



Economic assessment and evidence-led approaches to economic development for district councils

Supplementary handbook

Contents

1. Introduction	1
2. The views of district councils	6
3. The process of an economic assessment	9
4. Key areas for analysis	12
5. Purpose and scope	19
6. Collecting initial data and evidence	22
7. Analysing the data	25
8. Drafting, testing and refining the Local Economic Assessment (LEA)	28
9. Dissemination and integration of the LEA	31
10. Reviewing and revising the LEA	34

Developed by Rocket Science UK Ltd and Rose Regeneration Ltd.

1. Introduction

This handbook provides support for district councils in making their mark in relation to the economic assessment process and more broadly realising their considerable potential in the future organisation of economic development. It has been informed by:

- a survey of district council experiences of the Local Economic Assessment (LEA) process to date
- a series of case study discussions with districts about both their LEA experience and the issues they feel are important within the context of economic development in future.

It should be read in conjunction with the sectoral guidance prepared for councils more generally, which can be downloaded from the Local Government Improvement and Development website¹.

The duty to undertake an economic assessment at the upper tier level has focused attention within local authorities on the need to scale up and improve evidence-based approaches to economic development. An economic assessment involves bringing together data and intelligence by a local authority in order to construct a single evidence base that tells the story of its economy. At the heart of the duty lies the challenge of identifying and responding to the economic geography which cross cuts many

local authority boundaries. This has been further reinforced through the requirement for natural economic areas to be central to the process of defining the boundaries for, and setting up, Local Enterprise Partnerships² (LEPs) – private-sector led public-private partnerships which are developing to drive and coordinate economic development at a sub-regional level.

There is a tendency for those organisations with the biggest resources, which in many cases also cover the largest administrative geographies, to be brought to the fore in responding to these kinds of initiatives. Indeed the duty to undertake an economic assessment is specifically focused on first tier authorities, with sections in both the statutory (now withdrawn) and sector-led guidance (currently being updated) pointing to the importance of engaging with district councils in the process of preparing the assessment.

This handbook sets out to support district councils and their partners in maximising their input into these processes.

¹ You can access the Sector Led Guidance at: <http://www.idea.gov.uk/idk/core/page.do?pagelid=13992067>

² For a general background on Local Enterprise Partnerships see: <http://www.communities.gov.uk/localgovernment/local/localenterprisepartnerships/>

We were supported in the development of this handbook by the positive engagement of a number of councils, which provided valuable case study materials. We would particularly like to record our thanks to:

- Paul Armstrong, High Peak Council
- William Barton, West Oxfordshire Council
- Simon Carter, Mansfield Council
- Michael Cozens, South Hams Council
- Mike Lenihan, Rugby Borough Council
- Alan Pankhurst, Lincolnshire County Council
- Robert Plumb, West Devon Council
- Dave Smurthwaite, Craven Council

The important role of districts

In the matrix of local authority roles and responsibilities, district councils have statutory leadership roles in a number of key areas, which need to be fully considered and embraced in the process of preparing an economic assessment. These are also relevant to the agenda and delivery issues for LEPs and securing funding and investment into local areas. Their most relevant leads in this context are:

- Local Development Frameworks (LDF)
- strategic housing responsibilities.

In addition to these statutory leads, district councils bring a number of unique insights to the development of a strategic overview of economic development. These derive from:

- Their role as the most local, significantly resourced, level of government. This gives them unique insights into the socio-economic dynamics of the places they are responsible for, arising from their day to day activities and the exercise of their powers of well being.

- The data arising from the performance of their activities around housing benefit administration, waste collection, environmental health, electoral registration and other key activities, which provides powerful and ‘non routine’ intelligence about local areas and places.
- Their relationships with parish councils and their engagement with community-led planning in its different manifestations.

The focus on natural economic areas also raises a challenge for district councils where they operate across county boundaries. Good examples identified in the development of this work include for example:

- High Peak, with its connections to Manchester and Sheffield
- Craven with its connections to the Leeds City Region and North Yorkshire.

If economic assessments are to truly reflect their natural economic areas, district councils in this position will need to ensure that their data is understood and that their voice is heard in relation to a number of assessments. This issue will also be important in shaping the focus and work of LEPs.

The sector-led tools on ‘How to do a LEA’ include a number of areas that are directly relevant to the role of district councils. However, supplementary advice and support in the form of this handbook has been produced in response to two issues:

1. The need to ensure that districts are fully engaged in the LEA process.
2. The need to take account of significant policy and delivery challenges linked to the development of the LEP agenda.

The LEP agenda is complementary to the LEA process with its focus on economic geographies and provides a good starting point for local authorities to consider how to re-orientate their activities to take account of this new structural approach to economic development. This has been reinforced in Grant Schapps letter to authorities of the 23rd September which emphasises the flexibility Government has afforded to local authorities in thinking about how they can best shape LEAs to suit their particular circumstances³.

Background to the duty

The duty on authorities to produce an LEA is based upon a statutory instrument to bring together data and intelligence in order to construct a single evidence base that tells the story of its economy.

The prevailing view, as set out in the LEA sector-led tools on the assessment, is that the LEA process should form the basis of a single exercise undertaken across the authority taking various data and intelligence available at the local, sub-regional and regional level and organising it in a way that will help inform key strategies and agreements.

Whilst there is a need to synchronise with local strategies, with the removal of the Integrated Regional Strategy and the development of a more permissive approach to local authority planning and monitoring, local authorities have an opportunity to think again, in the context of their local priorities, about the optimal timescales and approaches to the development of LEAs.

The timescales and issues around the development of LEPs will be material considerations in this context.

Since the introduction of the duty to undertake an economic assessment in late November 2009, many local authorities have made considerable progress towards the completion of their first LEA. Evidence collected during the development of this handbook suggested a process of well established and significant cooperation amongst district and counties in taking this forward in for example Devon, North Yorkshire and Lincolnshire.

Two key considerations arise from this scenario:

- Firstly there is now, in many places, considerable data and information to build on in the process of districts and counties working together around the evolving economic development agenda.
- Secondly there is scope, in the more liberal environment that is being established for local authorities in terms of non statutory responsibilities, for a deeper process of discussion and engagement prior to the publication of key documents of all interested parties. Whilst the new agenda for local authorities in terms of economic development does not provide scope for stalling over the LEA, it does provide the power of suggestion for district councils to seek enhanced and more detailed engagement in the LEA process if they so wish.

³ Grant Schapps Minister for Housing and Local Government Letter to all English Local Authority Chief Executives 23 September 2010

The new agenda for economic development

A number of key changes have been signalled and in some cases implemented by the Government since May 2010. These include:

- proposals to abolish Regional Development Agencies, Government Offices and Regional Planning
- establishment of LEPs to drive and coordinate economic development activities at the sub-regional level
- announcement of a £1.4 billion Regional Growth Fund to support economic development⁴
- proposals to abolish the Audit Commission and signalled reductions to the range and intensity of performance management approaches and measures for local government
- new proposals around the concept of the idea of collaborative democracy and the Big Society which give very local communities and voices a key role in regeneration activities.

The main principles of the new agenda for economic development will be set out in the Decentralisation and Localism Bill announced in the Queens Speech in 2010. Specifically, there are commitments to:

- abolish Regional Spatial Strategies
- return decision-making powers on housing and planning to local councils.

