



LOCALIS discussion notes

28 July 2009

The Future of the Regions

SUMMARY

This is a note following a roundtable discussion hosted by Localis and Kent County Council looking into developing a revised structure and format for regional governance. Paul Carter, Leader of Kent County Council, introduced and concluded the session, with a wide ranging discussion in between. The participants were:

Participant	Organisation
Paul Carter	Kent County Council / South East England Councils
James Morris	Localis
David Curry MP	House of Commons Local Democracy Group
Marianne Abley	IDeA
Emma Cariaga	Land Securities
Robin Cooper	Medway Council
David Godfrey	House of Commons
Kevin Hocter	British Chambers of Commerce
Andy Martin	Trimedia
Simon Neilson	Essex County Council
Paul Raynes	LGA
Jenny Whittle	South East England Councils
Natalie Yost	Kent County Council
Tom Shakespeare	Localis
Mike Morgan-Giles	Localis

INITIAL THOUGHTS FROM PAUL CARTER

1. What system would you design if you could?

Probably 28 meaningful sub-regions which fit neatly with cities, requiring little reorganisation of local government. They would also need to be accountable to local residents, and allow planning to take place on a meaningful spatial level.

2. Bid down powers to local government

Councils should take powers from RDAs and other quangos where a Council can demonstrate the ability to do so.

3. Encouraging partnership working

There are questions over whether Councils can organise themselves regionally, and some 'sticks' may need to be used to encourage more collaboration on a sub-regional basis.

4. Concerns for local government

There is a significant concern over the centralisation of education for example.

5. Transport

Inter-regionally, transport is key over the next 25-30 years, particularly in regard to the London- South East relationship.

THEMES FOR DEVELOPING AN IMPROVED MODEL FOR REGIONAL GOVERNANCE

1. Designing the right structures

- **The right spatial level** – One contributor suggested that regional organisation should be designed around more than the economy, and that there are numerous social factors and complex transport patterns which need to be considered.



28 July 2009

The Future of the Regions

- **Structures vs people** – Another contributor said it was important not to dwell on institutions, and should move onto issues and people. Another disagreed with this, and thought that both were important.
 - **Central vs local** – There are still question marks over how we see government functioning at the level between central and local.
 - **Voluntary collaboration** – It was suggested that goodwill exists between councils in order for them to work together – there is no need for unelected quangos.
 - **Difficult Councils** - One participant commented that there is a particular problem with NOC councils – who frequently suffer from the lack of a long term strategic vision. The solution to this problem is, however, not clear cut. Another thought that district Councils are not keen to be involved in large scale planning, and they may pose an extra challenge.
- ### 2. Improving collaboration and partnerships between Councils
- **Force collaboration** – One contributor suggested that the 'stick' may be needed more than a 'carrot' in order to get Councils to work together. Another suggested that it was difficult to push governance issues, and perhaps the solution was in bringing in business involvement into the decision making process.
 - **Involving business in decision making** – Businesses are seeking greater engagement and involvement in decision making. Another commented on the proposed business rates changes included in the Conservative Green paper: 'Control Shift'. But it was suggested that these need to go further.
 - **Incentives for collaboration** – One simple solution was to relocalise the business rates, and even if rate fluctuations were small or negligible, this would make a big difference in encouraging Councils to think wider. Although one person questioned whether incentives for Councils made them more effective. It was perceived that TIF and rebate systems were partially effective however.
- **Remove targets** – It was suggested by one Council contributor that there is an inverse relationship between planning targets and performance. When there were no housing targets, more houses got built.
- ### 3. Making government less remote
- **Remove quangos** – It was suggested that this will improve accountability and bring powers closer to the ground. This could be achieved by allowing Councils to bid for powers from RDAs and other quangos. It was perceived that most Councils would also spend the money better than RDAs.
 - **Improve accountability before structures** - Examples of where this has been a problem – putting housing in places with no-one on the regional housing board; the fact that many people are not aware of who their local councillor is (another participant agreed with this last point). Another noted that councillors should become more involved so that people come to them rather than MPs. Another noted that accountability was to do with who is spending the money on a regional level.
 - **Strengthen accountability of public services** – For example, directly elected police chiefs and Mayors were perceived as strengthening democracy.
 - **Engaging with residents** – Need to engage in the right way. Most residents do not care as long as basic services are carried out. But it was perceived that engaging with residents on important local and sub-regional issues was



28 July 2009

The Future of the Regions

important to good decision making.

- **The power of the internet** – The internet offers both an opportunity for Councils to engage with residents, but as one participant observed, it could also disempower local government and institutions. It was perceived that Councils should be aware of this and plan accordingly.

4. Developing better regional strategies

- **Encouraging sensible planning** - One attendee noted concerns at the level at which planning decisions would be taken without RDAs. Another noted the 'pan-regional' question – that we need some form of body to make decisions in respect to issues such as the idea for an estuary airport in London. Yet it was agreed that these tensions either need to be solved by more meaningful groupings of Councils working on a sub-regional basis to ensure bottom-up decision making and accountability, and not through a body based in Bristol.
- **Regional economy** - One attendee commented that RDAs should just have an economic focus – however there is an issue in regard to planning – of getting councils to work together. Another participant agreed with the latter part of this point. Another went further than staying RDAs should have an economic focus – instead suggested that they should be gotten rid of completely. Also noted that the money RDAs receive could be spent far more wisely by councils – who would work with businesses.
- **Remove central interference** - Also hard to get central government to commit to making decisions – in fact even getting them to arrange a consultation is tricky.

5. What would be the plan of action for a new government?

- **Rethink services** - One participant questioned which services were essential, and which were discretionary. Also, they should stop doing non-statutory and non necessary things.
- **Restore accountability** - Another noted that there was no robust way of measuring the efficiency of RDAs and that this should be looked at as a priority.
- **Need local government finance reform** – including extra powers to raise and spend money. Another agreed, saying particularly true in regard to business rates. However another attendee said that he wouldn't want business rates to become localised (Councils instead should receive benefits from the economic progress in their areas). It was, however, universally agreed that far more extensive use of existing financial freedoms such as prudential borrowing is needed.
- **Remove quangos** – Progressive reduction of quangos with individual or groups of Councils bidding for powers to local government.

FINAL THOUGHTS FROM PAUL CARTER

- Believes central government will and must trust local government.
- Devolution and empowerment agenda must go to lowest level – boroughs, districts, parishes etc.
- Breakup all unnecessary delivery boards and quangos.

FOR MORE INFORMATION

Localis is an independent think-tank dedicated to issues related to local government and localism. We carry out innovative research, hold a calendar of events and



Clutha House, 10 Storey's Gate, London, SW1P 3AY

www.localis.org.uk

LOCALIS discussion notes

28 July 2009

The Future of the Regions

facilitate an ever growing network of members to stimulate and challenge the current orthodoxy of the governance of the UK.

For more information about Localis, please visit the Localis website at www.localis.org.uk or phone 0207 340 2660. For more information on this work, please contact Tom Shakespeare on tom@localis.org.uk or call 0207 340 2660.

For more information on Kent County Council, please visit www.kent.gov.uk

Supported by: Kent County Council

