

Planning the South East's Future: A Single Regional Strategy

Cllr Keith House – 12 March 2008

Much of the debate since last summer on the Sub National Review has generated heat rather than light.

That's somewhat inevitable given the strength of feeling from local councils that fear a loss of local accountability on regional planning, and from social and economic partners in the Assembly that fear being excluded from a debate they have only just joined.

I'd like to use this opportunity this morning to dispel some myths, and to look at some of benefits that can come from the emerging proposals, with the caveat of course that without clarity from Government on how the sub national review will be taken forward, there's more than a little bit of health warning here.

That's even more significant given that this event was timed to happen after the consultation document was published, not before, so we are all today trying to second-guess its contents.

So my contribution is a personal one, from the particular viewpoint and involvement I've had in regional strategy development in the last ten years.

So there's another health warning up front too. These are personal comments, and they do not attribute to the Assembly, to SEEDA, or to my own local authority, let alone Government.

Viewed purely personally, I wouldn't start from here. I'd be looking for a wholly elected Assembly on the Welsh model - taking responsibility for the whole range of regional policy making, adding in health and community safety too. But you didn't come here today to listen to a Nick Clegg speech, more's the pity. So I'll put my Lib Dem hat to one side – at least in part!

Where do I come in? What's my platform?

Ten years back as the Regional Development Agencies Act was shaping SEEDA, I was a Council Leader involved in the formation of the predecessor to the Assembly, the South East Regional Forum. And I had a stake in regional planning through the South East Regional Planning Conference, SERPLAN.

It is worth recalling that Councils have been a part of regional planning since the formation of SERPLAN in 1964. Regional working is not new. It has evolved. And for those who consider that the Assembly has deluged local authorities and

its members with papers, well, it's not that dissimilar a volume that arrived from SERPLAN.

I ended up as the first Chair of the Assembly, and a member of the Regional Planning Committee when it was formed and in 2002 was appointed to the SEEDA Board by the Secretary of State, and remained on the Regional Planning Committee.

So my personal stake in regional spatial planning and regional economic planning dates from what could in modern times be described as the beginning, and being part of both the Assembly and SEEDA has given me a unique vantage point from which to view the strategy landscape.

My commentary this morning is thus a walk through that landscape, hopefully plucking ripening apples from the orchard, rather than slipping on policy banana skins.

So no numbers, no powerpoint, but I won't try to dodge some difficult issues along the way.

What are our strengths?

First and foremost, we work well together. There is a pragmatism that runs through the south east. We know we are not going to get massive government handouts, whatever colour the government.

And we are a region where business works, people are in work, and innovation and competition are part of the way we work.

Back at the start of the first Regional Economic Strategy, the SEEDA and Assembly approach was to work together. Indeed, many lines of the very first strategy were hammered out by the SEEDA Chief Executive and leading members of the Assembly literally working line by line through the draft of the document, sitting in a hotel garden at the Local Government Association Conference. Perhaps times have changed for the better!

But the key here is that joint working and collaboration are how we work when we work best, not scoring points off each other. That stands us in good stead.

A second strength is broad agreement on where we need to get to.

We know and understand that investment in infrastructure is a prerequisite for growth in many parts of the region.

And while the Assembly and SEEDA may have disagreed on the overall housing numbers, the reality was that this disagreement was at the margins.

We know and understand that the quality of the south-east's environment is part of the region's economic success.

And we know and understand that our real economic challenge is with emerging economies in China, India and then Brazil, Russia, rather than a sterile debate about the north and south of England.

The work too that has taken place in the Regional Transport Board and Regional Housing Board has helped pull strategy making together.

We can build on these strengths.

But what of threats and weaknesses in our processes?

It seems to me that there's a cultural gap in the way we have approached policy making, and that this is one of the areas we need to work on.

Let's take the two core regional strategies at present – the Regional Spatial Strategy and the Regional Economic Strategy.

The Spatial Strategy is process based. It covers a wide range of topics, has a horizon set in the distance, operates through compulsion, has complex and lengthy processes, has a clear testing arrangement – albeit one that is not wholly transparent in the clarity of outcomes – and is desperately and overtly political.