- abolish the Infrastructure Planning Commission and replace it with an efficient and democratically accountable system that provides a fast-track process for major infrastructure projects
- new powers to help save local facilities and services threatened with closure, and give communities the right to bid to take over local state-run services
- abolish the Standards Board regime
- give councils a general power of competence
- require public bodies to publish online the job titles of every member of staff and the salaries and expenses of senior officials
- give residents the power to instigate local referendums on any local issue and the power to veto excessive council tax increases
- greater financial autonomy to local government and community groups
- create Local Enterprise Partnerships (to replace some of the functions of regional Development Agencies) – joint local authority-business bodies brought forward by local authorities to promote local economic development
- form plans to deliver a genuine and lasting Olympic legacy
- outright abolition of Home Improvement Packs
- create new trusts that would make it simpler for communities to provide homes for local people
- review the Housing Revenue Account.

⁴ The RGF consultation closed on 6 September 2010 – for more information on the consultation and RGF more generally see: <http://bis.gov.uk/Consultations/regional-growth-fund-consultation>

Other key policies announced which are of relevance to LEAs and particularly to district councils are:

- the requirement that local development plans are generated via ‘collaborative democracy’ – designing the local plan from the bottom up, starting with the ambitions and aspirations of each community and neighbourhood
- an obligation on the local authority to provide each community with appropriate evidence and statistics, including around housing need and local demand, to enable it to effectively consider its own future
- a role for the planning authority to help communities develop their visions and in brokering a rational and coherent plan for the area as a whole
- a commitment that local communities will receive a share of any ‘local tariff’ raised on development in their community
- the creation of a new vehicle to enable communities to develop affordable housing – the Local Housing Trust⁵
- an exemption from the local tariff for affordable homes, developed by (new) Local Housing Trusts and self-builders
- a payment to councils of 25 per cent of the council tax raised by each new affordable housing unit annually for six years from a central government fund
- a commitment to extend the brownfield land designation to land currently occupied by farm buildings to facilitate the development of disused buildings for other purposes.

In addition to the establishment of this new legislative and policy framework for local authorities within which economic development sits, the Government has signalled a considerable shift in policy towards the readjustment between public and private sector jobs. This is linked to the development of strategies which focus very specifically on addressing the current significant level of the Public Sector Borrowing Requirement by major reductions to public sector expenditure. Ameliorating the impacts of this policy in places likely to be most adversely affected has been established as a key principle in the Regional Growth Fund (RGF) consultation.

⁵ Local Housing Trusts are a new vehicle being developed to provide a framework for communities to bring forward sites for housing in their neighbourhoods and will be created through the Decentralisation and Localism Bill in 2011.

2. The views of district councils

Key findings

The views of district councils on their experience of the development of economic assessments were collected through an online survey administered by the Local Government Association between June and July 2010. The survey was sent to all authorities, but contained a number of questions focused specifically on districts and economic assessments. The results of the consultation and arising analysis are set out below.

Sample size

60 district councils responded to the survey, which represents a 30 per cent response from the total cohort size of 201 districts.

Economic development strategies

Over a quarter of respondents did not have an economic development strategy and a third of those with a strategy had not updated the document for three years.

Participation

The vast majority of respondents, 69 per cent, had worked with their principal authority in relation to the LEA. Only 8 per cent of respondents reported a 'not very good' relationship with their principal authority, around a third described their relationship as 'very good'. Less than 10 per cent of the respondents had no intention of participating in the development of the assessment. 48 per cent had already provided data and half had been in a direct dialogue about drafting with their upper tier authority.

Involvement within districts

The economic development team had been major contributors in the development of the economic assessment process in two thirds of respondents; the planning team has been substantively involved in less than 50 per cent of respondents; and less than 20 per cent of respondents reported substantive engagement in the LEA process by their housing and their community development teams.

Geographies

Districts identified economically based operational geographies – Housing Market Areas and Travel to Work Areas – as most relevant in the context of the development of the economic assessment. Less than 50 per cent felt that administrative geographies were important. Two thirds of respondents identified the importance of consistent thinking about the development of links between the economic geography underpinning the LEA and the approaches to boundaries and spatial planning in the context of Local Development Frameworks.

Capacity

57 per cent of authorities felt that they had enough resources to participate in the LEA process. There is clearly some uncertainty within districts about what participation means, with a quarter 'unsure' if they have adequate resources. 30 per cent of respondents did not feel that they had enough resources to contribute to the LEA. Data issues were reported as the greatest

challenge facing districts in terms of the LEA process. 17 of the 60 respondents also indicated that they did not fully understand the duty. A significant number of respondents – 16 out of 60 – indicated that they would welcome examples of good practice in terms of the LEA process.

LEA Sector-led guidance

82 per cent of respondents had heard of the LEA guidance. The most significant source of information about the guidance was through references to it in the CLG documentation about the duty to undertake the assessment. A third of respondents had used the guidance. 95 per cent of respondents who had used the guidance found it fairly or very useful. The sections of the guidance on analysing data and drafting the LEA were rated as most useful. The sections on testing the LEA, disseminating the LEA and reviewing the LEA were found less helpful.

Community of Practice

The Community of Practice (CoP) which was developed as part of the preparation of the LEA guidance currently has over 800 members. 48 per cent of respondents had heard of the CoP and 25 per cent of them were registered members of it. This suggests there is scope to do more work to promote awareness of and engagement in the CoP.

Sources of support

36 of the 60 respondents had accessed support from other councils as part of the development of their input to the LEA. Sub-regional networking is also a well established means of accessing support – used by 27 of the 60 respondents.

Future support and help

The functioning of economic geographies and information around business and enterprise activities were identified as the most valuable sources of information going

forward. Business growth and enterprise development were identified as the most valuable areas of further support by districts. Engaging local businesses, working with key employer sectors and tackling worklessness issues were also all cited as important areas of support going forward.

Analysis

The responses to this survey reveal a mixed picture of engagement in economic development by district councils. There can be no question of their importance in the process of economic development as organisations close to the ground with significant potential to support local economic development.

The survey demonstrates a good level of awareness of the duty to undertake an assessment and notwithstanding the fact that it is to be produced by first tier authorities, a significant interest in the process on the part of districts.

Changes to the organisational arrangements for economic development have confirmed the retention of the duty to undertake an economic assessment although the statutory guidance on the duty has been removed.

Much of the emerging agenda around the creation of Local Enterprise Partnerships – in terms of determining their economic geography – and the Regional Growth Fund – in terms of justifying bids and proposals – is relevant in the context of the issues arising from this survey.

Before the outcome of the election, informal discussion on the LEA CoP indicated that local authorities had invested a significant amount of effort in many places in preparing an economic assessment. A number of authorities have indicated that should the

duty now be dropped, it is still their intention to progress with an assessment because of its overall value as a source of evidence.

Three key factors therefore come together to justify an ongoing focus on an evidence-based approach to economic development:

- the head of steam which has built up through the requirement to undertake an economic assessment and the good practice that it has generated to date
- the impact of the recession on local economies and the need to understand it and plan to address the issues arising from it
- the new proposed organisational infrastructure for economic development and the need for councils to develop their own position in relation to it.

