

Implementation of “*Prosperous Places*” in the East of England

Paper by Sustainability East, September 2008

Summary

This paper sets out Sustainability East’s views on the implementation of “*Prosperous Places*” in the East of England. We see two issues as crucial:

- a. The new arrangements should reflect a firm commitment to pursue sustainable development, as defined in “*Securing the Future*”. The role of the new Single Regional Strategy should be to integrate economic, social (including health), and environmental (including resource protection) objectives, with the single aim of improving quality of life for the people of the region and the wider world now and in the future. This may involve restraining economic growth if and to the extent that it may not be compatible with environmental protection and social cohesion.
- b. Structured representation for non-party-political community stakeholders (“social, economic and environmental partners”, or SEEPs) at regional level, alongside central government and local authorities, is an essential element in the new arrangements if sustainable development is to be effectively delivered.

Background

1. On 17 July 2007 the Government published its “*Review of Sub-National Economic Development and Regeneration*” (“*Sub-National Review*” or SNR), as part of the 2007 Spending Review; and on 31 March 2008 this was followed by “*Prosperous Places*”, a consultation document on how the recommendations in the SNR should be taken forward. The key proposals are:

- a) to abolish Regional Assemblies, and give an enhanced role to Regional Development Agencies (RDAs), including preparing the new Integrated Regional Strategies;
- b) to require regions to develop new Single Integrated Regional Strategies (SRS), subsuming Regional Economic Strategies and Regional Spatial Strategies (also Sustainable Development Frameworks where they exist); a representative forum of LA leaders would “sign off” the draft strategy before approval by the Secretaries of State BERR and CLG;
- c) RDAs would become more strategic, delivering programmes via local authorities and sub-regional partnerships;
- d) to give LAs a stronger role in delivering economic development, including a new assessment duty;
- e) to provide a firmer basis for sub-regional collaboration.

Consultation closed on 20 June; this paper is written at a time when the Government is still considering the responses to consultation.

2. Sustainability East responded to consultation on “*Prosperous Places*”; a copy of the response is at <http://www.sustainabilityeast.org.uk/pdf/Prosperous-Places-consultation-response-FINAL.pdf> . We made various recommendations for “sustainability-proofing” the new arrangements, including:

- a) an overriding statutory duty for Regional Development Agencies (RDAs) to promote SD,
- b) changes to the composition of RDA Boards to achieve a proper balance between economic, social, environmental and resource use objectives;
- c) effective involvement of community stakeholders in developing strategy at regional level and monitoring RDA performance
- d) ensuring that Integrated Regional Strategies are set firmly within a SD framework and required to make explicit links to SD principles and objectives,
- e) the continuing need for an independent SD champion role, currently played by Sustainability East, to promote SD and act as 'critical friend' to regional agencies and local authorities

3. This paper is designed to take forward discussion about how the proposals in “*Prosperous Places*” should be implemented within the East of England, on the assumption that the Government decides following consultation to proceed with them in broadly their present form. It is written by Sustainability East and reflects our views, but we hope it will be used constructively by others to work towards a regional consensus. We have seen the “East of England response” to “*Prosperous Places*”, submitted by the Regional Partnership Group (RPG, which brings together leading representatives of central and local government and some other key stakeholders in the region), and have sought to build on that, while dissenting from it on some issues.

4. The paper focuses on two key issues: (a) embedding SD principles in regional governance structures and strategies, in particular the SRS, and (b) ensuring effective representation for non-Governmental stakeholders (“social, economic and environmental partners”, or SEEPs) at regional level.

Embedding SD principles in regional governance structures and strategies

5. The Government is committed in “*Securing the Future*”, published in 2005, to five principles of SD – living within environmental limits, ensuring a strong, healthy and just society, achieving a sustainable economy, promoting good governance, and using sound science responsibly – and to four agreed priorities that flow from them – sustainable consumption and production, climate change and energy, natural resource protection and environmental enhancement, and sustainable communities. This commitment to SD implies giving broadly equal priority to the economic, social and environmental dimensions of quality of life (“well-being”), and pursuing those objectives in a balanced and integrated way.

6. Sustainability East along with many others has expressed concern that “*Prosperous Places*” departs from the principles of SD and gives undue priority to the economic dimension. In particular it does not acknowledge that further economic growth *may* conflict with respecting environmental limits and promoting social cohesion, and therefore should not be pursued in isolation without reference to its broader impact. Nor does it recognise that the over-riding current priority should be

to help mitigate climate change and adapt to its effects. (See paragraph 10.) We see it as essential that the new governance, scrutiny and strategic planning arrangements – both the national framework laid down by central Government, and the way that the changes are implemented within the region – conform to the SD principles and objectives set out in “*Securing the Future*”. This paper focuses on what needs to be done within the East of England to ensure that the new arrangements effectively promote SD.

