

COMMITTEE:	CABINET
DATE:	9 JANUARY 2002
SUBJECT:	ECONOMIC DEVELOPMENT PROTOCOL
REPORT OF:	CHIEF EXECUTIVE and DIRECTOR OF PLANNING, REGENERATION AND AMENITIES
Ward(s):	ALL
Purpose:	To consider the Protocol put forward for consideration by the East Sussex Local Government Association
Contact:	Martin Ray, Chief Executive, Telephone 01323 415002 or internally on extension 5002.
Recommendations:	That the Protocol attached be adopted.

1.0	<u>Background</u>
1.1	The East Sussex Local Government Association asked all the Chief Executives in East Sussex to look at the mutual roles of the County Council and District/Borough Councils in the field of Economic Development. They were asked to draft a protocol to clarify these roles.
1.2	A report was produced with a draft Protocol to the last meeting of the East Sussex Local Government Association. A copy of the Protocol is attached. The Local Government Association have recommended all member Councils to adopt the protocol.
2.0	<u>The Protocol</u>

2.1	The Protocol aims to clarify the roles of the different Local Authorities. It seeks to focus the County on strategic issues which only the County can input to economic development. The local delivery is to be led by Districts and Boroughs. The County's role in Education, Social Services, Transport and the Environment remain unchanged. Economic Development projects at a local level may frequently rely on some or all of these County services. They will continue to play the same role as now. The Protocol is to look at the County's Economic Development function only.
2.2	It is intended that the Protocol sets a framework against which authorities will work. There may be occasions where this may need to be amended to reflect the particular needs.
3.0	<u>Financial Implications</u>
3.1	There are no direct financial implications in this report. The aim of the Protocol is to assist officers in prioritising their time towards particular objectives.
4.0	<u>Other Councils</u>
4.1	So far the County Council have adopted the policy.
5.0	<u>Conclusion</u>
5.1	The Cabinet is recommended to adopt the Protocol.

<p>MARTIN H. RAY</p> <p>CHIEF EXECUTIVE</p> <p>NORMAN KINNISH</p> <p>DIRECTOR OF PLANNING, REGENERATION AND AMENITIES</p>

Background Papers:

The Background Papers used in compiling this report were as follows:

The draft Economic Development Protocol appended.

APPENDIX

DRAFT PROTOCOL FOR ECONOMIC DEVELOPMENT WORK IN EAST SUSSEX

<p>1.</p>	<p>All the principal local authorities contribute to economic development in a wide variety of ways. As community leaders they all clearly have a role in lobbying and influencing on behalf of the community they represent. Doing this in collaborative partnership with each other, and with other local partners, is often more effective than lobbying alone. Occasionally, particularly at District level, there may be an element of competition between different geographical areas e.g. in relation to attracting inward investment. While the right of each District Council to lobby on behalf of their own area must be preserved, the more that can be done within an agreed strategic framework, whereby the maximum benefit can be brought to the County as a whole, the better. With this end in view all Councils agree that:-</p>	
	<p>i)</p>	<p>It is their individual responsibility to produce an economic development strategy for their own Council, but that they will seek to ensure that those strategies complement, as far as possible, those of fellow Councils and are set within the context of wider economic strategies whether they be countywide or regional - the latter having been formulated in consultation with all authorities and key partners.</p>
	<p>ii)</p>	<p>The development and review of the overall, integrated economic development strategy for the County (rather than for the County Council) will be the responsibility of the East Sussex Economic Partnership on which all local authorities will be represented and whose collective agreement will be required for the strategy. The overall strategy will need to be set in the context of the Community Strategy agreed by the proposed East Sussex Strategic Partnership.</p>

	iii)	The main aims of all economic development strategies within the County should be to raise the overall performance of the economy while at the same time seeking to ensure that the gaps between the best and worst performing areas of the economy are narrowed.
	iv)	There will be the maximum sharing of relevant information between all authorities with their economic development activity being co-ordinated through the regular meetings of the East Sussex Economic Development Officers, the Chief Executives' Group and the ESLGA.
2.		The most direct and largest contribution to economic activity by local authorities tends to derive from their statutory responsibilities for ensuring the delivery of major services such as Education, Transport and Housing. It is agreed that, whenever these responsibilities have a direct input or relevance to an economic development project or issue, it is necessary for the relevant Council to be directly involved in work on that project or issue. Depending on the extent of involvement needed it may be necessary for the relevant Council either to be a full partner in the project or issue, a consultee, or a 'contractor' delivering specific inputs or outputs to or from the project. The Council with the largest input, in terms of resources (human, financial, property or land based etc.) and influence, or holding a key statutory, responsibility, should normally be the lead authority, where appropriate taking on the accountable body status from the project, fund etc.. Unless otherwise specifically agreed, the usual presumption should also be that any Council or other body which is contributing funding to a specific project, programme or partnership, should normally have a representative on the relevant board.
3.		All Councils also make a direct contribution to economic development in the area as major employers and from their buying and selling power within the market economy in East Sussex. While all Councils have to comply with their fiduciary responsibilities, they agree that, subject to those requirements, and wherever possible and practical, local provision will be sought.
4.		The role played by specifically designated economic development groups or teams within each of the Councils in relation to economic activity is, in fact, relatively small when compared to the contribution from the Councils' wider roles, but it is the area where most confusion about roles and responsibilities, especially by partners, has arisen. The remainder of this protocol relates to the work of those groups.

