
REPORT TO THE MEETING OF THE EXECUTIVE 18 FEBRUARY 2009

PORTFOLIO: LEISURE, TOURISM, HERITAGE, THE ARTS, CULTURE AND BUSINESS

REPORT FROM THE CHIEF EXECUTIVE

SUBJECT: THAMES GATEWAY SOUTH ESSEX INTEGRATED DEVELOPMENT AND ECONOMIC DEVELOPMENT BUSINESS PLAN

1 DECISION BEING RECOMMENDED

- 1.1 That Members endorse the proposed role of Thames Gateway South Essex Partnership (TGSEP) with respect to supporting economic development in the District and South Essex.
- 1.2 That Members agree that the Integrated Development Programme (IDP) provides the mechanism for identifying the priorities for the sub regional investment into regeneration and economic development, building on the work of Rochford District Council.
- 1.3 Agree that the Chief Executive, in consultation with the Leader, be given delegated authority to work with Thames Gateway South Essex to finalise the Business Plan and to take responsibility for supporting the production of the Integrated Development Plan.

2 REASONS FOR RECOMMENDATION

- 2.1 The reasons for the recommendations are to enable officers to continue with negotiations and discussions for the creation of an IDP.

3 ALTERNATIVE OPTIONS CONSIDERED

- 3.1 The only other option considered is the “do nothing option”. This has been rejected on the basis that, in a difficult economic climate with restricted public and private sector funding, the absence of a coherent ‘story’ for Thames Gateway South Essex would be detrimental to its ability to secure the financial support required to deliver the vision.

4 OTHER SALIENT INFORMATION

- 4.1 In the Sub National Review of Economic Development and Regeneration (SNR) published in July 2007 and updated in November 2008, Government set out a new framework for strengthening the economic performance of England’s regions, cities and localities. The review was informed by three key principles: ensuring policy is managed at the right spatial level; ensuring clarity of roles; and helping places to reach their potential. It placed increasing

emphasis on the role of local authorities, and groups of local authorities, in promoting economic growth, and the delegation of decision-making by RDAs to the local level. The local authority has been strengthening its economic development corporate capacity in response to these new responsibilities.

- 4.2 The Review identified the need for a more integrated approach to tackling economic development and regeneration challenges, which brings together spatial planning, economic development, housing, transport and skills. This was reflected in proposals for new Integrated Regional Strategies to replace the current Regional Economic Strategy and the Regional Spatial Strategy.
- 4.3 The Sub National Review of Economic Development also proposed new reforms to central Government's relations with regions and localities, including the creation of the Homes and Communities Agency (HCA) – a merger of English Partnerships and the Housing Corporation. HCA will soon take over the Department of Communities and Local Government's delivery role in the Thames Gateway.
- 4.4 The Review raises important questions about the way in which Rochford works with other local authorities in South Essex on economic development and regeneration – i.e. the role of Thames Gateway South Essex Partnership, and the activities which are best undertaken at a sub-regional level. It also has implications for the relationship between Rochford and the East of England Development Agency (EEDA), Central Government departments such as Communities and Local Government (CLG) and the new Homes and Communities Agency (HCA).
- 4.5 In the East of England EEDA, GO-East and EERA have piloted Integrated Development Programmes (IDPs) as a tool for identifying investment priorities. An IDP is a single delivery programme for a 'functional urban area' – a city-region or sub-region with clear economic geography. IDPs are focused on capital investments to deliver sustainable growth. As IDPs are concerned with the totality of growth, they provide assurances that housing delivery is considered alongside the other elements of growth required to make it sustainable, in particular transport, economic, environmental and community infrastructure.
- 4.6 EEDA has already supported the development of IDPs in Luton/South Bedfordshire, Peterborough, Greater Norwich, and Haven Gateway, where they were acknowledged as highly useful exercises for investment planning and for strengthening engagement with EEDA. IDPs have also been endorsed as the basis for HCA's 'single conversation' with local authorities/sub-regions and appropriate key partners. It is clear that where there is a strategy and delivery plan in place, with clearly defined priorities, the HCA will have greater confidence to invest and will work with those areas first. The Agency has stated its preference to work on a sub-regional basis to undertake these conversations.

4.7 In light of this, the Chief Executives of the Thames Gateway South Essex local authorities have agreed to undertake the necessary work to prepare an IDP, revisiting the long-term delivery plan for growth and regeneration in Thames Gateway South Essex. The IDP requires partners to compile a schedule of 'investments packages', some defined spatially and some thematically. In Thames Gateway South Essex the main spatial 'packages' might include:-

- East Thurrock / London Gateway
- Grays
- Purfleet
- West Thurrock Lakeside
- Basildon A127 Corridor
- Basildon Town Centre
- Southend Town Centre
- London Southend Airport & its Environs
- Castle Point town centres and industrial estates

The identification of London Southend Airport and its environs arises out of the ongoing work through the Joint Area Action Plan with Southend.

All of these spatial 'packages' are detailed in the Regeneration Frameworks for the individual Local Authority areas, not new projects being proposed as part of the IDP. As the Local Development Framework and Town Centre Plans are progressed we will need to integrate these into future revisions and updates of the IDP.

