

Promoting economic prosperity: considering the implications of Eddington, Barker and Leitch - Questions for stakeholders

Cambridgeshire County Council

Responses are in *Italics* below

Overall

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

Many of the powers exist but are relatively diffuse at the sub-regional level. Development planning powers are focused either high up at Regional level or more locally at District/Borough level. This requires a very high degree of co-ordination for effective strategies to be constructed over wide functional zones (e.g. urban catchment zones or city to city arcs). Statutory sub-regional spatial strategies, to be led by Counties/unitaries and jointly prepared by the relevant local authorities (where appropriate) would remedy this. Longer term certainty on planning would also be beneficial. They could be drawn up in parallel with RSS and would provide clear frameworks for physical and economic growth and show the justification for infrastructure investment. Once completed they would greatly simplify the LDD stages of the planning process.

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, for example between rural areas and major cities?

The role of major cities and other urban areas to act as a focus of growth and change has been recognised in the reviews, including potential economies of scale and energy efficiency. However, the potential of smaller towns, suburbs and villages may have been under-estimated especially as high-technology and ICT reduces the need to travel. The potential for alternative means of harnessing more rural communities within wider economic networks should be kept under investigation.

Are there any other aspects of these reviews relevant to local authorities and to their place-shaping role that I have not identified? If so, what are they and what are their implications?

- 1. Local authorities should be more empowered to lead communities in adaptation to climate change and steering local enterprise towards a low carbon economy (e.g. stronger planning powers, establishment of social enterprises, working with European Partners to spread best practice.) In the longer term the most successful economies may be those that have adapted soonest to meet the challenge of global warming, and local action is needed to make it happen.*
- 2. There is still huge uncertainty about the future of funding for planning, especially for Counties, as Planning Delivery Grant is wound down. A system that rewards good performance against agreed targets should*

be found, provided that it is kept relatively simple to administer. The current proposals for Planning and Housing delivery grant do not seem to be relevant to Counties and are in any case widely regarded as technically flawed.

Eddington Transport Study

Governance

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

Existing structures, if used appropriately, should allow local authorities to work together to achieve the outcomes that are required by Eddington. This does, however, require a willingness of the authorities involved to work in true partnership.. Where there are political or other differences, this may not be the case and so the objectives may be frustrated.

- 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?

As with any partnership, openness and a willingness to achieve joint outcomes and jointly own problems and solutions are needed. These points do not always exist although the increasing use of Local Area Agreements to deliver joint outcomes provides an opportunity to develop arrangements.

- Do the issues not considered by Eddington – particularly the potential benefits of aligning transport with other policy powers – alter the best overall design for governance arrangements?

Transport decisions are at times isolated from other policy decisions and a bringing together of policy areas may be helpful but in itself, this does not require new structures as long as the partnership working noted above is established effectively.

- How could local government make use of any new bus powers in line with its broader role in promoting economic development?

This largely comes down to aligning the policy areas. Improved accessibility through public transport provision can aid economic development. Bus services that would provide this are likely to require subsidy and so new powers to allow local authorities greater influence over how and where services are provided would be useful. Probably the most significant issue though is the longevity of funding that would be required.

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?

The key point here is a bringing together of policy. At present, planning policy is separated from transport policy and a closer connection between the two would help. Greater mobility of budgets and joint working are also important.

Funding

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

Greater certainty and clarity of funding decisions is vital. For example, despite the Regional Funding Allocations for transport, a lot of money is still being spent developing schemes that may not subsequently secure Government funding. Greater assistance from DfT in smoothing the decision making process would also be helpful.

- What transport funding sources are most appropriately managed by local bodies? What would be the most appropriate incentives to encourage the adoption of demand management options at a local level?

Any revenues secured locally are best managed locally. For example, if road user charging is introduced, the proceeds should be spent locally on local priorities. If not, the incentive to introduce such schemes will be reduced.

- Local authorities currently retain the revenues from local road pricing schemes. How might further developments in this area affect the use of those revenues?

It is important the road pricing revenues are retained within transport expenditure and do not allow a corresponding reduction in core government transport funding. Other than that, flexibility in the use of any revenues raised would be extremely helpful.

