



Total Place in economic development & regeneration

A Further paper

March 2010

The Chief Economic Development Officers Society [CEDOS] provides a forum for Heads of Economic Development in upper tier local authorities throughout England. Membership includes county, city and unitary Councils in non-metropolitan areas. The Society carries out research, develops and disseminates best practice, and publishes reports on key issues for economic development policy and practice. Through its collective expertise, it seeks to play its full part in helping to inform and shape national and regional policies and initiatives.

The Association of Directors of Environment, Economy, Planning & Transport [ADEPT] represents local authority Strategic Directors who manage some of the most pressing issues facing the UK today. The expertise of ADEPT members and their vision is fundamental in the handling of issues that affect all our lives. Operating at the strategic tier of local government they are responsible for crucial transport, waste management, environment, planning, energy and economic development issues. ADEPT membership is drawn from all four corners of the United Kingdom.

Introduction

1. CEDOS and ADEPT welcome the Government's *Total Place* initiative and the intentions and principles set out in the recent report *Putting the Frontline First*. We strongly support the references in *Putting the Frontline First* to:

- letting local areas have more control over setting priorities and guiding resources;
- reducing burdens on the frontline with particular reference to reporting, inspection and assessment;
- reducing duplication and overlaps;
- more devolution of resources to local authorities and local delivery organisations;
- reducing the number of different funding streams;
- rationalising and reforming arm's-length bodies [ALBs]¹ to create a simpler, cheaper delivery structures, and improve the services ALBs are responsible for delivering.

2. We are pleased to have been invited to provide input to help inform the Government's work on *Total Place*. This paper is a further development of the initial one we produced in February. It includes 3 additional examples of *Total Place* approaches to economic development being planned and pursued and also includes examples of barriers that are impacting adversely on its effective delivery at local and sub-regional level.

3. So far, we have only been able to gather some of the evidence that may be available. Moreover, the examples of a *Total Place* approach to economic development are inevitably at an early stage. As with our initial paper, we see this paper as part of the early stage of a process of CEDOS and ADEPT in gathering evidence, putting forward ideas and spreading best practice and we look forward to working closely with the Government, the Local Government Association and others in the months ahead.

Potential for Total Place in economic development and regeneration

4. A number of our member authorities are amongst the thirteen pilots announced in the 2009 Budget report. The themes chosen by the pilots cover in particular, areas such as children/young people's health and well-being, crime and reducing offending, health and social care, access to services, alcohol and drug abuse, and housing. Clearly, there are opportunities for a *Total Place* approach in other areas of activity and we believe there is considerable potential in economic development and regeneration.

¹ As regards what the term ALB covers, we note that in answer to a Parliamentary question on 28 January, the Chief Secretary to the Treasury said the 752 bodies referred to in *Putting the Frontline First* include all bodies named in the Cabinet Office publication *Public Bodies 2008*. The Regional Development Agencies are listed in this publication and are presumably covered by the rationalising and reforming statement in *Putting the Frontline First*.

5. Economic development covers a broad and often complex field of activity, with national, regional, sub-regional and local layers and a large number of organisations and funding streams involved in its delivery. We believe there is scope for reducing duplication and overlaps and simplifying funding streams. Our research and that of the Local Government Association has shown that below the national level, the sub-region is the key economic layer and in this context, elected local authorities have a key role to play in place shaping and leading the partnerships necessary to deliver sustainable economic recovery in an efficient and value for money way.

6. Progress is being made through Local Area Partnerships and Local and Multi-Area Agreements but more needs to be done to remove barriers, give local areas more control over setting priorities and guiding resources, and devolving resources to local authorities and local delivery vehicles. In this context, we believe the strong messages from one of the *Total Place* pilots involving 2 of our member authorities (Central Bedfordshire and Luton) are also applicable to economic development and regeneration, namely "Both locally and nationally, we must move away from centralism and centralist thinking" and the importance of "reducing the burden of reporting, inspection and assessment that currently weigh down public services"

Examples of *Total Place* approaches

7. In this 2nd paper, we provide examples from Cornwall, Essex, Lancashire, Norfolk, Oxfordshire, Shropshire, Suffolk and Tees Valley with others in the pipeline. We must emphasise that these are 'early stage' examples and over time these will be developed further.

