

**SOUTH EAST ENGLAND COUNCILS
EXECUTIVE COMMITTEE MEETING**



Date: 13 November 2013

Subject: **Clearing the Hurdles: Localis-SEEC report on freeing localities to boost national growth. Update & next steps**

Report by: Nick Woolfenden, SEEC Head of Policy Co-ordination

Recommendations:

SEEC Executive members are asked to:

- i) Note the launch of the SEEC/Localis report recommending ways Government can help maximise local potential to support national economic growth.
- ii) Raise key recommendations from the report with local MPs and decision makers.
- iii) Note SEEC & SESL are writing to Ofcom on superfast broadband and meeting BT on 13 November.
- iv) Contribute to the developing action plan to take forward other key recommendations.

1. Clearing the Hurdles

- 1.1 Following member input and discussions at previous meetings, localism think-tank Localis and SEEC have published a new report '[Clearing the Hurdles](#)' looking at how to grow the country's economy by devolving power and responsibility locally.
- 1.2 The report was launched in October at a round-table event attended by CLG Minister Brandon Lewis MP, senior local government and business representatives, policy experts including Tony Travers (LSE), and chaired by Municipal Journal Editor Michael Burton.
- 1.3 SEEC worked with Localis on ways that central Government could better support local authorities' commitment to economic growth in the South East. As the UK's economic engine room, South East success is critical to local and national economic recovery, offering the highest net returns to the Exchequer and providing global trade gateways for London and the UK. However despite the commitment of all tiers of local government to economic growth, barriers remain which hold back the South East's full potential.
- 1.4 The report highlights these barriers and how Government action could help councils and their partners overcome them.

2. Recommendations

- 2.1 The report's nine recommendations below highlight the importance of funding and devolution in freeing up local growth:
 - i) Government should adopt a balanced investment portfolio. In tough economic times Government should ensure a proportion of its funding is invested in projects that offer high returns – the South East can fulfil this need, balancing out lower returns in other parts of the country. Government can overcome a major barrier to growth by ensuring proportionate funding that recognises the South East's potential for maximising national and local returns.
 - ii) There is a need to tackle the gap in the market for South East strategic transport investment that offers national benefits.

- iii) It is vital to ensure all parts of the South East have City-Deal-type devolution opportunities and an expanded 2015 Single Pot budget.
- iv) Government should maximise local government's finance raising opportunities which will help fund growth initiatives.
- v) Greater local democratic control will give local authorities the power to meet local needs and opportunities working with partners such as LEPs. This is important for growth and will also help England move away from its position as the most centralised government system in western Europe.
- vi) Government needs to ensure effective bank lending to SMEs.
- vii) New discretionary 'use it or lose it' powers will help councils ensure planning applications turn into development.
- viii) There is a need to meet businesses' skills needs better.
- ix) Improvements to superfast broadband rollout are essential to support growth.

2. Taking it forward

- 2.1 Copies of the report have been sent to all SEEC members encouraging them to raise key issues with local MPs and decision makers. The report has also been sent to Ministers and South East MPs and MEPs, identifying key issues. There has been positive coverage in the national press, including Municipal Journal, Local Government Chronicle and Planning Magazine.
- 2.2 Action to pursue specific recommendations will be developed as part of SEEC's work programme for 2013-14, within the framework of the Business Plan agreed at the last Executive Committee. Members' suggestions for specific actions are welcome as we develop the work programme to ensure issues are raised with relevant Ministers and partners.
- 2.3 One of the report's most pressing recommendations is for Ofcom, in its late 2013 review, to investigate whether the current regulatory framework is holding back local areas from developing their own superfast broadband solutions. SEEC and SESL are writing to Ofcom on this issue, emphasizing the importance of a successful rollout of superfast broadband for growth. Members are also invited to a broadband briefing meeting with BT following today's Executive Committee.