

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY
EXECUTIVE COMMITTEE**

Date: 13 June 2008

Subject: **Regional Delivery Plan**

Report of: Director of Development

Recommendation:

It is recommended that the Executive Committee endorse the approach being followed to produce the Regional Delivery Plan.

Purpose of Report:

To set out the current thinking with regards the Regional Delivery Plan and to put it in the context of the proposal to move towards a Regional Strategy.

Key Issues:

The Assembly and SEEDA are committed to aligning the implementation dimension of the South East Plan and the Regional Economic Strategy. However, with the move towards a Regional Strategy it is increasingly clear that a distinction needs to be made between implementation and delivery.

It is proposed that in future we will have:

- An implementation framework that is an integral part of the Regional Strategy and which provides the context for delivery agencies to work in support of delivering the longer-term objectives of the regional policy framework;
- The Regional Delivery Plan that is an action plan whose time horizon is shorter but through which the region identifies priorities for the allocation of funding that is available.

This approach is consistent with the draft response to the 'Prosperous Places' consultation.

Our initial attention needs to be focused on using our existing work on implementation (as set out in the implementation plans associated with the South East Plan and the Regional Economic Strategy) to prepare our first Regional Delivery Plan in order for that to underpin our submission for the second round of Regional Funding Allocation advice.

I. Context

- I.1 The region's input into last year's Comprehensive Spending Review set out the importance of working towards the development of a single Regional Delivery Plan. The impetus for this lay in the acknowledgement of the benefits of greater alignment of the implementation dimension of the South East Plan and the Regional Economic Strategy.
- I.2 The publication of 'Prosperous Places: Taking Forward the Review of the Sub National Economic Development and Regeneration' in March of this year outlined the Government's proposals to change regional governance arrangements in England.
- I.3 Under the proposals the statutory role of the Regional Planning Body would pass from the Regional Assembly to SEEDA (as the Regional Development Agency). SEEDA would be responsible for leading the preparation of a new Regional Strategy. This would see the South East Plan and Regional Economic Strategy brought together into a single integrated strategy for the region.
- I.4 Government has set out its expectation that the Regional Strategy will influence the policies, plans and investment decisions of central Government departments and public agencies, including the Environment Agency, the Highways Agency, the Homes and Communities Agency, the Learning and Skills Council, the Technology Strategy Board and Natural England. It goes on to state that it is expected that the Regional Strategy will result in a stronger alignment between national and regional spending plans.
- I.5 The consultation document also sets out the Government's proposals in respect of the Regional Funding Allocation process. It notes that the 2005-6 RFA exercise, which included transport, housing and economic development budgets, was very well received by regional stakeholders. The consultation document confirms Government's commitment to a second round of RFA advice that will be expanded to include the following additional funding streams:
- further transport streams to enable regions to provide wider advice on priorities for supporting regional and local transport,
 - European Regional Development Fund (ERDF), and
 - housing and regeneration delivery in the 'Growth Area's and the Thames Gateway and other regeneration programmes due to be transferred to the Homes and Communities Agency.
- I.6 The Government intends to launch this second round later in the summer. Further guidance is expected on the scope of the RFA exercise however it is already clear that the Government will once again seek the region's advice on strategic priorities for investment. It is also clear that the Government will seek the views of the region on how the money included within the RFA might be moved between funding streams to help deliver agreed regional objectives.

2. The Regional Delivery Plan

- 2.1 As it was originally conceived the focus of a single Regional Delivery Plan lay in bringing the implementation plans associated with the South East Plan and the Regional Economic Strategy together into a single document. Whilst it essential that we continue to build upon the work on implementation in the region to date, it is clear that our thinking on the scope and function of the Regional Delivery Plan needs to evolve.
- 2.2 In addition, as we begin to move towards a Regional Strategy, whose scope and role is as broad as that set out within 'Prosperous Places', it is increasingly clear that a distinction needs to be made between implementation and delivery. In this context our thinking is that in future we will have the following:
- i) **An implementation framework** – which will form an integral part of the Regional Strategy and which turns the policies into a set of agreed outcomes. As with the current crop of implementation plans this framework would need to set out in broad terms who needs to be involved in delivering the Regional Strategy's policies, what needs to happen and when it needs to happen. The time horizon for the implementation framework would match that of the Regional Strategy – i.e. 15-20 years.
 - ii) **The Regional Delivery Plan** – this will use the context set by the implementation framework to produce an action plan that whose time horizon is shorter – typically 3-5 years. It will be the mechanism for identifying investment priorities at the regional level and for then ensuring that the funds available through the RFA are targeted in the most effective way to deliver the objectives agreed and set out in the Regional Strategy. Feedback derived through the monitoring process will enable the investment priorities to be adjusted if required. The time horizon of the Regional Delivery Plan relates well to that of the Government's Comprehensive Spending Review.
- 2.3 A primary role for the Regional Delivery Plan will be to identify the outputs and outcomes that can be achieved with the funding that is available at the regional level. This approach can be used to present an evidence based case to Government as to what additional outputs and outcomes would be achieved if extra investment were available. In this way the Regional Delivery Plan will be the unifying document in the region that enables us to advise on the allocation of RFA and also present a cogent case as part of future Comprehensive Spending Reviews (the next of which is scheduled for 2009).
- 2.4 The Regional Delivery Plan will also be critical in enabling the region to become more influential with regards to the policies, plans and investment decisions of central Government departments and agencies. Good progress is already being made by both the Assembly and SEEDA in this regard, but there remains considerable scope to improve the alignment, of what are currently centrally directed funding streams, with regional priorities.

3. Next Steps

- 3.1 We have an established regional policy framework – set out in the South East Plan and the Regional Economic Strategy. We also have two implementation plans at the regional level. The Assembly secretariat and SEEDA officials are using these as the basis for producing an initial draft of the first Regional Delivery Plan. We will also use the progress report on delivery of the South East Plan, considered by this Committee at its meeting in April, as an input into the development of the Regional Delivery Plan. The views of the Regional Housing and Regional Transport Boards will also be sought. An initial discussion with the Boards has taken place and their views will help shape the content of the Regional Delivery Plan.
- 3.2 The proposition is that this draft is then used to consult with stakeholders in the region and within Government agencies, with a view to preparing a revised draft of the Regional Delivery Plan by the end of the calendar year. This would then be used to underpin the region's submission on RFA.
- 3.3 The engagement with stakeholders and Government agencies will be an important part in the process. We have made considerable progress in understanding the mechanisms associated with the delivery of key infrastructure. However, there is more that needs to be done in terms of developing our understanding of how regional priorities for planning and economic development are taken into account in the allocation of resources by delivery agencies. Presenting national investment programmes on a spatial basis at the regional and/or sub-regional level remains a challenge that we have yet to crack.
- 3.4 The other challenge facing us as we develop the Regional Delivery Plan is relating the investment in infrastructure and services to the delivery of outcomes and/or outputs. Here again, with the help of local authorities, we have made considerable progress in making this relationship more transparent. However, there is more that needs to be done if we are to present the strongest possible case to Government for investment to meet the region's needs.

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