Cornwall - Developing a *Total Place/Total Capital* approach

8. *Local prioritisation and rationalising funding* - Cornwall Council is leading the development of the Local Investment Plan in Cornwall through the 'single conversation'. The Council is leading work to better integrate a coherent investment package across a number of different funding streams, including HCA funds (NAHP), Local Transport Funding, Council investment, the European Convergence Programme, RDA funding and, where applicable, private investment. As part of this process, the Council is working with local partners to undertake a robust prioritisation exercise. This is integrated with a Sustainable Community Strategy refresh as well as identifying transformational investments for the long-term future of the Cornish economy (such as the EcoTown within Cornwall). This work is aligned with the Comprehensive Area Assessment for Cornwall – in particular linking to areas identified for improvement. Under the auspices of the Local Strategic Partnership, a robust delivery structure is also being developed – particularly linking to the ability to commission activity through an improved arms length delivery approach.

9. *Reducing duplication/rationalising ALBs* - Cornwall Council is working with local partners to bring together its Urban Regeneration Company (CPRRegeneration) and Cornwall Development Company (the arms length

economic development delivery body of the Council) into one company. A process has been agreed and is now being taken forward. This will result in improved delivery through a sharing of resource both financial and personnel as well as more obvious cost benefits. It will also result in a clearer means of communication for delivering economic development in Cornwall – particularly with the private sector.

Shropshire – Transforming services

10. The new Shropshire Council is committed to reviewing and transforming services to make them more efficient and responsive to local communities. It recognises it cannot do this in isolation and is embracing a *Total Place* approach.

11. An example is leisure services, where the disparity between both the level and quality of service and the variety of service providers has been highlighted. The review aims to increase participation in physical activity to improve health and well-being. Traditionally this would have focused on how Shropshire Council does things but the scope of the review is deliberately broader. In line with the *Total Place* initiative, it involves working with a broad range of partners and other service providers to develop solutions against agreed outcomes.

Market Town Revitalisation

12. Over a third of the county's population lives in market towns compared to a fifth of the population nationally. As well as Shrewsbury, Oswestry, Market Drayton, Whitchurch, Bridgnorth and Ludlow, there is a network of smaller market towns and settlements, which are key service centres. Shropshire's market towns are key to a sustainable economic future and way of life for the county.

13. Market town regeneration is identified as a high priority by the Sustainable Communities Strategy, the Local Development Framework Core Strategy and the Council's Corporate Plan. Whilst there has been significant past investment in some of the towns, the continuing impact of the recession has highlighted an urgent need for a revitalisation programme.

14. This provides Shropshire Council and its partners with the opportunity to review more holistically support to, and service delivery in, market towns and the Council has agreed to adopt a *Total Place* approach. It recognises that market town revitalisation will need to address a broad spectrum of issues, involving numerous council services, partner organisations and stakeholders. It sees it as an opportunity for a major transformation of service delivery, policy development and community empowerment.

15. Within the Council, it will explore the potential for a geographical approach to the management of activity across the range of service functions and policy responsibilities of the Council. This would deliberately but carefully challenge existing hierarchical structures, empowering local

decision-making and flexibility. To be effective it would require integration of activity across all Shropshire Council directorates – both at the strategic level, and for teams based within the towns. It is an opportunity to challenge and break down organisational silos and to respond to the overall needs and circumstances of each individual town.

Essex – NEETS

16. Working with young people who are classified as NEET (Not in Education, Employment or Training) is a high priority of the Government and of Essex County Council. Within the county, Tendring District has the highest percentage of young people classified as NEET. At the end of November 2009, 13.8% of young people aged 16-18 were recorded as NEET (514 young people) as compared to 12.4% (496 young people) in November 2008.

