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Rt Hon Hazel Blears MP
Secretary of State
Department for Communities and Local Government
26 Whitehall
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18 June 2008

Dear Secretary of State

Review of Sub National Economic Development and Regeneration (SNR)

I am responding on behalf of the Hampshire & Isle of Wight Local Government Association to the Government's consultation document "Prosperous Places: Taking Forward the Review of Sub National Economic Development and Regeneration". This Association represents all 15 local authorities in the Hampshire and Isle of Wight Sub-Region together with the Police, Fire and National Park authorities plus the parish and town councils' associations.

Our Members have a range of views about the appropriateness and value of regional government by quangos, whether or not local authorities are given some role. However, for so long as the concept of the region remains a part of our system of governance, then we agree that local authorities, both as democratically chosen community representatives and as acknowledged leaders in "place shaping", must have a central role. It is therefore with disappointment we note that the Government do not see local councils as being equal partners in a new-look Regional Development Agency (RDA), giving democratic legitimacy to its actions and decisions.

You may be aware of work being done by South East Councils to develop a "shared agency" model for working with SEEDA which would balance business and democratic membership of the Board of what should be a fundamentally different RDA, not just slight modification to the existing Board make-up. It has not been easy for councils to reach consensus on this, particularly given the suspicion of any form of regionalism, but the consensus achieved suggests a shared desire to see a more democratic alternative to what your paper appears to propose. Unfortunately, both the RDA and Ministers seem to have rejected out of hand our proposal.

The primacy of an input from our local communities in planning our future emphasizes the need for councils to have a role. The principle behind the SNR – that of "a closer alignment between economic and spatial planning" – remains absolutely sound, and is something we would all support. It is also right that this should be a "bottom-up" process. Unfortunately it seems that this is not the Government's intention, and from the outset your paper emphasizes that "the RDA will lead on development of the regional strategy" and "RDAs will continue to be business-led". Whilst you propose some form of local authority leaders' forum would have a role in signing off the regional strategy, the power sits with the RDA. These arrangements reduce local democratic accountability.

Indeed, we believe they are a fundamental shift away from a community-led process of spatial planning to one which is directed by a non-elected body with no duty to involve or answer to local people. The proposals are unacceptable and make a mockery of previous commitments to devolution to a local level, and claims of seeking a partnership with elected local councils.

In this context, we also object strongly to the suggestion that any forum set up by local authorities to manage their own input to regional policy should be the subject of direction by Government (paragraphs 3.13 to 3.17 of your paper). South East Councils have recognized that, even with full democratic input to a new-look RDA, there would not be seats for 74 local authorities, and are developing our own proposals for a South East LGA. These are matters for local determination, not for Ministers.

We would urge you to press the case with your Cabinet colleagues for a strong democratic, community-led input to economic development and regeneration. Without that, we will move to a position where we see policy on key issues of local concern dictated by the centre. The resultant loss of local engagement and accountability will make it that much harder to achieve the strong and vital local communities the Government rightly seeks. It could also be counter-productive to your objectives, as local authority members may seek to block development which they see as counter to sustainable growth in their area.

Turning to other matters, we would encourage you to revisit the proposed timetable for preparing the Integrated Regional Strategy set out in paragraphs 4.20-4.26 of your paper. We agree with the principles of a strategy which is built from a strong evidence base, reflects effective engagement with stakeholders and is independently tested in public. Experience with the South East Plan, and indeed other regional spatial strategies, has suggested that the timescale of 24 months you suggest is unrealistic if we, or indeed the Government, are to abide by those principles.

We are also concerned that, in seeking to promote economic growth, the Government's proposals do not acknowledge that this must be balanced with consideration for the natural environment, resources and quality of life for local people. Such judgements face councils on a regular basis and must remain part of the planning system. In that context, the proposal for a nationally prescribed economic development target and target house-building range seems to us too one-sided in failing to acknowledge broader sustainability considerations.

HLOW supports the concept of collaboration across regions, which your consultation promotes in chapter 5. That collaboration should happen where it makes sense locally, and through willing partnerships. We would not support statutory sub-regional collaboration, and urge the Government to allow such collaboration to develop in a way which is flexible and meets local needs.

Finally, I would like to comment on one other matter. The Government's consultation paper proposes a new statutory economic assessment duty, which, it is suggested, sits with upper tier authorities in two-tier areas. We believe this proposal fails to recognise the collaborative approach at a local level to economic development, with County and District councils working together. The proposed approach does not acknowledge that County and District councils are independent statutory bodies with distinct roles, and one is not subservient to the other. If the Government is serious about promoting improved two-tier working, which is already a feature of local government in Hampshire, then the proposed function, wherever it shall sit, will be discharged through continuing co-operation between the two tiers.

Yours sincerely



Councillor Mel Kendal
CHAIRMAN