The survey demonstrates that the following issues need to be addressed in supporting district councils going forward, if they are to play their full role in the new economic development landscape:

1. In an era of diminishing resources the need to build the in-house capacity of district councils around the development of evidence-led approaches to economic development. In the case study work which helped underpin this report Rugby Borough Council drew positive attention in this regard to the work commissioned in partnership by Advantage West Midlands and the West Midlands Local Government Association into functioning economic areas across the region and the support given over its interpretation.
2. Rolling out examples of good partnership working around developing and putting evidence to use to justify economic interventions – see the Craven case study in this report for an example of good practice (page 30).

3. The development of more effective mechanisms to engage planners, housing and community development staff in district councils in economic development planning and delivery. A number of case studies – South Hams and High Peak for instance – have real potential to achieve this because of the alignment of economic development with planning and housing within their structure.
4. The provision of support for district councils in the collation and analysis of economic data. This challenge will be exacerbated by the loss of regional evidence bases with the demise of RDAs and other relevant organisations at the regional level, which previously led much of this work – see the West Oxfordshire case study for an indication of the key needs and scope for further support of district councils in this context (page 14).
5. Consideration of mechanisms to collect and disseminate local data around the business and enterprise agenda and the mapping of linkages and flows in the context of economic geography – West Oxfordshire highlighted the challenge of accessing accurate data about the activities of the business community as part of the development of the LEA.

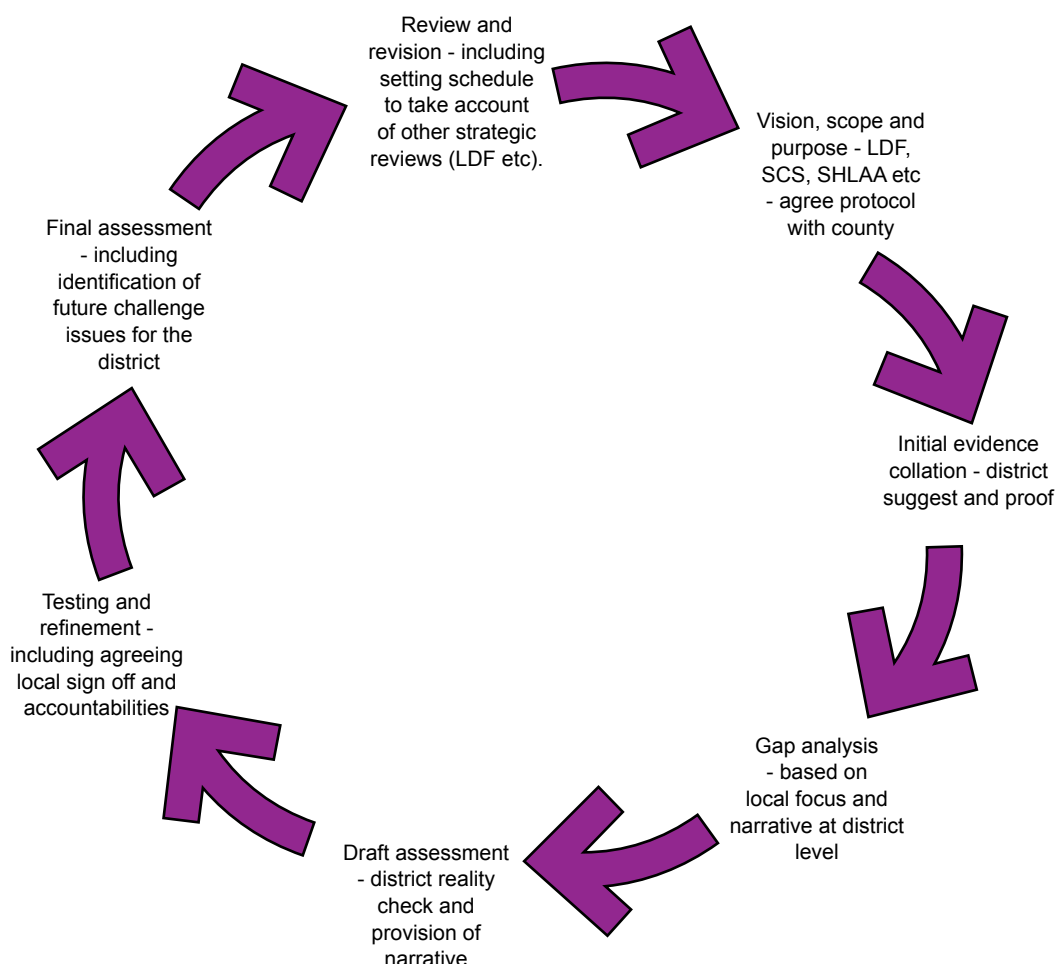
These key issues have informed our thinking in the development of this handbook, building on the sector-led guidance we prepared previously on the process of preparing an economic assessment. They complement the refresh and update of that guidance into a series of tools and support for the embedding of an evidence-led approach to economic development in local authorities.

3. The process of an economic assessment

The key stages involved from a district council perspective in the development of an economic assessment are set out below:

A critical part of the process is to ensure that there is effective dialogue and working between districts and their county in the development of the LEA.

The following checklist, which was developed for the original guidance, sets out the key questions and actions that counties and districts need to be asking of each other. It has been refined to capture the changing context around economic development, which are outlined below.



District

1. Do we have effective mechanisms in place to enable us to engage in the development of the LEA?
2. If not how can we positively establish them through a dialogue with the county council?
3. Have we developed a clear sense of what the economy of our district looks like which can meaningfully inform the writing of the LEA and our thinking about whether we have to influence more than one LEA?
4. Is this based on a corporate overview which takes account of our lead roles on housing, community development, the LDF and our economic development strategy?
5. Is this view supported by partners and business within our district, including parish councils and the LSP, how do they relate to the current Community Strategy and our emerging LEP agenda?
6. Do the emerging views of the county in terms of the assessment fit with our perceptions and approaches?
7. How will they impact on the work we have been doing around our LDF?
8. Are they consistent at the sub-county level with approach to localities and service delivery?
9. If not where are the key points of difference and how might we positively work together to address them?
10. Have we allocated enough resource and expertise to the process of positively and actively engaging with the assessment?

County

1. Have we developed a clear plan to engage districts in both considering the data they hold and use to plan their service delivery?
2. Have we thought carefully about how our local engagement with districts will link into the evolution of our Local Enterprise Partnership agenda?
3. Have we entered into a dialogue about the collection of additional jointly identified gaps in the evidence base with districts?
4. Has the LEA dialogue covered all key stakeholders within districts, particularly planners and housing practitioners?
5. Does it relate effectively to the other key representative organisations in the district including the LSP and how does it relate to the District Community Strategy?
6. Have we developed effective plans to ensure an ongoing dialogue with the districts about the development of the LEA and its monitoring/evolution?
7. What is our strategy for ensuring that where there are differences of view we can build a consensus?
8. What is our plan and timetable for signing off the assessment and have we given enough involvement and prominence to districts and their business community in this?
9. Have we considered how we can most effectively support the capacity of the districts to participate fully in the LEA?
10. Have we allocated enough of our own resources to this process?

With the removal of the regional planning tier and the easing of the inspection/performance management regime for local authorities you should promote the development of a formal protocol with your county partners about the development of the LEA.

The linkage between the LEA and the soon-to-be abolished regional planning regime has been broken and this may lead to reconsideration, in some areas, of the extra-regional opportunities for more intensive working around LEAs. The LEP bidding process has revealed a significant number of places in England where new sub-regional networking outside of previous regional constructs have been developed and this is also likely to impact on the development of LEAs already in train in a number of places.

