

A business strategy for growing local

'Growth coalitions', the potential successors to local strategic partnerships (LSPs), seek to drive growth in local economies by assuming that what is good for the public is good for local business.

Adam Fineberg looks at their impact

While there is much to welcome in the new Government's agenda for localism, there are also significant factors missing which would drive and determine the realisation of improved public services – with tangential efficiencies – thereby making things work better for local people.

By addressing the totality of local public funding, as per the 'growth coalitions' and 'smart local government' project, services will be improved.

The current scenario does not encourage the breakdown of silo working and a 360-degree reappraisal of existing working practices nationally.

Growth coalitions seek to drive growth in all local economies on the basis that what's good for local people, housing, education, an environment is good for local business.

They create an over-arching strategic vision and focus on objectives, making things – local services – work better for local people by utilising the tools of government.

This avoids duplication and wasted resources, arising mainly as a result of the last decade and more of 'initiativitus' – silo'd funding for specific activities – by 'joining up' and 'integrating' work, partly by 'aligning' and 'pooling' income. Smart local government addresses the architecture, local strategic partnerships (LSP), local area agreements (LAAs) or their revised constructs, growth coalitions, and place-based budgets – around enhanced outcomes and efficiencies.

The Sustainable Communities Act, 2007 draws on the objectives and lexiconology of growth coalitions and smart local government, providing for the sustainable community strategy (SCS), and economic development of an area.

The SCS being the over-arching plan establishing a vision for an area containing key priorities and the LAA as the delivery plan, promoting incentives for partner engagement.

This work has also influenced the development of Total Place and service redesign, leading to

integration and improved outcomes for end-users. However, there is no steer or driver for Total Place-type work, or the process and apparatus to realise transformational change across the board.

What is required is the role of the local authority as the 'first among equals' in LSPs, being the source and conduit for the totality of local public expenditure working to the LAA as the jointly-devised needs assessment, strategy, action plan, funding document and performance-management framework.

This is the only way in which the work of local public service providers can be 'incentivised' and truly integrated through leadership, with resultant improved end-user outcomes and efficiencies.

The remodelling of the existing architecture around LSPs and LAAs is so necessary to address the wellbeing of local communities.

By acting as a conduit for local public funding, the LSP is the portal for these agencies to access funds, with the resultant requirement for them to integrate their services.

Local government minister, Bob Neill, at a June conference on the future for local government, said: 'We have to make what we've got already work better and more effectively, building on the Sustainable Communities Act in order to realise "one public sector."'

The danger is that localism, as it stands, misses the great opportunity to build on and add value to the architecture of LSPs and LAAs, built up around the developed role of local authorities over recent years. ▀

Adam Fineberg is currently advising the new government, CLG and the Treasury on a 'whole systems' approach to addressing the existing architecture – making things work better for local people, under the over-arching economic development objective. This relates previous work (see 'Why LSPs are core to Total Place', The MJ, 8 April 2010) to the new government's decentralisation (localism) agenda, and new LGA proposals for 'place-based budgets'

developer

escalator clause, so that you can 'claw back' affordable housing or other contributions in later phases, as the market improves.

If you are negotiating a major new development or renegotiating terms of an existing Section 106 agreement, it is crucial to seek external professional valuation advice – which developers will frequently pay for, if the external valuer is a recognised expert in the field, as this should reduce delays.

The valuer will not only be able to spot inconsistencies in the developer's arguments and calculations, but will also provide reassurance where financial contributions or works are being conceded on viability grounds.

In general terms, if, as an authority, you are prepared to move towards a developer in the early phases of development, where all the infrastructure costs arise, developers are likely to be more readily amenable to sharing uplift with you as the market improves.

It is in both parties' interests to reduce delays in delivery through speedy negotiations of planning obligations, and a full understanding of the financial constraints on developers and house-builders should assist officers and members in expediting the process. ▀

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te sector to deliver new developments