

Rural Implications of 2007 Pre budget Report and Comprehensive Spending Review

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Background

- Comprehensive Spending Review was published on 9th October 2007
- Government's strategy for investment and intervention over the next three year period (to March 2011)
- The full CSR 2007 report "*Meeting the Aspirations of the British People*" together with all supporting and related documents is available on the HM Treasury website;
- http://www.hm-treasury.gov.uk/pbr_csr/pbr_csr07_index.cfm

Background

- Headline policy and strategic direction focus on key drivers
 - Maintaining Economic Stability
 - Transforming Public Services
 - Sustainable Growth and Prosperity
 - Fairness and Opportunity for All
 - Stronger Communities and Better Quality of Life
 - A more Secure, Fair and Environmentally Sustainable World
 - A summary of the 30 Public Service Agreements (PSAs)** and their ‘national outcome focused performance indicators’
 - Annexes setting out the budgetary settlement, departmental strategic objectives and key initiatives for each Department, Local Government and Regional Development Agencies

Headline 'Issues' for Rural Communities

- The mainstreaming of 'rural' as a policy driver
- The 'place shaping' leadership role of Local Authorities and the primacy of Local Strategic Partnerships (LSPs) and Local Area Agreements (LAAs) for target setting and delivery
- The implementation of the Sub-National Review on Economic Development

Mainstreaming of 'Rural' as a Policy Driver

- 30 new PSAs, none relate specifically to 'rural'
- Defra PSA 27 (Avoiding Dangerous Climate Change) and PSA 28 (Healthy Natural Environment)
- Defra signed up to other PSAs
 - Economic Performance in the Regions (7)
 - Housing (20)
 - Cohesive, Empowered and Active Communities (21)
- Some degree of rural focus, City Regions, role of CRC
- "DSO" of 'stronger rural communities'

“Place Shaping” Role of Local Authorities

- CSR reinforces intent of 2006 “Strong and Prosperous Communities White Paper”
- (PSA 21) for community calls for action, local service standards and community engagement in service planning and delivery
- ‘Localism’ agenda, focus on LSPs and LAAs to better integrate service planning and delivery
 - Third round of reward grant
 - Delivery partners ‘duty to co-operate’

“Place Shaping” Role of Local Authorities

- Local Government settlement to provide max. flexibility for local funding allocation and targeting
 - Reduce ring fenced grants
 - Increase the number of funds part of single Revenue Support Grant and area based grants (£5 billion 2010- 2011)
 - Setting of outcome targets for (partnership) delivery against national indicators at local level (within LAAs)
- Single set of 198 national indicators (none mandatory)
- Only method of reporting between central and local government, replacing BV (from April 2008)

“Place Shaping” Role of Local Authorities

- LAA will include up to 35 targets from 198 national indicators (complemented by 16 statutory targets on educational attainment and early years)
- Proposals for implementing the ‘strong rural communities’ DSO focuses on a data / evidence approach for purposes of “rural proofing” LAA
- Application of the rural / urban definition to local datasets (in relation to the ‘198’ National Indicator Set)
- Government is now consulting on the detailed definitions of 198 indicators (up until 21st Dec)
- <http://www.communities.gov.uk/publications/localgovernment/indicatorsdefinitions>

Sub National Review of Economic Development

- How to strengthen economic performance in regions, cities and localities – plan to refocus powers and responsibilities to encourage economic growth
- LA empowerment to promote economic development and neighbourhood renewal
 - greater flexibility
 - stronger partnership working
 - cooperation from other agencies
 - better incentives esp. for ensuring disadvantaged areas benefit from and contribute to economic development

Sub National Review of Economic Development

- LAs working together at different spatial levels to pool resources, responsibilities and targets (MAAs)
- Streamlining of regional responsibilities, RDA to lead on development of a Single Regional Strategy
- RDAs to support LAs on economic development (with stronger performance management)
- PSA7, “Improving the Economic Performance of the English Regions” - introduces a single regional economic performance target

Conclusions

- Drive to mainstream ‘rural’ has begun, a high degree of influence required to achieve outcomes for rural people, places and businesses
- Investment and interventions in rural areas now more reliant on decisions made within Defra Agencies, the RDAs and most importantly by LA and partners within LSPs
- Re-focussing on the way that those with a rural stake work together and engage – an opportunity not a threat

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