17. Over the last few years a significant amount of funding, resources and time has been invested into reducing and preventing young people in Tendring from becoming NEET. While this investment has impacted positively on many young people, it has not translated into an overall reduction in the number of NEETs. In response to this, partners working in Tendring and across the county agreed to carry out a *Total Place* project to examine the reasons for this problem. The aims of the project are to:

- improve outcomes in terms of numbers of 16 -19 year olds in employment, training or education in Tendring and Essex;
- deepen and strengthen the relationships between partners;
- encourage local leaders to develop the commitment, understanding and skills needed to work outside the boundaries of their own organisations;
- identify options and priorities to redesign local service delivery;
- replicate a successful project methodology across the county;
- realise cash savings to one or more partners in the short, medium, and long term.

18. As a first step, interviews have been carried out with key stakeholders working in the district to gather evidence that can be used to identify potential reasons and develop hypotheses for the high level of young people who are NEET in Tendring and to suggest options for service redesign. The project will be developed further by:

- mapping total activity by partners, which supports young people who are NEET, including information about resources, volumes, performance, and relationships;
- testing the hypotheses drawn out from the interviews against: available data, research, best practice from around the country, and an extensive series of interviews with young people.

19. The evidence-gathering phase will be followed by analysis and service redesign with individual partners being asked to implement the transformation proposals.

Oxfordshire – Deprivation, regeneration and NEETS

20. Oxfordshire County Council has been pursuing *Total Place* type approaches for some time, for example:

- social care/NHS pooling of resources for adult and disability services to maximise the benefits for customers and avoid inter-agency cost shunting. This is amongst the most substantial pooled funding in England;
- joint strategy for waste management, which has yielded substantial savings and improved performance in terms of recycling and waste minimisation.

21. In terms of economic development and regeneration:

- *Reducing NEETs* - The Council would like to use the methodology to focus on reducing the number of young people who are not in education, employment or training. There has been significant growth in this group over the past year as in many other areas. Initial work suggests that there is a lot of activity across partners but that it is not well aligned or joined up. Through the Oxfordshire Learning and Skills Partnership, they are hoping to undertake an 'audit' of current spend and activity in spring 2010, followed by identification of gaps and duplication and subsequently for all partners to align future work in accordance with a new overarching strategy. A significant barrier to undertaking this work is the current lack of available resource to support this project (project management and external facilitation/challenge). Because this is such a cross cutting issue (as is skills more generally) there is no single organisation that 'owns' the whole issue, therefore capacity to deliver the project is a problem.
- *Breaking the Cycle of Deprivation initiatives in Oxford/Banbury* – Here the aim is for multi-agency work to ensure that there is a joined up approach to early intervention in targeted areas where deprivation is most significant and deep rooted.
- *Closer to Communities work*, which focuses on Oxford City and 5 market towns. The aim is to work with the local communities to join up responses to development pressures and regeneration needs.

Suffolk – Applying *Total Place* principles to tackle worklessness

22. Although unemployment in the county is lower than the average for the East of England, the County Council is aware of nearly 5,000 redundancies since October 2008. Moreover, Suffolk has a relatively high proportion of NEETs compared to the overall unemployment rate, whilst Jobcentre Plus (JCP) is keen to reduce the incapacity claimant rate in the county.

23. JCP, Suffolk County Council and the Princes Trust are developing a joint approach to tackling and reducing worklessness in Suffolk, by:

- identifying through their collective evidence base the most susceptible and intractable groups (NEETs, incapacity benefit, those in danger of redundancy, older people etc) and where they are located;
- focusing on prevention and identifying the most successful interventions to deal with the specific needs of these groups and help them into employment/self-employment.

24. Key activities include:

- developing a consistent set of data for all groups to track progress and measure success more effectively, e.g. better tracking of progress of young people who become NEETs through the school support system and JCP records. Currently data is collected in different ways once young people leave school and then reach age 18. The aim is to make data collection consistent across agencies;
- improving access to information, advice and training for those who are unemployed or are in danger of losing their jobs, primarily through use of the Council's LEAP (Learning and Enterprise Access Points) centres located in market towns and villages across Suffolk. At least four of the 27 centres are being used by JCP to deliver group sessions to Job Seekers Allowance customers. The possibility of JCP advisers operating out of all the centres is being explored;
- developing a programme with the Princes Trust to provide training to disadvantaged young people to set up their own business, supported by Business Link, University Campus Suffolk and enterprise agencies;
- evaluating current interventions to identify those, which are most effective and redeploying funding where appropriate.

