

COMMITTEE: BEST VALUE SCRUTINY PANEL

DATE: 6TH JULY, 2004

SUBJECT: BEST VALUE REVIEW OF REGENERATION SERVICE

REPORT BY: HEAD OF REGENERATION

CONTACT OFFICER: LORRAINE BUTLER

IMPLICATIONS:

LEGAL	COMMUNITY SAFETY
EQUALITIES	ENVIRONMENT
FINANCIAL	CONSULTATIONS
STAFFING	OTHER

WARDS AFFECTED: ALL

PURPOSE.

1. The purpose of the report is to update members on the following;
 - Background information affecting commencement of review
 - the proposed timescale for the best value review of the Regeneration Service
 - proposed scope for Review

RECOMMENDATION(S)

2. **The Panel is recommended to note the report.**

BACKGROUND.

3. The Regeneration Service Best Value Review is identified in the BV Plan for completion in the financial year 2004/05
4. A number of issues have arisen which have affected the commencement of the best value review and these are detailed in order to seek support from the Best Value Steering Group for the revised timetable.

5. It was anticipated that Lorraine Butler as Head of Regeneration would lead on the review. Lorraine ceases her appointment with the authority on 2nd August 2004. Due to the current Council restructuring it is unlikely that this post will be filled before March 2005. A number of high profile regeneration schemes have key actions which need to be completed during the summer and autumn 2004 which have placed additional pressures on the service over and above those identified in the service plan.
6. EEDA have approached the Council to seek proposals to transfer the £18m Butterfield projects to the Council. The legal, financial and operational aspects of the novation along with the extensive future management arrangements need to be completed before September 2004.
7. Marsh Farm NDC continues to need additional support although this is expected to ease. A dedicated Chief Executive commenced employment in June 2004 and Regeneration staff are supporting his induction
8. To allow for the implementation of interim management arrangements for the Regeneration Service and to meet external contractual obligations the following timetable is proposed.

Action	Responsibility	Date
Develop scope and framework for best Value Review and timescale	Lorraine Butler	July 2004
Identify Best Value Review team and lead officer	Colin Chick	October 2004
Agree scope and framework	Lead Officer (tba)	November
Commence Review		January 2005
Present Conclusions		May 2005
Develop Action Plan		June 2005

9. Therefore the Best Value Review would commence in January 2005 and be completed in June of the same year representing a 3 month slippage to the original completion date.
10. In order to minimise further slippage the proposed scope and framework of the review is attached. This complements the approach and guidance adopted by the Council

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USEFUL BACKGROUND DOCUMENTS

Economic Development Comparative Expenditure

A Breakdown of Luton Borough Council's Regeneration Expenditure

Regeneration Strategy

Relations to Partner Organisations

Suggested Output and Outcome Indicators

Impact Indicators

Index of Multiple Deprivation

Luton Borough Council Business Survey 2001

1. Introduction

1.1 This review will be cross cutting and will consider all the activities of the Council which impact upon Economic Development and Regeneration of the town.

1.2 In addition to the work of the Regeneration Service (Direct Economic Development activity) the Review will also consider aspects of the Council's Tourism, External Funding and social economic development activities.

1.3 The format of the review will follow the prescribed pattern of challenge, compare, consult and compete and will deal with specific issues and actions which arise as a result of the review.

1.4 It is proposed that the review will be undertaken by an internal working group which will comprise of Team Leaders within the Regeneration Service along with a representative from Finance, the Local Strategic Partnership, business, LBC best Value team and relevant portfolio holders.

2. Proposed Timetable

Action	Responsibility	Date
Develop scope and framework for best Value Review and timescale	Lorraine Butler	July 2004
Identify Best Value Review team and lead officer	Colin Chick	October 2004
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3. Challenge

3.1 The Scope of Regeneration and Economic Development Activity

3.1.1 Almost everything in which the authority is involved has an Economic Development or Regeneration impact. Many activities of both ourselves and our partners activities combine to produce an image of the Council and thereby an image of the town.

3.1.2 The image of the town will affect inward investment decisions and an adverse image could create a downward spiral leading to a lack of investment and employment and thus to ever worsening social conditions.

3.1.3 In its 1999 report entitled "A Life's Work" the Audit Commission illustrated how the quality of mainstream local authority services can determine whether locations can attract and develop employment opportunities and whether local people benefit from those opportunities

3.1.4 The scope of this review will be to look at comparative activities and determine the level of positive impact

3.2 The Local Economy

3.2.1 The review will need to take into account existing baseline data and current strategies, action and service plans which impact upon the economic well being of Luton.

3.2.2 A Swot analysis will be produced to provide a background context in which challenge and comparisons can be considered.

3.3 Direct Economic Development Activity

3.3.1 The review will highlight and compare areas where the service is involved in direct economic activity such as supporting business, inward investment and job creation.