5.	<p>The basic principle underpinning this protocol is that the County Council should take a lead on what can essentially be regarded as 'strategic' economic, development issues, and the Borough and Districts Councils on those which are largely 'local' issues. It is not, however, an easy task to draw a clear distinction between such activities and it is important that a flexible approach is taken when interpreting the practical implications of this distinction. Whichever tier of authority is taking the lead it will, of course, continue to be essential that effective consultation occurs with all other interested parties including, but not only, other Councils. In many instances joint funding and working will be appropriate for particular projects and programmes and many functions will have both a strategic or county-wide and a local dimension. It also needs to be recognised that, depending on how they develop, initially strategic projects and programmes can become largely local ones, especially at the point of implementation, and local projects can grow and develop to take on strategic significance.</p>	
6.	<p>With these caveats an attempt has been made to draw a broad distinction between what can largely be regarded as strategic and local activities.</p>	
	<p><u>A. Strategic functions on which the County Council should lead:-</u></p>	
		<p>1. European Policy and Programmes - work to ensure East Sussex and specific areas within it are demonstrated to be eligible for European programmes and to attract European funding, including liaising etc. with relevant international, national and regional bodies on issues of county-wide or strategic significance. This will include the co-ordination of relevant partnership arrangements such as the Brussels Office. Any Councils, or other bodies, wishing to access the services offered, will need to be members of the relevant Partnership and contribute to its funding;</p> <p>services offered, will need to be members of the relevant Partnership and contribute to its funding.</p>
		<p>2. Statistics and Research - commission, access, draw together and make available information to support economic development throughout the County. This will involve close liaison with sub-regional (e.g. Sussex Enterprise) regional and national bodies. Locally produced data from District and Borough Councils will also need to be fed to the County Council for collation and distribution.</p>
		<p>3. Strategic Planning and Policy - develop and implement sustainable economic development and regeneration strategies which support the main aims underpinning this Protocol, influencing planning and policy processes to be flexible towards current and future business.</p>

		<p>4. Advocacy, liaison and influencing work - with pan-Sussex, regional and national bodies, such as the South East England Development Agency (SEEDA), Government Office of the South-East (GOSE) and Whitehall departments, on economic matters of county-wide or strategic significance to the County. (This will often be done in conjunction with relevant District and Borough Councils).</p>
		<p>5. Strategic Economic Partnerships - through active participation and support help to strengthen the work and effectiveness of the East Sussex Economic Partnership and any other strategic economic partnerships that may be formed from time to time, the work of which is targeted on county-wide issues or issues which cross the boundaries of a number of Districts.</p>
		<p>6. Project Management of Strategic Economic Development Projects - which support the main aims underpinning this Protocol and which will have an impact county-wide or regionally, for example, major transport and electronic infrastructure projects, creation of a new e-based university in the east of the county, co-ordination and development of a range of strategic sites.</p>
		<p>7. Strategic External Bidding - co-ordination, preparation and management of external funds to implement strategic projects or programmes across the County on which the County Council is leading.</p>
		<p>8. Skills and Training - work with county-wide, pan-Sussex or regional bodies and Higher and Further Education providers to help ensure training provision matches future employer needs and particularly helps equip unemployed people with the skills needed to find work.</p>
		<p>9. Inward Investment and Aftercare - working alongside District and Borough Councils and private sector partners, ensure an effective, jointly funded, delivery organisation exists to work with the East Sussex Economic Partnership. The aim of the organisation should be to liaise and co-ordinate with pan-Sussex and regional bodies, including the South East England Development Agency. (SEEDA), on county-wide and regional inward investment and aftercare policy and ensuring effective co-ordination of the handling of enquiries from agencies, developers and businesses wishing to locate or expand with the County.</p>
		<p><u>B. Local functions on which the District and Borough Councils should lead:-</u></p>

		1. Local Planning and Policy - influence the local plan and policy framework to be more responsive to business needs.	
		2. Local Statistics and Research - co-ordination, production and dissemination of information about specific District or Borough areas to support economic development work.	
		3. Local Programme Delivery - develop, facilitate and implement local regeneration programmes. These may be "stand alone" programmes or may be set within a wider strategic framework. They may involve more than one District Council but be locally rather than county-wide focussed e.g. Assisted Area Partnership.	
		4. Local Advocacy -liaison with and influencing County Council, Regional and National bodies on local economic development matters of significance to the particular Borough or District.	
		5. Local Regeneration Partnerships - support and develop town/village regeneration partnerships. The presumption will be that these will largely be co-ordinated and managed locally and not by the County Council. There would only be representation and active support from County Council officers where:-	
			i) County Council direct service functions (e.g. transport, social services) formed a key part of the local partnership's programme (representation in such cases may come from the relevant service departments rather than the economic development team);
			ii) County Council funding was contributory to the work of the partnership;

			iii) the County Council acted in any formal legal capacity in relation to the work of the local partnership.
		6. Local External Bidding - bid for funding from regional, national and European sources to obtain resources to implement local economic development, tourism and regeneration strategies and implementation of related projects and programmes. Draw the County Council's attention to, and seek support from it, for local bids which required formal County Council support to succeed;	
		7. Specific Site Development - work with various partners, agencies and sectors to develop specific sites for employment use.	
		8. Skills and Training - work with local business and local providers to help ensure local needs are identified, appropriate provision is created and unemployed people in particular are helped to acquire the skills to help them find work.	
		9. Local inward investment business support - handle direct inward investment enquiries and those passed down through the regional and county-wide co- ordination bodies; work with key local businesses to maintain their longevity and expansion within the local area and enable them to compete more effectively.	