25. Anticipated efficiencies/savings will include:

- evidence base: reduce duplication of systems; join up will enable easier and quicker identification of target groups;
- LEAPs: one-stop shops will reduce costs of premises and enable quicker and more comprehensive access for client groups;
- reduction in the number of claimants;
- rationalisation of public funding.

Tees Valley – Economic and Regeneration Investment plan

26. The Tees Valley Economic and Regeneration Investment Plan *Facilitating investment to secure the future* will set out the short, medium and longer term activities that are necessary to deliver the objectives and targets of the high level strategy for the Tees Valley set out in the Economic and Regeneration Statement of Ambition *Strengthening today, securing tomorrow*. The Investment Plan will identify activities over a 15-year period in five-year time frames with the first five years split into 3+2 with a greater level of detail in the first three years.

27. The Plan will cover activity under the themes of: business, people and place. It will include both capital and revenue activity and linkages between the three themes will be identified to ensure that the timing of the delivery of linked activities is synchronised for example the provision of new housing (place) and new school developments (people). The place theme will encompass housing, regeneration and supporting infrastructure including transport and will cover six priority geographic areas identified in the Economic and Regeneration Statement of Ambition.

Total Place approach

28. The Plan will take a *Total Place* approach in identifying all existing commitments and new activity, how the activity will be funded, and the lead organisation for each activity. It will identify both public and private sector led activity and activity that either requires public sector intervention, whether it be financing or expertise and those that can be developed without any public sector intervention.

29. The Plan will focus on those activities directly related to the delivery of the sub regional Economic and Regeneration Statement of Ambition and therefore those which Tees Valley Unlimited² (TVU) has a direct interest / involvement in. However, to enable a complete picture to be built up to enable a comprehensive view to be taken of the place requirements it is important to understand and influence other complementary activities such as health and education facilities.

30. The preparation and prioritisation of the investments will be an iterative process. A comprehensive picture of existing commitments and aspirations on all themes will be built up flowing from the key policy challenges and objectives of the Economic Strategy, although all of necessary information will not be available at the outset of the process. An initial prioritisation within each activity such as housing can be completed but this will need to be revisited in the light of the layers of activity that are identified. Tees Valley Unlimited sees it as critical that the totality and timing of activity within each of the six geographic priority areas makes sense and achieves the added value sought by the Economic and Regeneration Statement of Ambition.

² Tees Valley Unlimited is a partnership of public, private and voluntary bodies. It coordinates activities, appropriate to a city region level, designed to improve the economic performance of the entire Tees Valley.

31. The Tees Valley Investment Plan will incorporate all potential funders both public and private and will incorporate the investment plan element of the Housing and Communities Agency (HCA) Single Conversation. It is hoped that all TVU partners, including the HCA and ONE North East will be in a position to sign up to the comprehensive Tees Valley Economic and Regeneration Investment Plan rather than then having to separate out individual plans for each of the external funders, in particular, the HCA and ONE North East.

Lancashire – A local approach to simplifying business support

32. In Lancashire, as in other areas of the country, the local authorities have long recognised the potential for aggregating activity over a wider spatial area and capturing the attendant benefits. Lancashire County Council and its partners have identified four 'Big Ticket Issues' through the Lancashire Local Area Agreement to provide a sharper focus to their top priorities:

- high growth businesses
- environmental technologies
- health and wellbeing
- housing.

33. The Partnership Executive decided to re-invest the Performance Reward Grant (PRG) earned through effective partnership performance to support programmes in each of these themes (currently £8 million) with 12 District Partnerships investing their local PRG allocations to bring the total to £12 million. This approach builds on effective partnership working, which has been recognised through the Beacon Award 2009/10 'Raising Economic Prosperity through Partnership', the Regeneration and Renewal Award for 'Addressing Worklessness' and has led to the achievement of the following outputs:

- £22m saving in benefits, over 500 long-term incapacity and lone parent benefit claimants into work;
- 900% increase in public sector apprenticeships through innovative agency staff procurement arrangements;
- the development of the first public sector work-trials; and
- over 2600 businesses started, against a target of 2015.

