

## Delivering Sustainable Growth in the South East: SEDFIG Networking & Learning Event, 16<sup>th</sup> October 2008

**The first networking event to be held by the South East Diamonds for Investment & Growth (SEDFIG) took place on Thursday 16<sup>th</sup> October, at Reading Town Hall. The event, sponsored by the South East England Regional Assembly, attracted more than 70 Council Leaders, Chief Executives, Regional Agency representatives and policy makers from across the region.**

**The morning saw a range of talks and workshops, aiming to see how sustainable growth and prosperity can continue to be delivered in the region, despite the current economic conditions.**

SEDFIG Chair Andrew Finney said their task was particularly difficult in the current economic climate but said the partnership approach gave the Diamonds collective power to solve the 'over reaching' problems we face.

"Diamond status is an opportunity to talk and work with regional and government agencies in delivering targets which are of benefit for our residents. Diamond local authorities deliver exceptional growth and have the potential to deliver more," he said.

Daniel Thornton, Director of Local Development and Renewal at the Department for Communities and Local Government, said he had 'every confidence' the South East would come out strongly from the down turn.

But he added: "Public finances are stressed so it is important to nail down key priorities. In this climate there will not be a growing amount of money around in the near future."

He described the South East Diamond set up as a 'good concept and good practice' and said the 'good regional institutions involved' had helped carry the concept forward.

"From central Government's point of view it's often said that people in the South East don't want to grow as they are rich already. But events like this conference show that the Diamond partners are interested in sustainable growth and that is good to see," he added.

Ben Page, Managing Director of Ipsos Mori gave a presentation on the views of the public and the challenges facing the South East, setting the context for the sustained growth sought by the Diamonds.

- Asked about the problems in the South East people cited high house prices, congestion, high cost of food, overcrowding, lack of affordable housing and too many developments.
- Asked what improvements they wanted to see, people in the South East mentioned transport, more affordable houses, improved waste management and greater efforts to protect the environment
- 70 per cent said they were proud to live in the region.

The final keynote speaker was Michael Coughlin, Chief Executive of Reading Borough Council and Chair of the Diamonds Chief Executives' Group. He said the South East Diamonds were working to maintain the comparative success the region has been experiencing over the last ten years, whilst addressing the pockets of disadvantage and inequalities that existed.

"We're looking at how do we maintain this success and I think the key is to look globally and work in partnership at a local level.

"Diamond status is about how you balance the pressures on your community to get sustainable growth to meet the demands of the community and the local economy," he added.

But he warned that each of the authorities and partnerships would have to exercise a degree of 'place shielding' from the worst ravages of the economic downturn.

He said the Diamonds were currently drawing up their business case, which they hoped to launch in the new year.

The speeches were followed by three workshops which covered Cross Boundary Working and Partnerships, Tackling our Ecological Footprint and Developing Skills for Growth. A brief report of the key findings from each of these sessions, along with copies of the workshop slides, follows:

#### Cross Boundary Working & Partnerships

- There is rich diversity across the region; however, around 50% of growth is harnessed in the South East Diamonds. Pockets of deprivation exist throughout the south-east and impact on all sub-regions.
- An example of a strategic partnership that has secured funding from the centre is the Reading Station Partnership Board, which brought together LAs, RDAs, TOCs, Regional and National (Welsh) Assemblies, GOSE and government in order to address a transport infrastructure issue that was eventually recognised as a national priority. MAAs / Diamonds have the potential to articulate similar priorities by presenting cohesive arguments – a 'powerful voice' – to unlock funding from the centre, government agencies etc.
- Partnerships have a better chance of working if they 'feel right' and 'make sense' and if they focus on themes that, in particular, are relevant to the private sector. The private sector are interested in delivery, not talk, and is 'consultation-fatigued'.
- It has business intelligence that is essential to the success of a partnership and should be empowered with a decision-making / leadership role BUT:
- It takes time to resolve governance arrangements and these need to be in place ahead of the business community being invited to participate.

