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Briefing 06/57

**TO: ALL CHIEF EXECUTIVES, MAIN CONTACTS AND EMAIL CONTACTS
(England)**

**CC: ALL CHIEF EXECUTIVES, MAIN CONTACTS AND EMAIL CONTACTS
(Scotland, Wales and Northern Ireland)**

**'Strong and Prosperous Communities' - The Local Government
White Paper, DCLG**

Economic development, housing and planning

Key issues:

- Economic development, planning and housing are key functions in the context of generating prosperity, avoiding deprivation and place-shaping
- The alignment of the Local Development Framework with the Sustainable Community Strategy

1. Introduction

The Local Government White Paper 'Strong and Prosperous Communities' was issued by the Department of Communities and Local Government (DCLG) on 26th October, 2006. APSE will be issuing a series of briefings referring to the White Paper. This briefing is relevant to Volume II, part E 'Economic development, housing and planning'.

2. The White Paper

This chapter of the White Paper opens with a description of how improving the economic vibrancy of areas and place-shaping is at the heart of building prosperous and cohesive communities where people want to live and work and where businesses want to invest. Local authorities can use the powers available to them in the areas of housing planning and regeneration to drive up prosperity in their areas. One of the main challenges is to address the significant and persistent differences in economic performance and deprivation between and

within regions. The Government's main objectives should result in no-one being disadvantaged by where they live.

Local authorities are in a unique position to take an overview of the economic needs of the area and manage or ensure delivery of services and infrastructure. The White Paper will enable local authorities to strengthen their partnerships, engage with communities better and maximise resources to ensure their community reaches its full economic potential.

When considering community engagement, the Government wants local authorities and their partners to be able to draw up a comprehensive engagement strategy. This should result in more meaningful consultation on the Sustainable Community Strategy (SCS), Local Area Agreement (LAA) and Local Development Framework (LDF). To support this, the requirement for the independent examination of the Statement of Community Involvement by the Planning Inspectorate will be repealed.

A review of the level of planning resources available to local authorities and whether planning fees should be set locally is to be set in motion. Consultation on proposals for a new Housing and Planning Delivery Grant awarded to local bodies for delivering additional housing and resource improvements in planning will also be undertaken. These actions are intended to devolve decision making to the most appropriate level.

Tenants' ability to have a greater degree of influence over housing issues will be increased by the introduction of arrangements to make it easier to set up Tenant Management Organisations and by giving residents opportunities to have greater influence over the management of services such as caretaking or tenant management.

The introduction of a council leader or mayor with a strong mandate will provide stability giving the private sector greater confidence to invest in an area. Enhanced overview and scrutiny arrangements will enable local authorities to ensure that the economic development agenda is aligned to other issues such as transport. The Government wish to give power to their executive to determine those planning applications that are particularly significant in implementing the LDF as well as encouraging the cabinet member responsible for the planning function to be a member of planning committee to strengthen the relationship between planning policy and delivery.

The concept of Multi Area Agreements will be developed to promote a coherent approach across key issues to achieve greater economic growth. Another change is the duty for key local players to co-operate through the LAA which will enhance the ability of local authorities to take a leadership role in setting and implementing the SCS and the LDF.

The Paper notes a particular concern of Government that local authorities play a positive co-ordinating role in the delivery of infrastructure as a part of their spatial planning responsibility. The CSR07 policy review into supporting housing growth is examining how the Government can incentivise and facilitate better infrastructure planning. There is also encouragement for smaller district councils to combine expertise at a sub-regional level to fill any capacity gaps when developing housing strategies and undertaking infrastructure planning.

The new performance and accountability framework for local authorities and Local Strategic Partnerships will enable a focus on key national and local priorities negotiated through LAAs. This will be enhanced by removal of the 'four block' structure and their replacement with clearly defined outcomes. This will enable local authorities to focus attention and funding on cross-cutting issues, including economic development.

3. APSE Commentary

The introduction of the LDF has consolidated a number of linked processes into a stronger framework for planning. The encouragement given via the White Paper to aligning and co-ordinating the LDF with the SCS is a further step in the same direction which should help to clarify the context within which planning takes place and the objectives it aims to address.

The Government wants local authorities and their partners to draw up a comprehensive engagement strategy and the benefits of such an approach is welcomed by APSE. Best practice authorities already manage their engagement with citizens well by arranging for appropriate levels of citizen involvement and feedback, publishing responses and acting on the information they receive. This approach involves more than combining activity and reducing the risk of overload as noted in the Paper. Making a success of this kind of project can have significant benefits but it is a substantial piece of work and should not be approached lightly.

The new mayoral and executive arrangements put in place may have the effect of providing stronger leadership within a council but it will by no means follow automatically that a change in arrangements will lead to benefits in terms of economic development, housing and planning. There are a range of other factors in play not least the attitude of partners to joint working and the capability of other members and officers of the council.

The suggestion that the cabinet member with responsibility for planning should be on the planning committee is a logical one. However the suggestion of giving power to the executive to determine those planning applications with a particular significance in terms of implementing the LDF will cause concern. There will be confusion regarding what constitutes a significant planning application and will raise issues about the role of members on planning committee and trust between

members. A further suggestion that planning be made a prime responsibility of one of the corporate directors who should be a professional planner reflects a meddling approach from central government. Planning is an important function within local government but many would argue it holds no greater importance than many other services or functions. As such there is no justification for it receiving special treatment. Local circumstances will dictate managerial responsibilities and local councils should be trusted to put in place appropriate arrangements.

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