

## **CORE CITIES UPDATE**

### **Background**

1. This report is provided in line with the request of the Partnership for regular updates on the work of the Core Cities Group.
2. Key areas of work for the Group over the past few months have included:
  - The implementation of the Sub-National Review of Economic Development and Regeneration.
  - Proposals on new ways of financing major infrastructure.
  - Transport.
  - Skills and employment.
  - Sustainable Communities.
  - Climate change.

Further information on these areas of work is provided below.

### **Transport**

3. The Core Cities meeting with Ruth Kelly MP on the 17<sup>th</sup> October 2007 had a positive outcome and was followed by a further meeting with DfT officials.
4. Following discussions, DfT organised a meeting in February to discuss governance issues around the Transport Bill. This was open to Core Cities and others, and included attendance from the West of England. The aims of the meeting were:
  - To update on and discuss the governance provisions in the Local Transport Bill, and the process and timetable for implementing these.
  - To exchange information and experience on what is happening in the major city-regions.
  - To identify whether future arrangement might be put in place to enable closer working on governance over the coming months.
5. An additional meeting is being organised by Core Cities to discuss how DfT can contribute to national PSA target 7, which promotes regional economic competitiveness.

### **Sub-National Review of Economic Development and Regeneration (SNR)**

6. The implementation of the SNR – in particular the relationship between regional organisations and city-regions, and the potential for sub-regional partnerships to be devolved additional powers and resources – remains a central area of work for the Core Cities Group.

7. On 12<sup>th</sup> March, a delegation of Core Cities Leaders will be meeting with RDA Chief Executives and Ministers from CLG and BERR, including Hazel Blears, Secretary for State for Communities and Local Government, and John Healey, Local Government Minister. This delegation will include Cllr. Helen Holland, Leader of Bristol City Council.
8. Principles to be put forward by the delegation will include:
  - The crucial contribution of the Core Cities and city-regions to the UK's international competitiveness and sustainable economic growth.
  - The need for decisions and policy to be made at the right level, and for a strong relationship between city-regions, RDAs and central government.
  - The need for different approaches in different areas to meet different local circumstances.
9. Specifically, the delegation will be asking for:
  - A more integrated and spatially-aware approach to policy-making, for example, between the Homes and Communities Agency, Environment Agency, Highways Agency and RDAs.
  - Devolution of powers and resources from the national to the regional level and from the regional to the local / sub-regional level, for example, improving regional / local borrowing and revenue raising powers to support major infrastructure projects.
  - Support to build capacity, particularly in relation to the new responsibilities of RDAs as the Regional Planning Body.
10. In addition to the above work, the Core Cities have been sharing progress on other aspects of the SNR, for example, the development of Multi-Area Agreements.

### **Financing major infrastructure**

11. This work, commissioned by the Core Cities with Price Waterhouse Coopers, looks at the range of tools available to local authorities to finance local infrastructure, the barriers to their use, and alternative mechanisms for supporting infrastructure delivery.
12. The resulting report – to be published in the next few months – is based on detailed case studies of four projects across the cities and the costs, benefits and barriers to their delivery. It proposes a new approach to funding major infrastructure, as a supplement to other existing and forthcoming mechanisms such as the Community Infrastructure Levy. This would be based on a regional / national revolving infrastructure fund for upfront investment, and the subsequent retention of business rates raised within the specified development area (an 'Accelerated Development Zone' or ADZ) to enable repayment of the costs incurred.

13. Early results of the studies suggest that across the four areas, enabling infrastructure funded in this way could release an additional:
  - 44,000 new jobs.
  - 7,400 new homes.
  - £1.25 billion annual GVA.
  - GVA of £23 billion Net Present Value over the next thirty years.
14. A full report on this study and proposals could be presented at the next Partnership meeting, if required.

### **Employment and Skills**

15. Joint work with the LSC is ongoing, with a focus on engaging DWP and Job Centre Plus. Senior Officials in DWP have agreed to work with Core Cities to examine the best means of ensuring their new Pathway Contracts and Contractors (who will support adults into employment) work effectively with strategic sub-regional employment and skills organisations. The aim is also to conclude a statement of principles for employment and skills MAAs to assist sub-regional negotiations.

### **Sustainable Communities**

16. Bristol is the lead city for Sustainable Communities within the Core Cities Group. In January, Core Cities Leaders', including Cllr. Helen Holland, met with Iain Wright MP, Parliamentary Under Secretary of State at CLG, to discuss issues raised in a letter from Cllr. Holland in September 2007. This emphasised the need to deliver mixed and sustainable communities, not just housing numbers, and the importance of strong cooperation between RDAs, the Homes and Communities Agency and sub-regional partnerships in delivering growth.
17. The Minister has agreed to attend a future Core Cities Leaders' meeting to discuss the points raised in further detail.
18. In December, it was announced that the new Chief Executive of the Homes and Communities Agency will be Sir. Robert Kerslake, currently Chief Executive of Sheffield City Council and a prominent figure within the Core Cities Group over the past ten years.

### **Climate change**

19. The Core Cities Climate Change Group met in December to take stock and plan their priorities for the next year:
  - The Low Carbon Cities programme, funded by the Carbon Savings Trust and Energy Savings Trust has now commenced. Bristol, Leeds and Manchester are the pilot cities.
  - A letter has been sent to CABE outlining the strengths and weaknesses of current engagement.

- Preparation is underway for training with UKCIP and city-benchmarking.
  - Additional activity based on the Core Cities' commitment on climate change with government, for example on adaptation, is under consideration.
20. Sponsorship for the CABE Core Cities climate change festivals has unfortunately been reduced, so that CABE are unable to provide centrepieces for each of the cities. Bristol's festival will go ahead as a themed month of local activities throughout June.

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