reviews and some not. The boundaries placed on this latest phase of the Inquiry to look only at land use, transport and skills raises issues about how local-proofing of the range of such work can be effectively addressed as a cumulative package. For instance, the Stern Review on the Economics of Climate Change would seem a critical review to evaluate for local purposes (and the Better Regulation Taskforce is seeking to do some work on this matter in parallel with this phase of the Lyons' Inquiry).

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