3.3.2 We will follow prescriptive guidelines as developed between CEDOS, the LGA and the Audit Commission to determine the scope of direct Economic Development activity so that comparisons are meaningful.

3.4 The Council's Mission

3.4.1 The review will take into account of how the Regeneration Service contributes towards achieving the Council's mission.

3.5 The Council's Key Aims

3.5.1 The review will take account of how the service is meeting the key aims of the Council where they relate specifically to Economic Development and Regeneration.

3.6 The Regeneration Strategy

3.6.1, The review will consider how well the service is equipped to carry out the objectives of the Regeneration Strategy

4. Compare

4.1 Cost

4.1.1 Direct Economic Development activity is purely discretionary and the degree to which it is undertaken generally depends upon the economic circumstances of the authority concerned. Expenditure tends to be greater in those districts where unemployment is high and the local economy is not performing well. The review will seek to compare the activity within Luton Borough Council to similar authorities.

4.1.2 Along with levels of expenditure the review will also consider whether expenditure is actually achieving the required results.

4.2 Performance Measurement

4.2.1 The review will identify a series of performance indicators from the prescriptive guidelines as developed between CEDOS, the LGA and the Audit Commission

4.2.2 The review will not only seek measures of how busy the Unit but also how successful in order that effort can be compared with impact.

4.2.3 Luton Borough Council is a member of the CEDOS (County Economic Development Officers Society) Economic Development benchmarking group.

5. Consultation

5.1 Who will be Consulted

5.1.1 Consultation specific to this review will be carried out as follows:-

- i) Relevant Councils.
- ii) Business stakeholders (possibly through LSP).
- iii) Community interest (possibly through LSP)

- iv) Council Departments
- v) Statutory Partners (possibly through LSP)
- vi) Voluntary Agencies

The review will set out the format of the consultation but will take into account existing forums such as Business Action Group and the Southern Area Committee

6. Compete

6.1 The Luton Borough Council Approach

6.1.1 The review will consider the role and effect of partnership working and its approach to Regeneration.

6.2 Alternative Provision

6.2.1 The review will consider alternatives to the methodology and current approaches and identify whether these would provide better solutions for the Council.

7. Specific Issues

7.1 Relationship with Planning

7.1.1 The relationship of Planning to Regeneration is of vital importance both in terms of land use allocation issues and the development control process.

7.1.2 A particular problem for Luton Borough Council is the very limited supply of good quality employment land.

7.2 Performance Measurement

7.2.1 In order to be able to demonstrate Best Value it is clearly important to be able to measure performance in terms of outcome

7.2.2 The regeneration and economic development industry has been relatively slow at implementing performance indicators due, no doubt, to the difficulty of measuring outcomes effectively and comparing performance on a far from level playing field.

7.2.3 This review will follow the direction of the Audit Commission which has given guidance in this respect

7.3 Town Centre and Airport Developments

7.3.1 The role of the Town Centre and development of the London Luton Airport are very important in terms of regenerating local economy.

7.3.2 The review will look at how effective the Regeneration Service is in responding to major change and opportunities provided by these developments.

7.4 Tourism and Marketing

7.4.1 Tourism is an important player in the economy of the Borough. The review will look at the impact upon tourism within the local economy and the effectiveness of the services approach.

7.5 Areas of Deprivation

7.5.1 Luton Borough Council has areas/wards that are within the 10% most deprived in the country. The review will look at whether and how Regeneration activities have contributed to reducing deprivation within the Borough.

7.5.2 The multiple index of deprivation is arrived at by combining indices relating to income, employment, health deprivation and disability, education, skills and training, housing and geographical access to services.

7.6 Community Plan

7.6.1 The Local Strategic Partnership has adopted the first community plan for Luton Borough Council which will focus on improving not only the economic, but also the social and environmental well being of the area.

7.6.2 The review will consider how the Regeneration Strategy supports the Community Plan and how they will in turn become the means by which the vision and objectives of the plan are implemented.

7.7 Sustainability

7.8.1 The review will consider the sustainability (economically and environmentally) of the activities carried out by the service.

7.8 External Funding

7.8.1 The review will consider both the amount of resources gained for the area along with the effectiveness of the resources once secured.

7.9 Lessons from Beacon Authorities

7.9.1 The Beacon Council Scheme exists to identify and share learning about good practice across a range of issues so that all Councils can improve their services.

7.9.2 This review will take into account relevant good practice from the Beacon Authorities.

7.10 Strategic Partnerships

7.10.1 In many cases the Council alone cannot flex economic influence to be able to develop and pursue Economic Development and Regeneration initiatives. Hence the encouragement from central Government for the formation of strategic partnerships.

7.10.2 The review will consider the effectiveness of the Regeneration service in working with and exploiting strategic partnerships in terms of delivering economic well being for the town.