The Economic Strategy is about building consensus and partnership working. It tends towards shorter horizons, with shorter and more organic processes. It talks about investment, about skills, about stimulating innovation, creativity and competition. But its low level of political debate means that much of its content falls beneath of radar of most politicians, and hence many local authorities.

What is hidden in the politics of the Spatial Strategy is that other than the political issues – evidenced in the last round primarily by housing numbers and the approach to aviation policy – what's hidden is that there is broad agreement on almost all of the content. I have a rule of politics that says that 90% of us agree on 90% of the issues 90% of the time. It's the small fraction of disagreement that creates tension.

The weakness of focusing on the disagreement is we spend less time working on the areas of agreement of the improved outcomes that could come through that approach.

What is hidden in the lack of politics of the Economic Strategy is that key debates about lack of skills and ambition in many parts of the region remain debates that

don't happen, with change and progress stifled because its either too difficult or there is not the political emphasis on making it happen.

So despite the joint working and shared objectives there remains a mismatch between the two strategies.

This to me is the challenge we need to tackle.

But I believe we can.

We need to assume some givens here in the approach from Government.

Firstly, that there will be greater prescription from the centre of what truly are national targets.

I'm a devolver rather than a centraliser, as I believe strongly that decisions that impact on people are best taken as close to them as possible.

But the energy that goes into pointless debates at a local and regional level because of lack of clarity from government waste time and goodwill.

So I for one would welcome clear and simple statements from government on key issues "up front" in the planning process.

Is there a government objective for economic growth?

Is there a government objective for carbon reduction?

Is there a government objective for national infrastructure?

And most of all, is there a government objective for housing numbers?

If we can get those out of the way at the start of the process, we'll be in a better position to work together with a backdrop of certainty.

There's a lack of clarity here. The Sub National Review refers to regions being set targets for economic growth, but setting targets for housing.

Each of these key areas is of national significance, and government can be held to account by voters.

My fear is that government ducks these national issues, and in particular those key political issues around housing and infrastructure where there is the potential for disagreement between locally elected politicians and a government quango.

Let's call a spade a spade here. SEEDA is ultimately a creature of central government in the region. It's accountability is to the Secretary of State, not to the region. That is both SEEDA's strength and weakness.

If we can take the headline issues as read, we then need to consider how we make the process work in the south east.

A starting point is to understand how the south east works.

In governance we have the greatest diversity of decision making bodies in the country. Large shire counties with a mix of small and medium sized districts, with key economic and planning functions split between them. A sprinkling of single purpose unitary authorities, many of which need to interact with neighbouring shire councils at a sub-regional level. What works in Oxfordshire will not be the same as what works in South Hampshire, any more than what works in the Isle of Wight being the same as, well, anywhere else.

We have a complex region.

This begs for some simplicity to be created, and for real devolution from the centre.

It means that in the south east, the regional contribution to strategy-making should only be that which cannot be devolved more locally to sub-regions or even to individual local authorities.

I don't think I'm giving away any confidences but when some of these issues were being informally discussed by the SEEDA Board, there really was no desire by the Board to spend the amount of time the Assembly has at a regional level attempting to assess both the quantum, methodology and disaggregation of traveller site provision down to a district level. These issues really are best dealt with locally.

So that's the first change – devolution to sub-regions.

To make that work engagement with local authorities at both local and regional level will be needed.

Again I don't believe we need a one-size fits all approach.

Some sub-regional arrangements are already working well. Take the Partnership for Urban South Hampshire for example, with a formalised joint committee now in place to take the South East Plan forward, based on policies that started from economic and spatial need rather than divvying up housing allocations.

In other areas, county-based arrangements may prove the best way forward. In others, new configurations will have to be found.

At the regional level I personally will miss the Assembly. Our region has been well served by what is still a relatively small staff team across a range of functions, but most especially spatial planning.

Whatever body replaces the Assembly will need to be as inclusive as the Executive and Planning Committee have been at regional level if it is to retain the confidence of councils across the region.

And the working relationship between SEEDA and the new body will have to involve the region in making decisions.

