

West of England Partnership

Joint Scrutiny Committee Workshop

Friday 14th November 2008

RFA 2 Workshop

Present:

Councillors:

Clive Webb (North Somerset), David Bailey (North Somerset Council), Barbara Lewis (Chair, Bristol City Council), Colin Smith (Bristol City Council), John Bull (BANES), Pat Hockey (South Gloucestershire Council)

The aim of the Workshop was to brief members on the following key issues relating to RFA2. Terry Wagstaff, Chief Executive, West of England Partnership took members through the issues

Background

- West of England Vision, Objectives and Programmes
- National and Regional Organisations and Strategic Context
- More say for regions and sub-regions on priorities especially investment

RFA2

- Scope of RFA2
- Impact of Financial Crisis
- Building strategic and delivery capacity

Specific Strands

- Transport
- Housing, Employment and Regeneration
- Economic Development
- Post 19 Skills

Background – Strategic Context

Regional Funding Advice

The Regional Funding Advice process, focusing on economic development, housing, regeneration and post 16 skills, is being co-ordinated by the South West Regional Development Agency (SWRDA)

In July the government issued guidance to regional bodies on preparing Regional Funding Advice (RFA) and a letter was sent from the South West Regional Development Agency (SWRDA) to local authorities on 23 October requesting responses by 21 November. The

West of England submission will set out information on how resources relating to housing and regeneration, economic development and skills can be deployed in an integrated way to support sustained economic growth. It also needs to include how the transport schemes already submitted can integrate with this wider investment.

The next step is meetings with strategic areas during November to January. There will also be input from regional groups and meetings during this period.

SWRDA is then required, having considered responses from sub-regions/local authorities, to prepare its advice from the region for submission to the government.

This should include a short evidence base and details of programmes of investment. The advice will assist the government in developing policy and in making public spending decisions which impact directly on the regions.

What are we trying to achieve through RFA2?

The process presents a significant opportunity as a region to advise government on how to spend various strands of money – support from the regions is needed for schemes so they can be adopted.

In considering outcomes to be derived from funding there is a need to address quality of life, jobs/economic impact, improved skills, education, ensuring access to jobs. The other element is transport, support to the economy, reducing congestion and high quality transport systems. It is an opportunity to put forward what the region will require in the next 20 years.

The shortage of housing is acute in the West of England – the process offers an opportunity to determine money to be bid for in terms of subsidised housing. Housing growth will rely heavily on Housing Corporation and RDA money to provide infrastructure for sustainable communities. Infrastructure to support housing relies on RFA2

Process

The West of England has to put forward an integrated plan, which shows convergence between housing, transport, jobs, skills, quality of life etc

Significantly there is a backlog in infrastructure development and the regions needs to identify where it needs to 'catch up' as well as growth elements. If the right public transport has not been provided in the past this needs to be addressed.

Each strategic authority area will be given envelopes of support and once these are decided it will be difficult to change direction. It is therefore important to build in flexibility over transport/housing etc. It is important to think in this way at a strategic level and develop an integrated plan with the expectation that over time there will be more holistic and flexible approach to funding allocation and spend.

Infrastructure Issues

Members expressed clear concerns that there would not be enough money to provide the infrastructure for the level of housing and employment at the right time within the development process. It was acknowledged that the region has been slow to work out

infrastructure needs and cost those strategic requirements. By the government asking for regional advice on how money in RFA2 should be spent it helps the region assess more clearly its needs.

Members were unhappy that it seemed the inevitable was simply being accepted and that there would be inadequate infrastructure for housing. As members they felt a responsibility to say to government that is irresponsible to build houses without infrastructure, and related transport problems relating to employment, congestion etc. Infrastructure also needs to be in place at the right time. Not only is the funding pot not big enough to support infrastructure needs, but also sequentially the infrastructure will not be in place at the right time. These issues are inextricably linked, including the opportunities for job creation, which arise out of infrastructure needs. It requires careful joined up thinking. Members emphasised the need for infrastructure before housing,

Scrutiny Process

Members expressed some concerns about the involvement of scrutiny in the process leading up to the compilation of the bid. It was acknowledged that timescales were very tight but it was not clear what scrutiny was being asked to do at this point. Was the task to comment on the content of the bid? The West of England Partnership Chief Exec explained that this would not be possible at this stage, as the bid had not yet been written.

Members emphasised the need for joined up thinking across west of England with cross party, cross authority support and consensus. Scrutiny provides a forum where this can happen. There were also some concerns about how priorities are being agreed for the bid and members input to this process. Scrutiny members have received a presentation on RFA2 and transport and a brief presentation on employment, but this was in the context of the MAA.

Members also requested clarification on the approval process for the bid. Concerns were expressed that although members were being briefed on the process it was not clear how they could actually comment on the content of the bid, although within the timescales it was recognized that this would now be impossible. Chief Executives and Leaders will sign off the bid before submission on the 21st November. The bid will be a series of propositions, which will eventually be considered by the Regional Assembly.

Specific Areas

There are specific strands of work already taking place on waste and transport in the West of England. Also programmes on skills. The direction of the programmes is clear but what its lacking is the capacity to move at the required pace.

Members agreed that it is important to understand what funding streams are available across the region and when bids need to be made. Need to understand how development/infrastructure timetables are going to fit together. At the moment it does not appear that the RFA2 process and the development/infrastructure needs fit together. There are different pots of money made up of previous programmes, which have been brought together under RFA2, and driven by the Homes and Communities Agency.

The Homes and Communities Agency is the new housing and regeneration agency for England. It brings together functions including those of English Partnerships, the investment functions of the Housing Corporation, and housing and regeneration

programmes delivered by the Department of Communities and Local Government. It will operate from 1 December, be responsible for the 'Single Conversation' and will take over responsibility for the Growth Fund from the Department of Communities and Local Government. The returns made to government by the Sub-Region will in turn drive and influence priorities within the Housing and Communities agency.

The work that is being done now by the regions will set the strategic plank for the regions so that various agencies will then comply with those strategic priorities.

A key issue is that at the moment the West of England does not have a high level housing and employment plan. Need to put together an indicative plan, which is specific enough to ensure maximised funding allocation and money to support infrastructure. Need to use the Vision for the sub-regional and existing plans to support the indicative plan and bid. It is important to have deliverables. The West of England is commissioning research on infrastructure requirements against Core Strategies. But there won't be anything firm until April/May.

Need to put in a bid under RFA2, which puts together propositions under the funding streams and key headings, including indicative housing numbers, areas for development etc. Ideally the bid would be able to draw on the Regional Spatial Strategy, Core Strategy, Infrastructure Delivery Plan – but not all of these are in place at this time so it is necessary to come up with an 'indicative plan' and maximise the amount of potential funding which could be allocated to the sub-region. It is important to ensure that the best potential funding allocations are under the right profiles.

Actions

- Members requested a map of different agencies in the region, funding programmes and how these inter-relate and also the relationship with National Bodies
- Agreed that the West of England Submission in response to Regional Fund Advice 2008 - 2011 come to Joint Scrutiny before being discussed at the Regional Assembly.
- Members agreed that it was important to learn from this process and to consider how to involve Joint Scrutiny at an early stage on specific issues to ensure full debate and member input.
- Members agreed that it is important that other partners are involved in the scrutiny process and that for future issues consideration be given to inviting specialist advisors/expert witnesses.