## **REPORT TO THE MEETING OF THE EXECUTIVE 9 JANUARY 2013**

## **PORTFOLIO: OVERALL STRATEGY & POLICY DIRECTION**

### **REPORT FROM: THE CHIEF EXECUTIVE**

# SUBJECT: CITY DEAL INITIATIVE – EXPRESSION OF INTEREST BY SOUTHEND BOROUGH COUNCIL

#### 1 DECISION BEING RECOMMENDED

1.1 To support the Expression of Interest to Government to be submitted by Southend Borough Council.

#### 2 REASON/S FOR RECOMMENDATION

- 2.1 Southend has been invited by Government to submit an expression of interest under the City Deal initiative. Some twenty Authorities have been invited to make a submission, but not all are likely to be successful.
- 2.2 The City Deal initiative aims to give cities the powers and tools they need to drive economic growth locally through unlocking and supporting projects and initiatives that boost local economies. Clearly the economy of Southend cannot be viewed in isolation from the rest of South East Essex and therefore any expression of interest submitted by Southend Borough Council would be strengthened by support from the neighbouring Authorities of Rochford and Castle Point and also the County Council. Wider support from the other Thames Gateway South Essex Authorities would also be welcome.
- 2.3 Southend needs to submit its Expression of Interest by 15 January 2013. An announcement as to which areas will go forward under the City Deal initiative will be made in February 2013.

#### 3 SALIENT CONSIDERATIONS

- 3.1 The twenty cities that have been invited to make a submission under this initiative have been identified by Government as having the greatest potential for growth outside of the core cities, or the population numbers that can facilitate growth.
- 3.2 Each bid must encompass a bespoke element to that particular area and a series of core components around the labour market, infrastructure and private sector growth.
- 3.3 There are specific criteria around the acceptance of City Deals including:-
  - Local investment must be evidenced
  - Political commitment must be shown

- Private sector leverage should be achieved
- Strong governance arrangements are secured
- Doing more with less
- 3.4 In addition to the above points, Government is also looking for:-
  - Risk taking by the local area
  - Having real ambition and challenge
  - Thinking big and ensuring that the solution is cross-departmental
  - Growth that can be achieved that isn't possible from other avenues
  - Genuine public/private sector partnership in delivering the Deal.

Any deal needs to be 'an offer the Government can't refuse' with very clear 'asks' and 'offers'.

3.5 On the basis of the information received to date, Southend is progressing an Expression of Interest, which aims to improve investor and business confidence in Southend and its functional economic area. The bespoke element will focus on targeted under-used land in the context of an urban area with tight Green Belt boundaries and policies. At the time of drafting this report, Southend is still developing its submission to Government to meet the deadline of 15 January. A verbal update on progress and content will be given at the Executive meeting.

#### 4 **RISK IMPLICATIONS**

4.1 There is a risk that any Expression of Interest from Southend will not be successful. However, with the support of neighbouring Authorities and other Authorities in Thames Gateway South Essex, that risk should be reduced. There are also reputational and relationship risks for this Council if it is seen that the Authority is not supporting Southend's submission.

#### 5 **RESOURCE IMPLICATIONS**

5.1 There are no specific budget implications at this point in time. The key resource required over the next six to nine months will be in officer time and commitment in working on any deal with Southend if it is successful in its submission. There will also be Member involvement as the details of any deal emerge and need to be agreed, particularly around the governance arrangements relating to the deal.

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

SMT Lead Officer Signature:

## **Chief Executive**

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