7. The RPG’s “East of England response” sets out a commitment in principle to use the Single Regional Strategy to pursue SD:

“The SRS should aim to improve quality of life through achieving sustainable regional development ... with increased rates of economic growth and delivery of positive social and environmental outcomes. The... SRS should be driven by regionally specific priorities (including on health, crime, water resources and coastal issues, for example), while reflecting national and local priorities and ambitions.”

The commitment to SD is welcome; but a more specific commitment to living within environmental limits is also required, along with a recognition that growth – still more so *increased* growth – may need to be restrained if it is in conflict with those limits. We see the role of the SRS as being to integrate and balance economic, social, environmental and resource protection objectives, with the single aim of improving quality of life for the people of the region and the wider world now and in the future.

8. The principle of a Single Regional Strategy drawing together previously disparate and sometimes conflicting strategies is wholly welcome. It is important to make strong linkages not only between the economic and spatial strategies, but also the range of other strategies – social, health, housing, cultural, environmental etc – that exist within the region.

9. Specifically, we would expect to see the SRS:

- set out a clear commitment to an integrated approach to SD, in which economic, social (including health) and environmental (including resource use) objectives are all seen as aspects of improving quality of life, and no one objective is permitted to dominate;
- set out what quality of life means in an East of England context, and how specific objectives will contribute to it; (the existing draft IRS – see paragraph 15 – provides a useful starting point);
- incorporate a suite of meaningful indicators, linked to the national SD indicators, by which the success of the strategy, and broader changes in quality of life in the region, can be measured;
- include effective appraisal tools for measuring the contribution of individual programmes and projects to the overall objectives of the strategy;
- commit to a consensual approach, whereby EEDA, GO-East, other public bodies and local authorities work in collaboration with non-governmental stakeholders, businesses and the people of the region.

10. The recognition that helping to mitigate climate change and adapt to its effects should be the overriding current priority was the single most important outcome and contribution to the Regional Spatial Strategy arising from the extensive and rigorous Examination in Public of that strategy. The Government has accepted, for example in responding to the Stern Review of the economics of climate change, that human-induced global warming is the most serious threat to quality of life on the planet. Making the East of England’s contribution to mitigating the threat, and at the

same time doing all we can to equip the region to adapt to unavoidable climate change, should be clearly identified as our highest current priorities.

11. Our reservations about treating economic growth as an objective in isolation do not reflect hostility to growth as such: we recognise the opportunities that growth can offer to enhance quality of life by lifting people out of poverty and improving both public services such as education, health and transport, and individual health and well-being. However – reflecting its origins as a review of economic development and regeneration – *“Prosperous Places”* does not acknowledge that there are tensions between pursuing economic growth (and concomitant population and housing growth), and other objectives – environmental protection, resource conservation, social cohesion and public health – that are equally important to well-being, and that trade-offs may need to be made between those objectives. By contrast *“Securing the Future”* recognised those potential conflicts, and proposed a framework of SD principles and objectives within which to try to reconcile them. That approach needs to be carried forward in the SRS.

12. RPG’s “East of England response” also refers to the balance between national, regional and local objectives:

“The SRS should translate national Public Service Agreement (PSA) targets to the regional level, capture local priorities identified in Local Area Agreements (LAAs) and show how it contributes to delivery of these.”

Although the lack of machinery for democratic accountability at regional level (which we regret) limits the scope for regional institutions and strategies to diverge from central Government policy, the SRS should be able to go beyond “translating” national PSAs, and to adapt those policies to the needs and aspirations of the people of the region (expressed in part, though not comprehensively, through LAAs).

13. One starting point for the new SRS will be the most recent Regional Spatial Strategy, published in May, and Regional Economic Strategy, due to be published shortly. Both the RES and the draft RES are firmly set in a SD context. This needs to be carried forward in the SRS; but it is also crucial that a new *integrated* strategy should focus not primarily on land use planning and transport (as does the RSS) or on economic development (as does the RES), but should take a broader holistic approach to the sustainable development of the region and the wellbeing of its people.

14. *“Prosperous Places”* by contrast appears to propose a narrow approach: *“The strategies should be succinct documents setting out the region’s vision for how and where sustainable economic growth would be delivered, focusing on the relationships between the regional economy and the key drivers of growth (competition, enterprise, innovation, skills, investment and employment), the environment and regeneration.”* (para. 4.5)

This makes the SRS appear to be little more than the RES under a new name. In this regard the reference in the RPG’s “East of England response” (see para 7) to broader issues such as health, crime and water is welcome but does not go far enough.

15. We would endorse the broader approach taken in the East of England Regional Assembly’s consultation draft Integrated Regional Strategy for the East of England, published in September 2007 (which in turn built on an earlier Sustainable Development Framework initially produced by Sustainability East) – even though we had many detailed criticisms of the draft. That took as its starting point a vision for SD in the region, made clear links to *“Securing the Future”*, and emphasised the need to balance economic, social (including public health and crime), environmental

and resource use objectives, thus setting economic development in its proper context. During the transitional period before new regional institutions are established, we would be keen to work with EERA, EEDA, GO-East and other stakeholders to develop the existing draft IRS, which – with the RSS, RES and other regional strategies as its daughter documents – is capable of being developed into a Single Integrated Regional Strategy that meets the Government's requirement, while having SD as its core and reflecting the needs and aspirations of the region's people.