The removal of the regional planning regime also suggests that greater consideration should be given to how a number of Planning Policy Statements at the national level relate to the LEA. All adopted PPS Statements are set out below with those of the greatest significance – in terms of their impact on economic development – are highlighted:

- **Planning Policy Statement 1: Delivering Sustainable Development PPS1**
- **Planning Policy Statement 3: Housing PPS3**
- **Planning Policy Statement 4: Planning for Sustainable Economic Growth PPS4**
- Planning Policy Statement 6: Planning for Town Centres (now cancelled and replaced by PPS 4) PPS6
- **Planning Policy Statement 7: Sustainable Development in Rural Areas PPS7.**
- Planning Policy Statement 9: Biodiversity and Geological Conservation PPS9
- Planning Policy Statement 10: Planning for Sustainable Waste Management PPS10
- Planning Policy Statement 11: Regional Spatial Strategies PPS11
- **Planning Policy Statement 12: Local Development Frameworks PPS12**
- Planning Policy Statement 22: Renewable Energy PPS22
- Planning Policy Statement 23: Planning and Pollution Control PPS23
- Planning Policy Statement 25: Development and Flood Risk PPS25.

4. Key areas for analysis

The key areas for analysis within the LEA remain as relevant as they did when the original sector-led guidance was written. They are set out below:



Turning to the data sets linked to the previous diagram, in the case of districts the key challenge is not about accessing the data directly and undertaking the first level analysis. The key issue for districts is to test the robustness of the analysis by their county authority in the light of their local and applied experience of how the county functions within their localities. This will involve providing local narratives and constructive challenge where evidence appears to have a high level or 'abstract' interpretation.

Districts also have significant local and transactional data linked to their activities and in some cases it may be possible to drill into this information around issues such as the level of housing benefit; volume of planning applications; levels of waste disposed of; and fluctuations in the volume of business rate on order to add value to data which is being analysed by the county leading the LEA data collection.

It would be very good practice for the county leading the LEA, to discuss the approach and sources it intends to use for the development of the assessment. Whilst we have indicated above that the district role is more to test and triangulate the findings arising from the data, it is important that the districts and the county authority have a common and shared approach to the relative importance of each area of analysis and strategy for sourcing underpinning data. Districts identified the issue of data collection and analysis as a key challenge in our survey of their engagement in LEAs to date.

West Oxfordshire case study

This case study provides a useful ‘snapshot’ of positive two-tier joint working in South East England. Economic Development fits into a new department formed at West Oxfordshire 12 months ago, ‘Planning and Sustainable Communities’, amalgamating Planning and Rural Development. The Rural Development team consists of Countryside Management, External Funding, Community Development, Partnerships and Business Development. Business Development is the only dedicated Economic Development role. The Chief Executive and senior management team is shared with Cotswold district council. Key challenges facing the district are:

- accessing next generation broadband
- business access to finance
- business health
- future investment
- available land.

The development of the LEA has been driven by the county council. West Oxfordshire District Council has been a primary consultee and a sounding board for its development. They have a good relationship with the county and exchanged informal correspondence throughout the development of the LEA.

There are two challenges linked to the development of the LEA in Oxfordshire – the level of resources available to undertake a comprehensive assessment and engaging business meaningfully in the development of something that could be perceived as merely ‘research’.

Another key issue is structural. There is significant uncertainty linked to the transitional issues arising from the abolition of the RDA and the creation of a new LEP environment, although ultimately this will bed down. Overall the South East has perhaps the most complex two tier partnership agenda in England, having over 70 local authorities. Districts would really benefit from a District Profile within the LEA and the ability to draw down data they don’t have directly or are unable to justify purchasing themselves.

It is also a challenge to fully conceive of how to capture and collect ‘softer’ and narrative information to give a rounded context to the LEA. The districts are currently thinking about the next stage of the development of the LEA from their perspective, which is where the real challenge will lie; namely using it as a springboard for direct action. Contextualising the outcomes of the assessment in relation to the key issues from the perspective of West Oxfordshire will be the next positive challenge once the research and analysis itself has been completed.

The following section sets out some key issues around the main areas of analysis that are likely to form part of the LEA. You should use them to think about your own contributions to the LEA and to check whether they have been included effectively in the document overall.

Linkages and flows

Economic forces do not follow administrative boundaries. This data set is really important in helping you to determine the economic geography of your area and to map how it relates to the areas surrounding it. The most robust data for this area of analysis is based on the Census and is, therefore, somewhat out of date. However, using Census data in conjunction with Travel to Work Area data and Housing Market Area Assessments is a good starting point for the process of mapping how where your residents, 'live, work and play' affects the overall functioning of the sub-economies in your area. Districts recognised the importance of these economic geographies in their response to the survey.

It is important to note that there is no requirement to follow administrative boundaries when using this approach. In a number of Districts linkages and flows analysis may well show that there need to be LEA discussions with more than one first tier authority.

Once LEP boundaries are established, districts will also need to think about how their natural economic areas relate to LEP geographies. Those leading LEP developments should seek to identify how to substantively engage districts in their evidence gathering and strategy development activities.

Demography

Demography is particularly important for understanding the economic potential of your area. It should not be seen just as an indicator around the age profile of the workforce, but as a broader indicator of the productive potential of your area. In addition, particularly in those areas with a high proportion of more elderly populations, the potential for the development of economic activities and approaches which maximise volunteering, spending potential and adult social care opportunities should also be examined. This should also help to examine and define the role of the authority in supporting the economy as an employer.

Skills

Your skills profile will set out, more clearly than any other element of the assessment, the 'supply side' strength of your economy. It is also very important for scoping out the speed with which your economy might make the transition out of recession. It will also put into clear perspective the real challenges facing your area in terms of responding to the worklessness agenda, adult skills provision and the 14-19 agenda which, since April 2010, has been led by local authorities following the abolition of the Learning and Skills Council (LSC).

Depending upon the prevalence and characteristics of worklessness issues in your area, the assessment itself should identify key areas of need. Taking this a step further, this plan could also inform a 'commissioning blueprint' for your authority which you could use to ensure that skills and employment commissioning within the authority and with partners at local and regional level reflects local needs. This is particularly important given the recent scrapping of devolved commissioning models by DWP.

Economic inclusion

Information about economic inclusion will play an important role in helping to sketch out the worklessness issues facing your economy. It will also identify key issues and opportunities around how the social and economic cohesion of your area impacts upon its sustainability and economic viability. Districts have a particular series of insights to offer here in the context of their administration of housing benefit and their strategic housing role and counties will need to work very actively with them in relation to these aspects of the inclusion agenda.

Employment and local resilience

Employment

Employment analysis will further build the profile of the supply side of your economy. It is important in this area of analysis to draw out the sectoral nature of your employment base to get a sense of how diverse and therefore relatively vulnerable or robust your economy is. It is also important to look at employment structures and issues alongside the flows and linkages section above to consider how much the relative affluence of your area derives from residents who work elsewhere, thus, identifying the relative importance of commuting to your economy. Where dependence for wages and employment is linked substantively to places outside of your administrative geography you will need to consider how to include this issue in your assessment. The relationship between South Hams and Plymouth set out in our case study is a good example of this issue (page 24).