4.8 The IDP will also highlight the actions required by the local authorities to deliver the economic regeneration – as well as the physical – in Thames Gateway South Essex to achieve the job creation targets and ensure the up-skilling of the local workforce. This will ensure a holistic view of the action needed to deliver the targets for Thames Gateway South Essex. This holistic view will provide a much more strategic and coherent foundation for achieving the overall vision of Thames Gateway South Essex.

4.9 In 2007, TGSEP published an Economic Development Strategy for the sub-region, in consultation with partners. This identified a number of gaps in publicly funded support for local people wishing to set up a new business and for established businesses looking to expand their operations by investing in research and development or through workforce development. Many of these services are delivered at a regional or county level (e.g. EEDA, Business Link, Essex Innovation Network) and their impact in the sub-region needs to be strengthened.

- 4.10 In response, TGSEP commissioned consultants Shared Intelligence to prepare an Economic Development Business Plan, identifying the actions for TGSEP to undertake from April next year, to implement the Economic Strategy. This Business Plan will be created in consultation with partners and will complement the forthcoming Rochford District Economic Development Strategy. The Economic Development Business Plan will form a significant component of TGSEP's overall corporate business plan. The Business Plan will also inform the Economic Development aspect of the IDP.
- 4.11 The recent review of TGSEP resulted in an agreement amongst local authorities that the roles and activities of the organisation should be defined by the local authority partners and that TGSEP should provide strategic support for local authority delivery plans. There was an agreement that the Partnership should 'add value' to local activities and not duplicate existing work or be involved in direct delivery. Consequently, the role of the Partnership should be focused on:-
- Lobbying/championing
 - Leadership and accountability
 - Intelligence gathering and monitoring
 - Advocacy
 - Coordinating activity
- 4.12 The Economic Development Business Plan supports the roles and responsibilities of the Partnership as well as those of local authorities. The range of activities to be carried out can, in summary, be grouped under the following headlines:-
- **Strengthening regional services** – a number of economic development support services are provided at the regional level. Collectively, Thames Gateway South Essex partners can strengthen the impact of these organisations via by the Partnership by intelligence gathering, improving lines of communication, raising awareness of services, and facilitating the co-commissioning of additional services.
 - **Strengthening the relationship with Essex County Council** – other economic development services are provided at the county level, notably the Essex Innovation Network and Invest Essex – the county inward investment agency. There is a need to ensure these expertise have a bigger impact across South Essex. In a similar way to strengthening regional services, this could be done via TGSEP agreeing a Memorandum of Understanding for working with ECC, improving communication, intelligence gathering and facilitating the co-commissioning of additional services.
 - **Joining up Innovation and Enterprise Capital investments** – A number of major capital investments in innovation and enterprise centres are planned across South Essex. There is a risk that these are developed in isolation and the wider impacts are not recognised. The

proposed role for TGSEP is: i) to ensure the key capital projects progress as planned where funding is dependent on other bodies; ii) to commission work to identify synergies between the investments; and iii) ensure the investments are supported by comprehensive support services.

- **Skills Development** – responding to changes in the machinery of Government. The LSC is being replaced by a regional Skills Funding Agency in 2010 and 14-19 provision responsibility is being passed to local authorities in 2010 overseen by a regional Young People's Learning Agency. There is some uncertainty over how these changes will impact on the sub-region. Subject to agreement with partners, there is a possible role for TGSEP to support the establishment of an Employment and Skills Board; to influence the 14-19 and adult skills agenda; to champion employer engagement on skills.
- **Supporting local partners to unlock critical barriers to economic regeneration** – The regeneration and growth of the sub region is dependent on a number of key projects of regional significance. Where there are blockages to these projects, local authorities should be able to call on the TGSEP Board to lobby for support where the voice of the partnership is stronger in making the case to Government.

- 4.13 Achieving a collective agreement on a prioritised and phased programme of both capital and revenue investments with stakeholder endorsement will put South Essex in a stronger position to draw down funding from EEDA and the HCA. The IDP also offers a potential platform for future delegation of funding and decision-making. At a later date, the IDP could provide the evidence base for Thames Gateway South Essex partners to revisit the question of a Multi Area Agreement, which could open up new freedoms and flexibilities with Government to tackle the growth agenda.

5 RISK IMPLICATIONS

- 5.1 The risk in not creating an IDP is that Thames Gateway South Essex will not "punch its weight" in terms of funding allocations for regeneration and economic development.

6 RESOURCE IMPLICATIONS

- 6.1 The cost of producing the finalised IDP will be in the region of £25,000. 50% of that funding will be provided by EEDA. Rochford's contribution, which can be funded from the Council's Economic Development budget, equates to approximately £830.
- 6.2 Officer time will be required to work with the consultants and TGSEP to inform the detail of the IDP.

I confirm that the above recommendation does not depart from Council policy and that appropriate consideration has been given to any budgetary and legal implications.

SMT Lead Officer Signature: _____

Chief Executive

Background Papers:

None

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If you would like this report in large print, braille or another language please contact 01702 546366.