34. The County Council and its public sector partners recognised the economic impact of public expenditure in Lancashire, which is more than £12 billion annually. Even before *Total Place*, they had already recognised the trajectory of national policy – that the outcomes of Local Area Agreements should be greater collaboration and joint working. While the early focus was in achieving stretch targets, partners never lost sight that the real prize was more effective partnership working.

35. This approach has contributed to the emergence of integrated strategic frameworks within which partners are working, at a sub-regional

level, within three MAA footprints (Fylde Coast, Mid-Lancashire³, Pennine Lancashire), and at district and neighbourhood levels. The diagram below illustrates this approach in relation to current NI indicators, but is driven and sustained by a belief in a strategic approach, broadly consistent with *Total Place*, which aims to improve outcomes for business, communities and people.

36. In its economic development activities, the County Council directly provides support to rural, green technology, tourism, creative industries and social enterprises, through its economic development company Lancashire County Development Ltd. The County Council also works in partnerships as service provider, support agency, funder or strategic partner to ensure a cohesive integrated approach within appropriate sub-regional, countywide, MAA, district and neighbourhood footprints.

37. For business support, Lancashire's approach complements and is consistent with the Business Support Simplification Process (BSSP) process. The County Council is recasting its services to support high growth businesses by refocusing its "Rosebud" investment fund, contributing £1.5m to extending the North West Development Agency Intensive Business Starts Programme in Lancashire, and is well placed to support and extend the provision of regional services to support high growth businesses.

38. Lancashire's work on Local Area Agreements has been important in facilitating joint prioritising of the most appropriate forms of business support between the County, the Districts and Business Link. A service level agreement has been developed with Business Link covering BSSP, building closer and stronger partnership working including data sharing, and the County Council's website, carries Business Link pages and links to its main site and services. Examples of agreed priorities include the piloting of enterprise facilitators, the targeting and co-funding of intensive start up support and new projects to stimulate high growth enterprise.

39. The County Council has developed a package of business support events in collaboration with Business Link and district councils. These free events bring a host of business support agencies under one roof and companies are personally guided to the opportunities most relevant to their circumstances. This is a practical way of simplifying business support and some responses can be viewed on www.findyouway.org.uk.

Norfolk – Norfolk Numbers and Deep Dive analysis of skills

40. Although not one of the pilot areas, Norfolk has adopted a *Total Place* approach as one way of looking at areas for improvement. Norfolk Numbers is their 'counting' element of *Total Place*. They have conducted their own mapping exercise of public sector spend across the county and intend using this information, to develop efficiencies and improved service delivery. Using funding from *Improvement East* they commissioned

³ The Mid Lancashire MAA is in final negotiating stage and is due to be signed in early spring 2010

research, which revealed that the total public sector spend in Norfolk is approximately £7 billion, and the biggest areas of spend are social protection, health, and education.

41. Before *Total Place* emerged, the public sector in Norfolk has already been addressing the 'culture' strand⁴ of Total Place through the LEAPP (Lead, Engage, Aspire, Perform in Partnership) programme. This programme brought together senior managers from across the public sector to learn new ways of looking at difficult issues and working together to find solutions.

42. Through *Deep Dives* the opportunity is being taken to carry out detailed analysis of a particular issue or area and through that investigation to identify options for change. There is no single way of carrying out a deep dive, but in Norfolk they are making use of some of the whole systems approaches developed through the LEAPP programme. The Norfolk County Strategic Partnership (NCSP) identified two initial deep dive areas:

- skills
- high contact families

43. The deep dives will run until March 2010, when they will be reported to the NCSP with recommendations for the implementation of any findings and sharing key learning for future deep dives. The Public Service Leaders Board (PSLB) are planning to complement these thematic deep dives with geographically based investigations in order to gain a fuller understanding of how service delivery in specific localities could be improved and efficiencies driven out through more effective collaboration.