Local resilience

Including the number of public sector jobs in each local authority area is an increasingly important consideration as this will be both an area of significant change in a number of locations where there is high public sector dependency and a key factor to consider in developing Regional Growth Fund proposals. The best, easily available data in terms of the distribution of public sector jobs is accessible through the Annual Business Inquiry – which can be sourced from the Office of National Statistics (ONS). More detailed assessments of local resilience have recently been developed by the Rural Services Network (www.rsnonline.org.uk) and the BBC in conjunction with Experian (<http://www.bbc.co.uk/news/business-11233799>).

Enterprise

It is important in developing a profile of enterprise in your area to take account of the fact that data relating to self employment and non VAT registered businesses is important alongside the more standard and easy to access data around VAT registered businesses. Sectoral analysis is also important as is a focus on the distribution of knowledge-intensive businesses⁶, which many economists feel underpin the dynamism of local economies. Rather than concentrating on data around companies, it is also very useful to consider the inferences which can be drawn from business premises and Valuation Office⁷ area data as a means of developing further information on the dynamics of the enterprise agenda in your area.

⁶ For a simple description of Knowledge Intensive Businesses see: http://en.wikipedia.org/wiki/Knowledge_intensive_business_services

⁷ See: <http://www.voa.gov.uk/index.htm>

Housing, planning and connectivity

This is a crucial area of analysis, bringing together an analysis of:

- the location and densities of non domestic properties
- skills levels
- a consideration of relative accessibility or remoteness

in each area of analysis.

These are crucial elements in scoping out your economy's strengths and weaknesses.

There is a significant number of sources of data available, many of which are very current and up to date eg the Valuation Office area database. Generally, economic analysis makes insufficient use of this range of data. However, it provides real insights which should not be missed. Housing completions, trajectories and targets are also very important in assessing the economic vibrancy and sustainability of key places within your area, particularly in terms of the relationship between housing and jobs. An analysis of these issues should form a key part of your LEA.

Environment

There has been considerable debate about whether the issues in this category should be a cross cutting or a discrete theme within the LEA. Ultimately it is up to you to decide how best to introduce these in order to draw out the most compelling and authentic narrative of your area. The development of the Energy Security and Green Economy Bill announced in the 2010 Queens Speech will also be important in the context of the consideration of the environment issues aspect of the LEA.

Spatial definitions

The rural and urban definitions set out effectively how 'rural or urban' each component part of your area is. They provide real insights into the relationship between key service centres and their hinterlands. When used to underpin the analysis on linkages and flows, these provide a powerful means of understanding the interdependency of different smaller and larger settlements within and outside of your administrative boundaries. They help flesh out the challenges of achieving the same level of service delivery across rural and urban areas and provide an excellent context for the development of rural proofing approaches. Districts have collected significant amounts of statutory data in relation to the development of LDFs and there should be a very significant process of engagement between counties leading the LEA process and their districts in the context of LDF Core Strategy data, particularly in relation to these spatial issues.

Productivity

It is useful to bear in mind that the principal indicator of productivity, Gross Value Added (GVA), only really works at county levels of geography and above. There are now data sets which enable GVA to be measured at more local levels. However, there are real challenges in being able to attribute productive capacity to specific work sites and plants. This is because productivity is usually measured at the workplace, taking no account of the home locations of the individuals who work in those plants. There are also reporting distinctions between head and sub-office locations of companies and the actual places where the companies produce the goods concerned, which further affect the story arising from the evidence, particularly below the NUTS3 level⁸.

In addition to mapping the productive capacity of your area by taking these issues into account, it is important to think about how the individual components of productivity, its five drivers⁹, manifest themselves in your area. There is an ongoing debate about how best to manage each element so we have not suggested any prescriptive approaches. We have, instead, raised the importance of seeking to measure these indicators and listed them in the table in the sector-led guidance on how to do an LEA.

A more detailed exposition of the range of data sources which can be accessed to support the development of the assessment is available in the LEA guidance itself.

The remainder of this handbook identifies some key areas for action and influence from the district council perspective, linked to the process of conducting an economic assessment set out in the current sector-led tools,. We also highlight the experiences of a number of district authorities as a series of case studies to prompt further thinking and possible action.

⁸ The Nomenclature of Territorial Units for Statistics, (NUTS, for the French nomenclature d'unités territoriales statistiques), is a geocode standard for referencing the administrative divisions of countries for statistical purposes. The standard was developed by the European Union.

⁹ For a discussion of the 5 drivers of productivity see: <http://www.bis.gov.uk/policies/economics-statistics/economics/productivity-and-competitiveness>

5. Purpose and scope

The following will help you to think through the purpose of the LEA and its broader connectivities in terms of the developing policy and thinking on economic development and how you can shape its development and implementation.

Key areas for consideration

Ensure you have the right engagement by being clear on your economic geography and the LEAs you need to work with. You should then pro-actively pursue partnerships that work for your authority in developing the assessment. You will need, in shaping your approach, to have one eye at least focused on the emerging Local Enterprise Partnership agenda to ensure that your approach to planning future engagement in economic development is consistent with its boundaries and potential actions.

Ensure the scope of the assessment includes the right building blocks in terms of other strategies, plans and assessments including housing market areas, local investment programmes and priority regeneration areas.

Nail the process arrangements down by agreeing a formal protocol with the first tier authorities leading the LEAs relevant to you. The protocol should set out the processes to be followed, the resources to be used by each partner, the process for drafting, checking and approving and a dialog around

implementing the key actions arising from the LEA in the context of your local LEP.

Issues for districts

- Remember you are providing this data to inform actions, not just draw a static picture – you need to think particularly about how it will relate to the Sustainable Community Strategy (SCS).
- You will need to consider the data collection and analysis process to be followed by the county for the LEA in question and ask whether this is likely to provide a true picture of your economy.
- Whilst doing this you will need to think about how old each data set is and the level at which it is collected. Make sure all the underpinning data in your LDF, Sustainable Community Strategy and Housing Market Area is being used by the county, where relevant, in the development of the LEA.

Suggested actions

- Start by writing a simple narrative about how your area works economically, looking at its sub-areas and cross boundary links to develop a plan for how you might organise the data you need as a means of informing your discussions with the county.
- There will inevitably be gaps around information you require for the LEA.

You can support the county in a number of approaches including contacting neighbouring authorities to see if they have any relevant, directly commissioned, data where you think their adjoining economies are important and do not forget to look at other departments within the council which may have data that provides insights and proxies for points you want to get across.

- Consider any original or transactional volume data (ie data arising directly from your administration of key services) you can contribute to the LEA along with any descriptive narrative you can provide to supplement and contextualise the standard data sources being used in the assessment.
- Finally stress the value of local views, intelligence and even anecdotes, which can provide a useful supplement to empirical data for your area.

High Peak case study

This case study gives a flavour of the challenges of converting good intentions into action in an environment of complex partnership geographies. High Peak is a Derbyshire District. It has a number of shared resources including its Economic Development function with Staffordshire Moorlands. Economic Development is part of a wider regeneration service also including: tourism, planning and policy design.

High Peak works with Derbyshire County Council and with the Association of Greater Manchester Authorities (AGMA) in the context of LEAs.

Derbyshire County Council with which High Peak has its principal relationship has circulated a scoping document and a draft working paper concerning the LEA which High Peak has commented on. Overall there has not been an intensive process of engagement in relation to the development of the LEA.

The real value of the LEA from the High Peak perspective is now linked to how it can be taken forward as part of the LEP agenda.