- Cross-boundary partnerships must have a point – a basis for their existence and, in the case of PUSH, this has been economic-led sustainable growth. Such partnerships should be based on Functional Economic Areas (FEA), that are recognised by business.
- Partnership strategies need to be cognisant of and inform regional strategies, whilst reflecting the real needs of a locality / FEA / sub-region.
- Cross-boundary partnerships should 'add value' and consider adherence to the concept of subsidiarity. They also need to be cognisant of the importance – to the centre – of Public Service Agreements and the Regional Funding Allocation.
- Partnership staff need to be of the right calibre and may be seconded, 're-distributed' or simply given a lead role. It is often the case that their partnership role is entirely complementary to their mainstream role.

#### Tackling Our Ecological Footprint – A Cutting Edge for Growth

- Ecological footprint of Diamonds exceeds the UK average, with most individual Diamonds also exceeding the regional average.
- Big hits are i) food – food waste and energy intensive production, ii) existing buildings – water and energy wasteful, iii) travel & transport – routine car intense and iv) commerce / industry – higher in Diamonds than elsewhere in the south-east.
- Lessons can be learned from case-studies such as Vauban, Freiburg – power from on-site CHP systems, good public transport infrastructure means people use it &, therefore, re-invest in it. A 'virtuous circle'.
- Vienna – trams must be running to standard service level before people move in to new settlement. Infrastructure comes first & therefore encourages use.
- Diamonds – step changes require packages of measures. Eg. Transport – a range of measures such as home work,

- cycling, walking, utilising renewable fuels, developing local centres can all contribute to overall aim of reducing EF. Risks may be necessary.
- Barriers to Diamond authorities gearing up to deliver EF reduction targets include:
    - i) The plethora of different, varying initiatives.
    - ii) The long-term nature of the agenda – difficult to comprehend & sell the ‘wins’.
    - iii) Abstract ideas, measures & concepts – 3 planets to 1 planet.
  - Diamond LAs, and partners, can go further in their work on this agenda by:
    - i) Addressing the skills gap eg developer knowledge of Code for Sustainable Homes.
    - ii) Working to tackle footprint of existing housing stock through innovative schemes.
    - iii) Utilising & maximising government office support.
  - The following support would help local authorities in their work in this area:
    - i) Practical examples of real and replicable projects delivering change.
    - ii) Peer champions and networks.
    - iii) Flexible, adaptable guidance which can be practically utilised in-house.
  - How do you make the case for action?
    - i) Pull out the key benefits that motivate movers and shakers.
    - ii) What are the economic benefits – and risks of inaction such as the lights going off.
    - iii) Maximising opportunities in new markets – developing skills.
    - iv) Developing a cohesive, meaningful approach to businesses – no engagement for engagements sake.
  - In this context, the skills challenge for South Hampshire consists of meeting the following 4 strategic aims:
    - i) Providing the skills for sustainable employment growth – focus on economic inactivity.
    - ii) Tackling skills shortages and gaps in growth sectors – focus on sectors important for PUSH.
    - iii) High value added sectors – releasing high value added potential.
    - iv) Skills infrastructure – establishing an Employment & Skills Board, skills development zones and investment in infrastructure.
  - Local Employer Partnerships already developed in the PUSH area, bringing together the Confederation of Shipbuilding & Engineering Unions, Jobcentre Plus and VT Shipbuilding to offer work trials, mentoring, pre-employment training and reviews of recruitment practice.
  - Employment & Skills Board (ESB) being developed to integrate employment & skills services in Urban South Hampshire, bringing forward the requirements of employers into the heart of the planning and commissioning process.
  - A delivery arm for this ESB, consisting of local authorities, LSC, SEEDA and Job Centre Plus has been established, with delegated responsibility for achievement of the skills and labour market objectives that are integral to the PUSH MAA.
  - All working towards achieving the PUSH aims for economic-led growth to 2026.
  - Diamonds – Skills Policy group offers ideal vehicle for sharing good practice and transferring learning from the many initiatives which are going on.
  - Skills Pledge – Diamonds policy group again offers an ideal platform for sharing information, experience and good practice around this.
  - Going forward, employer engagement will be key – need for strong influential co-ordinating body in the sub-regions – Employment and Skills Boards could perform this role.

### Developing Skills for Growth

- PUSH Agreement considered as an example of planning to meet the skills challenge.
- Seeking to increase skills levels at NVQ2 and NVQ 4 equivalent levels by 1.5% pa, as part of a bid to increase GVA in the sub-region by 3.5% to 2026.