It's too early to be prescriptive, but I for one and I know many SEEDA colleagues do not see this as a simple or toothless scrutiny body. Local authorities will need to be involved in shaping policy for the region. A top-down process driven by a body not directly accountable to the south-east community cannot be the way forward.

This points to changes at SEEDA, and SEEDA is up for change.

It means handing over projects, devolving functions, releasing money, directly to local authorities.

And this needs to be real devolution, unlike the transfer of 14-19 functions that merely passport ring-fenced funds through local authorities.

The Board and Executive team see enormous potential to make the Regional Strategy process work for the region.

Just as local authorities and partners will need to change, so will SEEDA.

That means attacking the democratic deficit, more local and less regional decision making and, potentially, Board meetings open to the public to increase accountability.

So if local authorities are nervous at this stage, and that is understandable, the answer must be to get involved now in shaping the future.

For social and economic partners too, the regional structures that have been formed over the last ten years shouldn't be abandoned. SEEDA will want to find ways of hearing these key voices.

In fact I've often found on the Regional Planning Committee – and this gets raised eyebrows – that the clarity of message from the CBI is one of the most useful. We lose these contributions at our peril.

Let's look again at some of the benefits that can come from the integrated strategy if we get it right.

And I'll use my own local example of the Partnership for Urban South Hampshire as a case study example.

PUSH started from a recognition – very bottom up from the local authorities – that the south Hampshire sub-region had underperformed for decades.

We had lower skill levels than the south east, lower wages, yet we had the impact of rising house prices and transport congestion. All the pain with none of the gain.

So PUSH started working on understanding some of these issues – very much what you would expect from SEEDA rather than a group of local authorities.

PUSH worked out that it needed a twenty-year plan to focus investment and the movement of people in, within and out of the cities.

That it needed to increase the skills and productivity of the existing south Hampshire community to generate wealth internally rather than to suck people in from outside the sub-region.

That it needed to do this without destroying the high quality of the coastal environment and its hinterland, but without creating the “Solent City” discredited in the 1970s.

And that it needed to do this paying much greater regard to the quality of the built environment – place shaping to use the jargon – and building to higher standards of environmental sustainability.

If this sounds uncannily like the core objectives of the Regional Economic Strategy, well, yes it is.

The approach has so far worked, it has been locally owned by all of the local authorities involved, including bidding for housing growth based on the evidence of economic need, and it is increasingly involving the business community, the academic community, and wider groups in southern Hampshire, alongside SEEDA and the Government Office.

SEEDA's role has been to lead and encourage, not to instruct. That's an important difference, not a subtle difference.

I've not yet said anything about the Government Office this morning. When I was Regional Assembly Chair I made a point of saying that my true objective was for GOSE to be the voice of the region within government, rather than the voice of government within the region. That may have been a tad idealistic, but the argument still holds. Now we have Regional Ministers, we are closer to that vision being achievable. On a good day.

Calling in fewer planning applications is a start in this direction. Local accountability will only truly work when locally elected politicians do not have the excuse that the decision has been delegated upwards to government, or held up as the Government's response to the South East Plan has been.

But back to PUSH. That PUSH is locally owned is important. The local authority leaders can be held to account through the ballot box. It's the strength of local government, and the greatest weakness of a quango-led approach to regional strategy making. And that's true however benevolent the quango may be!

PUSH could well be a model for bottom-up sub-regional strategy making. It's working with the grain of national and regional policy, not kicking against it, and is about the positive management of change.

It's about integrating spatial and economic planning – hey, that starts to sound like what we're looking for across the south east.

If we can achieve this, we have the chance for a strategy process that resolves the policy tensions created by two groups of people starting in different places and hoping they'll get to the same destination. One voice for the south east.

Before I get too carried away with myself and drown in a sea of rhetoric I'd make the simple and final point that this will not happen by chance.

It will only happen if we can get the elected members and professionals from all sectors out of their silos onto a common agenda.

That requires support and leadership from government.

It requires a commitment from us all to decentralise and trust, with clearly worked through new accountabilities.

And it requires common ownership of objectives.

Personally I think that's exciting. Let's get on with it.

ENDS