High Peak feel as strong an affinity with Greater Manchester as with Derbyshire County Council and acknowledge that their position makes an overall relationship with Derbyshire County Council alone, particularly in relation to data analysis, somewhat challenging.

Whilst both AGMA and Derbyshire County Council have engaged with High Peak the general feeling in the District is that the LEA process is likely to be overtaken by events linked to the challenges of the current recession and the need to develop new organisational structures for local authority participation. This focuses attention on the need to ensure that the LEA drives positive action rather than just sitting on the shelf as a data exercise. This situation also highlights the need for High Peak to ensure it maintains an ongoing dialogue with Derbyshire County Council about data relating to AGMA, which is relevant to its District economy and the Derbyshire LEA overall.

6. Collecting initial data and evidence

This section will help you to think through the process of reviewing the initial evidence for the LEA. It includes help to identify the range of data that contributes to understanding your area, enables comparison with other areas and supports the production of evidence for other strategies.

Key areas for consideration

Consider whether you feel that any established data has been missed by auditing their data selection and collection approach against that used for key documents within your authority, particularly in relation to the LDF.

Consider what key sources of unique and bespoke data that you can contribute to the development of the assessment, based on volume activities within your authorities.

Consider small area data and aspiration analysis in documents such as Parish Plans that might be used to 'flesh out' the analysis of the County.

Issues for districts

You need to ask:

- What do we already know that can be justified with reference to the evidence proposed for the assessment?
- Does this effectively describe what is going on directly in our area as well as the

LEA area overall and the global, national, regional and local forces driving it?

- Does it describe the economic geography of our area in terms of the impact of other places on it and its impact on them?
- Does this data contain forecasting information that will show future trends and developments?
- In the light of the above does it effectively describe our economy in terms of:
 - economic sub-areas
 - the key characteristics of those areas in terms of: demography, skills, employment and enterprise
 - the drivers for change in terms of the characteristics and trends of each of those factors in each economic sub-area
 - the relative importance in each area of supplementary contexts around: inclusion, environment, housing, planning and connectivity?
- If this represents a 'factual' description of place, what anecdotal or other impressions exist which challenge or validate it and which of these can we contribute?
- How does this data relate to our analysis in other key council documents such as the LDF?

Suggested actions

In finalising your contribution to the data assembly element of the assessment you should:

- Discuss the scope of the LEA, in the context of your area, with colleagues both within and outside the council to ensure you have covered all the key points you need to ensure are included.
- Make sure you have access to all the basic data sets indicated within the checklist for key data, as laid out in the LEA guidance and that the county concerned will be using these as a minimum.
- Once you have gone through these steps you will have the key frame of reference against which to test the LEA from your perspective. The key issue to think about now is how to contribute data or information in order to fill any gaps in building up a distinctive narrative for your area.
- You should develop a list of data gaps and possible sources from which you can address them. This will inevitably involve consideration of the collection of proxy information.

South Hams case study

This case study sets out how original data from a district has been included in the LEA process against a background of positive partnership working over the drafting of the LEA more generally.

South Hams is a Devon District adjacent to Plymouth. It works on a number of issues jointly with West Devon District and has a joint chief executive with that authority. The District has a well grounded and widely supported economic development action plan. Economic Development officers sit within the policy planning team and contribute to the LDF and thinking about the South Hams role in the LEA. They are, therefore, closely aligned within the council in relation to key departments with an interest in the process.

Current issues facing the District include high public sector jobs dependency, along with flood risk and access to affordable housing, employment and broadband. The District has had very positive engagement with adjoining districts and with Devon County Council on the LEA. Thinking has been broadly based; also engaging Torbay and Plymouth as part of consideration of the wider functioning economic geography issues around the LEA. Devon has also engaged with Somerset and Cornwall in its planning activities in this context.

Relationships over the development of the LEA have been both structured and informal. There are no perceived challenges concerning the engagement of the South Hams. Indeed, it has been keen to be seen to be engaged in the process to ensure its commitment to the economic development agenda is fully appreciated.

At the time of compiling the case study, Devon County Council was consulting on a first draft of the LEA and the perception from South Hams was that the process was positive and engaging.

South Hams District advocate pushing for engagement and not being shy about sharing data - particularly that collected for LDF purposes, which is particularly relevant to this debate. South Hams has made particular contributions to the identification and collation of evidence in terms of assessment of employment demand and contributing their business survey data. Contributions from the South West Observatory have also been very useful in supporting the development of the LEA.

Many of the positive connections developed through the production of the LEA have built upon pre-existing positive partnership relationships with Devon County Council and have been further encouraged through the participative climate which pervades the working style of S Hams.

The LEA process has also refreshed the evidence base of the District for its work in helping to justify its broader approach to how it invests its funding on behalf of its residents in key properties and other activities and supported it in the process of thinking about future bidding activities.

7. Analysing the data

This section will help you to think through the process of analysing gaps in the evidence base for the LEA.

Key areas for consideration

Consider how to relate your evidence to key themes emerging in the LEA story of place and identify gaps and points at which the narrative and the evidence seem to be at odds with your area.

Identify issues and questions at key stages of the assessment and assess evidence against them at each stage.

Structure your input to the LEA to make it easy to apply evidence to each section and provide a checklist of information sources and reference by subject area so that any gaps are easy to identify.

Test your thinking with others in order to explore anomalies, including consulting actively with relevant elements of your LSP structures.

Convey clearly your views on the gaps that need to be filled and recommendations on how that might be done, including any evidence you are able to contribute directly. Do not restrict yourself to obvious sources of information. Think laterally and talk to a range of people about how to address gaps and the potential to transfer approaches that worked for other assessments.

Issues for districts

You may want to think particularly about some key data gaps that the first tier authority might struggle with in the development of the assessment. We have set out examples below:

- **Flows and linkages** – information on the movement of people and goods is based on the census and is now quite old. Obtaining more up to date data is not straightforward.
- **Productivity** – GVA data is hard to access meaningfully below county level. In building up a profile of your area, think about how productivity might be measured and the scope for you to contribute proxy information in relation to it.
- **Business Data** – real time data about the profitability and employment profiles of businesses is very hard to access. Data is collected on a regular basis, for example by Chambers of Commerce, but is often based on small sample sizes at the local level. Your local knowledge may well offer scope for a ‘reality check’ in terms of the robustness of this type of information if they have been developed from standard data sets.

- **Land and premises** – changes in the take up and availability of land are key areas for joint working between those leading the assessment and planning policy and development control staff. Internal systems can be set up, particularly where land use monitoring is undertaken effectively, in order to develop trends and profiles. Where practical, planning staff could make a really useful contribution to the drafting and maintenance of the LEA.

Suggested actions

Once you have participated in the development of the LEA drafting in terms of the consideration of key data issues, you should have been able to define a clear set of gaps in the information you need for your analysis.

Assess how important they are, within the context of the cost and challenges of addressing them, before rushing to either propose that they are addressed or directly seek additional information in order to do so.

You can propose a number of options to help this process:

- The development of proxies, measures of other related things which enable you to make insightful inferences about the actual data you cannot get
- Collation of qualitative information based on informed opinion and expertise, which provides key insights into the areas where there are gaps
- Local collection of information, using your own resources, where no 'off the shelf' reliable source exists. Districts will be particularly strong in this context.

