

SMART COALITION OF INTEREST ON GROWTH

New strategy to allow local authorities to lead joint working on regeneration

The Office of the Deputy Prime Minister's recent interim evaluation of local strategic partnerships, LSPs, provides evidence that overall they are making good progress, but some still have "considerable distance to travel" to meet their key objectives. The ODPM also found that 'Growth coalitions' can incentivise, focus and improve partnership-based activity led by local government, securing enhanced, sustainable outcomes for community 'well-being'. But some LSPs have found it difficult to fully engage public sector bodies. Getting businesses involved has also been a problem.

The report states that LSPs' strategies are very varied in quality with few LSPs able to point to specific impacts in improved services or tangible improvements in social, economic or environmental outcomes for local people. LSPs were intended to "add value" to these local efforts, but the evaluators cautioned against expecting too much of LSPs too soon. One could infer that LSPs do not operate and perform as originally intended, as they lack the incentives to induce partner engagement, commitment and joint working to address local issues in a concerted way.

'Growth coalitions' provide the incentive to realise this joint working by central governments' pooling all regeneration-related funds to relevant local public service bodies, through the conduit of a growth and economic development-focused LSP. Senior strategic players, from the Prime Minister's strategy unit and the former Department for Transport, Local Government and the Regions, DTLR, originally involved with the development of the national strategy for neighbourhood renewal and LSPs, recognise the value of the growth coalitions project, in contributing to the current debate on LSPs and the future of local government.

A growth coalition seeks to tackle

disadvantage by growing a successful, sustainable local economy, addressing education, work and the economy, housing and the physical environment, crime and health. It provides a strategic, overarching focus and objective for local activity aimed at improving local community well-being on the basis that what is good for the well-being of local communities - education and skills, a good environment, health, community cohesion, infrastructure - is good for business.

“ A growth coalition can re-engage local people with the mainstream economy ”

In deprived areas, a growth coalition looks to re-engage local people and communities with the mainstream economy by tailoring a local response to the situation at hand whilst critically assessing the legacy of the range of "special initiatives" in the area. It provides a "one stop shop" for local developments, truly engaging the interest of the private sector by identifying and unlocking investment opportunities, improving economic productivity.

A growth coalition is an inclusive partnership of public, private and voluntary and community representatives, led by the local authority. And the concept of smart local government has been developed alongside them as an objective of the government's ten-year vision for localities. The government is developing an increasingly economic emphasis for Local Area Agreements, LAAs, with the recent introduction of the economic development

focussed "fourth block", and prospect of establishing an overarching economic objective for the "single pot" LAA.

There are suggestions in government that LAAs will ultimately encompass the full range of services delivered by councils and their partners. In that context growth coalitions, as a vehicle for providing an overarching, strategic agenda from which priorities for LAAs and local public service boards are identified, also make a contribution to discussions regarding the future of local government. Hence the term 'smart local government', coined as the 'growth coalitions' project develops, representing the corporate objectives of the local authority.

Senior people in government and at the ODPM are now addressing the need for sustainable regeneration for deprived areas and re-connecting people and places with the mainstream economy along the lines of the growth coalitions model. The extended remit for the Lyons Review - with interim findings timed to feed into the forthcoming local government white paper, ultimately reporting in time for the 2007 comprehensive spending review - includes a consideration of local government's role in facilitating economic growth, providing the opportunity to realise 'strengthened' LSPs, led by and working to overarching corporate objectives locally. In the meantime, growth coalitions provide local authorities with a strategic opportunity and tool to exercise their community leadership role to improve well-being and economic development.



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