Developing further examples/case studies

44. We anticipate being able to add further case studies in due course, as for example:

- **Cambridgeshire**, where *Making Cambridgeshire Count* is a new initiative designed to transform partnership working and public services across the county. Economic development is included within the *Sharing Services* theme but discussions and proposals have not yet developed sufficiently to identify specific economic development or regeneration initiatives.
- **Central Bedfordshire**, whose shortlist of further *Total Place* projects being drawn up includes worklessness.

Barriers & burdens

45. In our discussion and submissions, for example in relation to the Sub National Review of economic development and regeneration, the Lifting the Burdens Taskforce review of economic development and regeneration

⁴ Looking at 'the way they do things and how that helps or hinders what is trying to be achieved

and Sir Michael Lyons Inquiry into Local Government, we have consistently reported on the barriers and burdens that are impeding progress in the effective delivery of economic development at local and sub-regional level, many of which are highlighted in *Putting the Frontline First* – including:

- too much filtering of funding through too many layers of bureaucracy that inhibits 'local solutions for local problems' and runs counter to the principles of localism and Local Area Agreements;
- too many staff resources taken up by time consuming and uncertain competitive and other bidding processes;
- the need to bring together a cocktail of funding from different agencies and programmes to achieve major regeneration schemes and having to 'jump through too many different hoops' to gain access to the different funding streams with different application processes, criteria and performance monitoring arrangements;
- too often, RDA and other externally funded programmes are output driven to match the funder's own targets at the expense of local/sub-regional outcomes that could be more worthwhile;
- decision-making on many strategic issues is too remote and may not take into account the special circumstances that apply in local areas;
- too much emphasis on meeting national priorities and targets in Local Area Agreements and not enough progress on securing real freedoms and flexibilities;
- the 'short-termism' of many Government and regional funding programmes with no real recognition that major regeneration programmes take a long time to take effect and deliver the desired outcomes - one of the dangers of a short-term focus is disproportionate attention being given to quick wins/easy outputs, which can weaken the overall approach in the long term.

46. Two recent examples from Cornwall and Cumbria are given below.

47. **Cornwall Council** has identified two specific examples:

- 1) The difficulties associated with working in a pragmatic way with statutory regional agencies such as the Highways Agency and English Heritage. We have some specific and recent examples within Cornwall where a lack of active early engagement from these bodies has resulted in lengthy and costly delays to significant projects. We would like to see much earlier and open engagement from such bodies – and for their approach to be one of working in partnership rather than as an 'enforcer' of policy.

- 2) Our experience of the EcoTowns has again brought into sharp focus the lack of 'joined-up' thinking between Whitehall departments. Whilst the EcoTown initiative embodies the *Total place* approach, we have not felt the same 'totality' across Government.

48. **Cumbria County Council and its partners** have followed up the *Calling Cumbria* initiative⁵ with a *Deep Dive* into worklessness, which examined service delivery from the point of view of the unemployed. The broad conclusions are well summed up in the bullet points in paragraph 1 above. The over-riding consensus which came out of the *Deep Dive* discussions was the need for local delivery partners to be able to respond to the distinct and specific needs of the client group and offer a personalised individual service based on a detailed understanding of the local community and the existing network of support agencies. This seems to be at variance with the approach increasingly being adopted by Government in awarding a limited number of national contracts to companies, which then deliver a standardised service across the region.

49. A related concern was the current emphasis on short term and constantly changing funding initiatives to tackle what are seen to be long-term, sometimes multi-generational issues of unemployment. The solution lies in sustained, intensive long-term interventions often based around the whole family but it is recognised that this appears expensive. The need to try and improve the coordination of the players and support schemes and reduce the complexities of the assistance, as identified in *Putting the Frontline First* was also raised.

Next steps

50. We look forward to working closely with HM Treasury on *Total Place*. We are currently undertaking a joint project on future delivery models for economic development and regeneration and as part of this, we will continue to gather information covering examples of *Total Place* approaches being planned and implemented and barriers and burdens that are impeding the efficient and effective delivery of economic development at sub national level.

⁵ For information on Counting/Calling Cumbria see http://www.cumbriastrategicpartnership.org.uk/key_documents/CallingCumbria.asp.