Ashfield/Mansfield case study

This case study demonstrates how districts can work together to convey their distinctive agenda as part of the LEA process.

Mansfield and Ashfield are two adjoining districts directly to the north of Nottingham.

In terms of a Natural Economic Area Analysis they fall between the two stools of Greater Nottingham to the south and Sheffield City Region to the north. Collectively, however, they have a population of over 210,000. Despite Nottinghamshire County Council being responsible (not sure that this is the best wording. As upper tier authority the County clearly has a responsibility for the geographical area of the two Districts. On reflection the point is perhaps that it is the two Districts, rather than the County that have driven the delivery of Regeneration) for neither Mansfield or Ashfield it is responsible for preparation of the LEA that covers both these economic areas.

There is a significant tradition of the two districts working together in the context of regeneration. This was given its most potent expression through the award to the two authorities, along with Bolsover District Council, of a substantial Local Enterprise Growth Initiative grant in 2006. The 'Alliance for Enterprise' programme was "established to encourage and support the growth of enterprise within the three districts to specifically assist the economies of the identified deprived target areas."

Ashfield and Mansfield are now collaborating in producing a Joint Economic Masterplan for the two Districts. As part of this process the Districts have developed their own evidence base as a means of ensuring that their distinctive and important issues are fully recognised by the County Council. An analysis of sectoral strengths and weaknesses was produced by Experian in 2009. In addition to standard data analysis it also used forecasting data to provide projections about the future development of Ashfield and Mansfield. Subsequently work was commissioned to identify the levels of resilience in the local economy and to understand economic relationships with surrounding areas.

Ashfield and Mansfield also have a joint property strategy and another key feature of the Experian report was to support their strategic decision making in this context.

Nottinghamshire County Council has engaged all the local authorities impacted by their LEA and both Mansfield and Ashfield have been involved in the process of developing the LEA. There has been something of a minor hiatus with the transition to the new Government in relation to the drafting of the LEA overall. However, by building on their tradition of close partnership working and in the context of their own robust evidence base, the two Districts feel they are very strongly positioned to ensure that the LEA once completed will fully reflect and respond to their circumstances.

8. Drafting, testing and refining the LEA

This section will help you to think through your participation in the drafting, testing and refining the LEA.

Key areas for consideration

Issues you should consider are:

- Does the analysis of the evidence tell the ‘Story of your Place’?
- Does it describe what is going on directly in your area and the global, national, regional and local forces driving it?
- Does it make sense in terms of your economic geography?
- Does it map out future trends and developments relevant to the part of your District it covers?
- Does it effectively describe your economy in terms of:
 - Economic sub-areas?
 - The key characteristics of those areas in terms of: demography, skills, employment and enterprise?
 - The drivers for change in terms of each of those factors in each area?
 - The relative importance in each area of supplementary contexts around: inclusion, environment, housing, planning and connectivity?
- How do the conclusions and analysis relate to other documents, which have been produced by your authority and its

partners, to support your planning and policy activities?

Issues for districts

The county will need to go through the process outlined below in developing the assessment. You will need to confirm how it intends to tackle each element of the process and ensure that its approach reflects your area:

Planning the assessment

This involves setting out a project plan for drafting the LEA, with milestones and timelines. You should encourage the county authority concerned to get on and do this as soon as practically possible and to engage you in the process.

Establish core team with clear roles and responsibilities

You should confirm who the individuals designated within the core team are and ensure that you are engaged in the drafting of their key terms of reference.

Purpose

Regular reviews, reflecting upon the LEA’s objectives and its intended audience designed to make sure that the assessment is not straying from its original scope and purpose should be planned by the County and you should be engaged in these reviews.

Audience

There are two sets of people who will form the audience for the LEA: those who will read it and those who will use it (to inform and enhance their work). Too often documents fail because they fall between the two audiences and in so doing, end up meeting the needs of neither party. You should ensure that the LEA structure and content meets the needs of both elements of the audience, particularly in the context of your district.

Style

Ensure that the style of the LEA relates to your local audience(s). Encourage the county to use a range of media (words, pictures, charts etc).

Format

There are several formats in which the LEA could be released, eg executive summary report with technical appendices available on the web; issues reports; a detailed report in hard copy, etc. The different formats to be used need to be clearly identified at the outset and should relate to the different audiences for the assessment, eg councillors, businesses, council officers. You may wish to customise the LEA presentation to suit your audience.

Suggested actions

- Establish your role in the LEA Drafting Team and allocate roles and responsibilities within your authority to make sure your colleagues in planning and housing, as a minimum, are engaged.
- Help outline the process for producing the draft in a clear project plan with milestones and timelines and contextualise this around the inputs from your colleagues in your authority.
- Before producing the final version of the LEA, the county should circulate the draft amongst a small group of internal and external stakeholders to invite feedback on how the LEA reads and the extent to which it meets its intended scope and purpose, effectively captures the inputs and perspectives of the different contributors and meets the requirements of different stakeholders. It is very important that the protocol you agree (see scope and purpose) covers this and that as a member of the drafting team you have their commitment to include you in the process.
- As part of the testing process, you may want to ask a few internal stakeholders (with differing perspectives) within the district to 'pilot' the draft, ie, ask them to reflect on how they would use the LEA in their own areas of work. This will help to ensure a better finished product.
- Sufficient time to secure agreement and sign-off should be factored into the project plan for the overall LEA by the county and you should encourage them to do this. It may take longer than anticipated, particularly if stakeholders have other pressing priorities or do not like the outcomes and the county should allow sufficient time for your organisation and its local stakeholders to achieve this.
- Agree with key internal and external stakeholders the processes in your authority for formal sign-off of the assessment.

Craven case study

This case study sets out a very positive example of engagement in the development and drafting of an LEA.

Craven has a complex geography. It has good relationships with the National Park (Dales); is a District within North Yorkshire; and one of 11 partners in the Leeds City Region. It also maintains a dialogue with authorities in East Lancashire.

Craven District has a merged economic development and planning function.

Whilst working closely with Leeds City Region on a number of partnership issues, the focus of the District in terms of the LEA has been on the development of the North Yorkshire LEA.

Engagement in the writing of the LEA has been very positive. The development of the LEA has been led by the joint York and North Yorkshire Partnership Unit. A well structured programme of development has been organised by the unit. It has engaged effectively with all key players in its area and Craven feel they have been fully included in the process.

The level of partnership engagement generated through this project has been very significant and is borne out by the following section of the March 2010 Interim Summary on progress with the Assessment:

“The preparation of the assessment is supported by resources made available by local partners through their support for the York and North Yorkshire Partnership Unit, Yorkshire Futures and the Regional Improvement and Efficiency Partnership, YoHr Space.”

9. Dissemination and integration of the LEA

This section will help you to consider the positioning of the LEA with internal and external stakeholders in your authority and help the County Council identify where it should sit and what it should inform.

Key areas for consideration

Both your council and the county authority should engage with stakeholders, internally and externally, in order to really understand who to target and with what message. Ideally you should develop a joint plan.

Think about quality dissemination as opposed to just quantity. Be selective in order to achieve greatest impact.

Have in mind a short (two sentence) statement about the assessment which can be your introduction. A well crafted, snappy and interesting insight into the assessment might well fit the bill in terms of capturing the imagination of the intended audience and increasing interest in the Assessment

Be clear about what constitutes success and link this to the LEA's original purpose and scope.