Barker Review of Land Use Planning

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?

In practice there is considerable flexibility in the planning system already, contrary to views sometimes advanced from the private sector. There is a danger that too much flexibility (in terms of upward pressure on housing numbers) could erode agreed strategies and the ability of local authorities to manage growth in step with infrastructure and new jobs. For example the government's proposed changes to the RSS for the East of England has increased housing numbers with no clear rationale, has indicated that those numbers are the minima to be achieved, and (as a result of changes to PPS 3) do not take account of new housing from windfall sites.

In relation to Green Belt it should not be assumed that relaxation of restraint would automatically have beneficial economic effects. In the case of compact and historic cities such as Cambridge, there can be practical limits to the growth that can be sustainably absorbed. Green Belts could be helpful in promoting multi-centred patterns of growth, helping to define the extent of urban areas where efficient patterns of movement can be optimised. Rather than scrap Green Belts it would therefore be better to adapt them so they can be more helpful in the process of sustainable development and economic change (e.g. more flexibility in terms of uses or period of review).

- 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?

Where significant cross-authority strategic issues have been identified, for example by the Regional Planning Body, joint planning arrangements should be a requirement rather than voluntary. Whether this is as a partnership or a new body will depend on the scale of the challenge, the complexity of the local situation and the track record of partnership working in the area. County authorities are well placed to assist in partnership working.

- 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?

Wherever major planning issues impact on local areas or broader sub-regions, it is vital that the Planning Commission should work closely with the relevant local planning authorities at each stage of the process. Not only are local views important in their own right, they can also assist in reaching sound decisions and identifying appropriate mitigations if necessary.

Convening

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

Local Authorities can link housing, planning and transport issues together at a sub-regional level. This also provides an opportunity to link up to economic strategies.

Funding

- What would be the most effective and practical means of creating incentives for local authorities to support appropriate growth?
- How should the empty property relief in business rates be reformed? How should a charge on vacant and derelict brownfield land be introduced into the existing local land and property tax system? Would any local flexibility on such measures be desirable?

Local Authorities are all working to develop sustainable communities. The localisation of business rates sub-regionally would provide an incentive for economic development and would facilitate a closer working relationship with the local business community. There would be greater accountability and a clear relationship to local services.

The suggestion of a review of the changes on derelict and vacant industrial land is to be welcomed. This needs to consider carefully the spatial consequences of any proposals and the use of any additional income to provide complementary improvements in a similar way to business improvement districts.

Leitch Review of Skills

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?

The review has significantly concentrated on training and lifelong learning rather than the traditional role of schools and universities. The further streamlining of the LSC proposed would mean their removal from the detailed planning at national, regional and local level. Safeguarded Personal and Community Development Learning is little mentioned in the review, yet in delivering the overall strategy for this funding as an entry point to learning, especially for hard to reach learners, it is important to recognise the strategic role of local government and the links to LAA Bock 4

Convening

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

The replacement of LSCs responsibilities with the Commission for Employment and Skills will demand close co-operation with local authorities and increase involvement with skills and employment. Leitch again places an emphasis on ensuring that large employers play a lead role in developing their workforces - and this clearly implies that an appropriate level of resources are made available - there is a significant issue here for local government and its health partners as usually the largest local employers

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

It is important that Local Government is strongly linked into the Employment and Skills Boards, along with the SREPs, and also plays an effective role in a reshaped LSC linking to the LAA/LSP agendas

Funding

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

The relationship between local authorities and the reformed LSC is difficult to judge at local level given their staffing difficulties and this has put greater pressure on the local authority to lead and deliver – adding to the pressure on our already limited resources. A larger funding question exists over whether the Government's current priority for schools will continue or will skills become a more significant focus.

General

We are concerned given their important to the local economy that the need for resources to address the needs of migrant workers is not addressed by Leitch - clearly their local impact is of great concern to local government especially in the East of England.

In 2 tier areas there is a need to bridge the complexity between local strategic planning frameworks and overall learning governance existing as these do in different tiers.