Effective representation for non-Governmental stakeholders at regional level

16. “*Prosperous Places*” proposes to abolish Regional Assemblies, which bring together local authority representatives and regional “community stakeholders” (also known as “social, economic and environmental partners”, or SEEPs), which *inter alia* are currently responsible for preparing Regional Spatial Strategies and for exercising scrutiny over RDAs. RAs’ responsibility for RSSs would be transferred to RDAs (as part of the SRS), and their scrutiny role to a mix of new Local Authority Leaders’ Forums and Parliamentary Regional Select Committees.

17. “*Prosperous Places*” is however largely silent about what will take the place of community stakeholders’ involvement in regional governance and scrutiny via RAs, saying only (paras 3.22-3)

“The new arrangements for the regional strategy place a premium on effective stakeholder engagement and management, on which the RDAs will lead. We look to each RDA to devise working arrangements which best suit the needs of their region, so that they are most effective in drawing upon the expertise of stakeholders for sound decision-making and outcomes”

18. Stakeholders have a major contribution to make to regional governance, strategy development and scrutiny. Neither the Local Authority Leaders’ Forum nor the Regional Select Committee will effectively represent strands of opinion other than the local and the party political. Local authority leaders naturally represent the particular interests of their areas; and Regional Select Committees will be liable to view regional issues from a national party political stance, especially in the light of the recommendation from the Select Committee on Modernisation of the House of Commons (3rd Report, 2 July 2008) that their composition should reflect the overall party balance in the House rather than that among MPs from the region.

19. Stakeholders make no claim to be democratically representative. However, businesses, professional bodies, trade unions, universities, NDPBs and executive agencies, and voluntary bodies including environmental and social pressure groups, all represent major constituencies and strands of opinion, and possess valuable expertise relevant to regional governance in general and SD in particular. (Some, especially NDPBs, also have an important role in delivery.)

20. In the “East of England response” the Regional Partnership Group states that: *EEDA is proposing to establish a group of business, social, health and environmental stakeholders to enable them to contribute to the process of developing the SRS. The following principles will apply:*
stakeholder groups and EEDA should agree the mechanisms for joint working;

*stakeholder representation should assist development of a single regional strategy which helps achieve sustainable development;
the stakeholder groups should be partners in the process of developing the SRS....*

Other regional partners, including the Environment Agency, Natural England, the Strategic Health Authority and Sustainability East, could also bring particular thematic expertise to bear. EEDA is also willing to discuss how the scrutiny process can involve key stakeholders, while bilateral relationships with individual stakeholder groups may also be important.”

21. This is welcome so far as it goes. However, it is also important that a regional stakeholder group (a) should be free to determine its own membership, and (b) should have dedicated resources so it can commission work needed to perform its scrutiny role effectively.

22. We note that in one region, the North-West, it is proposed to invite selected stakeholders into membership of the LA Leaders' Forum, thus recreating something like the existing Regional Assembly. This is worth considering, though it would be necessary to ensure that the stakeholder representatives were elected by and representative of a wider stakeholder group rather than merely invited by the RDA and the Forum, and could not readily be sidelined if they challenged the consensus of the central government agencies and LAs.

23. We are keen to work with EEDA, RPG and the prospective East of England LA Leaders' Forum to help develop lasting arrangements that recognise that stakeholders have a right to have their views taken into account in debate on the region's future. We see this as important to ensure that all strands of opinion and expertise can contribute to developing the region's strategy; but especially from the perspective of promoting SD, where the involvement of NDPBs and voluntary bodies from the environmental, social and other sectors (e.g. health) will help to balance the primarily economic remit of EEDA and the (legitimately) parochial perspective of LAs.

24. Meanwhile we see the role currently performed by Sustainability East as still necessary. Sustainability East is an independent body whose remit is to promote SD by bringing together people with relevant experience and expertise from across the region and across disciplines to explore issues, challenge current practice, raise awareness, change perceptions, and act as “critical friend” to regional bodies in the integration of economic, environmental and social policies. Sustainability appraisal – and providing tools for others to carry it out – is an important part of our work. Sustainability East is not a representative stakeholder forum, either in its membership or the range of issues it addresses, and does not seek that role. If satisfactory arrangements were in place, first for embedding the principles of SD in new regional governance structures, strategy development and scrutiny mechanisms, and second for reflecting all strands of regional opinion and expertise through an effective and empowered stakeholder forum, Sustainability East might have worked itself out of a job. The proposals in “*Prosperous Places*”, as elaborated within the region by RPG, do not yet give cause for confidence that those conditions will be met.

Conclusion

25. This paper has been written to provoke discussion in the region at large, and as a basis for engaging Sustainability East and other stakeholders with EEDA and RPG as they develop their plans for implementing “*Prosperous Places*” in the East of England. We welcome views from all sources.