Issues for districts

An important factor in building ownership of the LEA and positioning it with stakeholders is an effective dissemination strategy, which aims to increase the awareness, understanding, ownership, and integration amongst key stakeholders.

Authorities will need to adopt a multi-strand approach to dissemination to ensure their efforts are effective. Using just one vehicle or method is unlikely to be successful. You should not just rely on the county council to do this – you need to develop a strategy for dealing directly with your own stakeholders.

It will be important to explore which methods are the most effective and appropriate to target different stakeholders. The following list offers different types of dissemination media that authorities might consider using. It is anticipated that the county will lead and resource most of this process. You should, however, seek to negotiate with them to ensure that your issues and agendas are included as a bespoke element in their strategy in order to demonstrate the partnership you have developed with them in the development of the LEA.

Producing a dissemination strategy will not necessarily result in effective ownership and integration unless the strategy is articulated as a clear set of actions. This is not about you seeking to do everything yourself at the local level. Rather, it is about demonstrating your role in managing and facilitating local involvement and delivery in the LEA.

You will only be able to review and measure the progress of the LEA becoming the 'local economic evidence base of choice' if they have established clear targets at the outset. An effective way of establishing targets is to clearly link them to the purpose of the LEA, as this will help to focus and drive the dissemination process (Purpose and Scope). In relation to the LEA, the purposes of the dissemination should be to increase levels of:

- awareness
- understanding
- endorsement
- involvement
- ownership
- integration.

You need to set realistic and achievable targets. As you are thinking about targets, it is important that you begin to consider the following questions:

- What success might look like?
- What methods will you use to measure success?
- What outcomes eg a change in practice would you like to see as a result of your dissemination activities?

A Dissemination Framework provides a structure for organising and capturing this process. It is important for county councils to realise that they are part of a partnership approach to achieving this and you should seek a clear commitment from them to work with you on In relation to dissemination.

Suggested actions

- Devise a plan for building ownership and integration of the LEA across internal and external stakeholders, particularly focusing on the authority's planning department and the LSP.
- Agree with your county and LEP areas how the LEA will inform and be informed by their evidence base.
- Prepare a dissemination strategy that identifies the stakeholders to be targeted, how this will be done and the expected outcomes. Do this in partnership with the county and LEP once established.

Lincolnshire case study

This case study sets out the challenges of 'putting the LEA to work' in an environment of complex partnerships and overlapping geographies.

Lincolnshire comprises eight local authorities – seven district councils and the county council. Early in the LEA process the Council commissioned some work to establish the natural economic areas in the County. This work was delivered by Sheffield University and once all settlements had been mapped they were overlain with social marketing data to develop a sense of the characteristics of each area.

The Council has also developed a plan for the LEA and engaged with a number of groupings of district councils and other important stakeholders (including the business community) in the proposals for its development. This process of identifying new economic areas was somewhat controversial with a number of district partners, who, concentrating on the final use of the LEA work, were concerned that the boundaries concerned did not match either LDF or Housing Market Areas.

In addition to discussions about the value of an additional level of functioning economic analysis arising from the LEA, the Homes and Communities Agency (HCA) has been working across the Lincolnshire area to establish Local Improvement Plans based on Housing Market Areas. The Lincolnshire LSP, 'The Lincolnshire Assembly', has also commissioned a major project to drive the delivery of rural affordable housing and this project, which is led by a Director from West Lindsey District Council, has also engaged in a dialogue with the County Council about practical geographical issues.

Finally, the development of the LEP agenda has opened up a dialogue about functioning economic geographies with Peterborough, Cambridgeshire, Rutland, North and North East Lincolnshire. The county now faces the challenge of effectively positioning the LEA as a driver for positive action in a complex and multi-layered partnership environment. Whilst these issues are all still to be finally resolved, the county council has developed a three point plan to resolve them based on:

1. Recognising that different geographies will be relevant for different activities and are not mutually exclusive.
2. Maintaining a commitment to an inclusive and wide ranging dialogue with all partners to ensure that the final LEA responds to the development of all the above activities.
3. Developing a relationship with partners which recognises that the provision of data, analysis and resulting proposed actions are a 'two-way street' and therefore reflects the need for both sides to participate in these activities fully.

The County Council also recognises that once the LEA is completed, in such a complex environment it will need to develop a well thought through and comprehensive strategy for the dissemination of the LEA based on a range of media. The organisation is well placed to do this with its clear and substantial lead on data and analysis in Lincolnshire through a very powerful partnership based research team operating under a now well established brand – the Lincolnshire Research Observatory (LRO).

10. Reviewing and revising the LEA

This section will help you to think through the process of reviewing and revising the assessment and your engagement in it.

Key areas for consideration

This is your chance to step back from the LEA and identify whether it is still assessing the right issues and whether it needs updating in the light of changes and progress made.

Over time, the LEA will lose its currency, with a corresponding reduction in the propensity for it to be referenced and used. By reviewing the evidence and analysis on annual and three yearly cycles you can demonstrate change and progress and maintain confidence and buy-in from stakeholders. You can also ensure that it is responsive to changing external circumstances, such as rising unemployment or inward investment.

In order to support and underpin the review process, monitoring procedures need to be established from the outset in order to track the extent to which the purpose and objectives of the assessment are being achieved.

You might not be able to change the LEA a great deal on an annual basis, but you can at least seek to respond to new knowledge/ data becoming available, and stakeholder feedback.

On an annual basis there are likely to be various tasks involved in reviewing your LEA and its effectiveness in your area:

- monitoring how the LEA is being used and checking that your stakeholders understand it
- evaluating the outcomes resulting from the LEA, eg exploring whether the authority and its partners are clearer about the characteristics and dynamics of the local economy
- updating the SWOT analysis of the area
- proposing changes to the LEA in order to ensure that it is appropriate within the context of changing legislation; national, regional and local priorities and targets; the emergence of new data sets etc.

Issues for districts

Local authorities, to an extent, are on a constant cycle of strategy development and needs assessment. Developing the LEA is an opportunity to review how this process can be aligned and/or integrated with other reviews and refreshments. There is clearly a role for a central research or policy team in looking at the relationships between these strategies and reflecting upon where there is potential for efficiencies in process and cost by linking these together. At district level this should involve the LDF and SCS.

Reviewing the LEA from a range of views will enable comparative analysis and the establishment of a benchmark position from which to revise future assessments. You should ensure that your county commits to this in the protocol between your authorities on the development of the LEA.

Suggested actions

At the outset, identify timelines and processes for revising and updating related strategies and plans with colleagues in the county and the LEP and make sure your role is clearly set out and acknowledged

- devise a process and set of measures that enable you to capture the impact that the assessment has had upon your local area
- develop clear guidance with the county/ LEP on how comments and insights gathered during the reviews will be considered and fed back to stakeholders
- devise a plan for communicating any changes flowing from the annual and three yearly reviews to stakeholders in your area.

Local Government Improvement and Development

Layden House
76–86 Turnmill Street
London EC1M 5LG

Telephone 020 7664 3000

Facsimile 020 7664 3030

Email info@local.gov.uk

www.local.gov.uk



Local Government Group

The Local Government Group is made up of six organisations which support, promote and improve local government.



© Local Government Improvement and Development, March 2011

For a copy in Braille, Welsh, larger print or audio, please contact us on 020 7664 3000.

We consider requests on an individual basis.