
IN PERSPECTIVE

Building an Economic Development and Regeneration Future for Lincolnshire County Council

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Lincolnshire is almost as large as Northern Ireland with a population roughly the size of Sheffield. It has one County Council, seven second-tier authorities and over 500 town and parish councils. This makes its governance complex.

The County is a virtual island, bounded at the north by the Humber, at the east by the North Sea, at the south by the Fens and at the west by the Trent. Notwithstanding this relative inaccessibility it is effectively defined by the pull of settlements outside its boundaries. Humberside in the north, Peterborough in the south and Nottingham in the west.²

I have always seen the County as comprising five subeconomies:

- the A1 corridor – centred on Grantham
- Greater Lincoln – which accounts for 40% of the economy of the whole county

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² For a very clear and encyclopaedic exposition of the economic geography of Lincolnshire see the Lincolnshire Research Observatory: www.research-lincs.org.uk

- the Food Hub – a billion pound per annum cluster of food processing and distribution centred on Spalding and Boston
- the seaside coast – a peripheral resort-based economy spanning Skegness and Mablethorpe
- The Lincolnshire heartlands – a network of market towns in a line travelling west to east from Gainsborough to Louth and south through Sleaford towards the Fens.

Despite the large and complex nature of our economy, Lincolnshire does have a sense of identity and incipient common purpose. Ironically it is those at the fringes of the County who have the strongest sense of a Lincolnshire identity. Sometimes this extends beyond our administrative boundaries. It is no surprise to me that, post-Humberside, the two new unitaries on the south bank of the Humber, chose to call themselves North and North East Lincolnshire rather than South and South East Humberside.

I deliberately used the term 'incipient common purpose' earlier because whilst there is no doubt that if you scratch a Lincolnshire local authority it will 'bleed Lincolnshire', I think we can do more to develop a sense of clear shared priorities.

Turning to our history of doing regeneration, Lincolnshire has sometimes become snarled up in debates about governance and process issues because of its complex geography and crowded institutional stage. In spite of this we have still delivered a significant number of transformational projects around economic development including: a £12 million broadband programme; a £5 million investment in the Spalding food-cluster with the University of Lincoln at Holbeach and a waterways regeneration strategy worth over £10 million. The level of ambition at the County Council, in this regard, is reflected in their decision in 2000 to borrow £50 million to provide a genuine additional match-funding pot to ensure we maximised the drawdown of Objective 2 funding into Lincolnshire.

Recently I have noticed that we are getting better at drawing things together around more of a common purpose and focusing less on the negative aspects of process debates. I suspect this is driven by the optimistic mood music coming out of the Review of Sub-National Economic Development and Regeneration (HM Treasury, 2007).

Another key 'joining up' factor is our decision, in the recent discussions, stimulated by the Local Government White Paper (DCLG, 2006), to progress down the slightly murky but ultimately more inclusive pathfinder route towards the 'virtual unitary'. In those two tier areas where the 'unitary genie' has been fully let out of the bottle the potential for joint working has been, in some cases, seriously compromised.

Our pathfinder approach has stimulated a range of discussions about enhanced joint working. These discussions provide a very useful context for the consideration of the issues arising for Lincolnshire from the Sub-National Review.

The other context for the evolution of approaches to economic regeneration in Lincolnshire, is the experience, of sub-regional engagement with the RDA. Since 1999 Lincolnshire has been the recipient of a Sub-Regional Strategic Partnership,³ established around an EMDA structural template, to oversee the distribution of their funding in Lincolnshire. Occasionally the structure and role of the SSP has made joined up working across the board in Lincolnshire tricky.

This has often been as a consequence of the challenging bidding and funding requirements linked to accessing resources through the SSP. In view of the small size of most Lincolnshire Districts and their consequent limited capacity around regeneration, working up bids to the SSP has involved significant demands in terms of staff time. It has also sometimes challenged a sense of common purpose through competition for funding.

Recently the development of Sub-Regional Investment Plans as a means of drawing down resources to the SSP level, which are widely owned, consulted on and focused, has worked more effectively.

Looking to the future, the focus of the Sub-National Review has given some real new opportunities to local government. The recognition that economies work on a sub-regional basis⁴ allied with the policy imperative of 'place shaping' puts local authorities right at the heart of regeneration delivery. The challenge in responding to this is for local authorities to make good on the new opportunities which are being offered to them. This will be a bigger challenge than many appreciate and should not be taken lightly – sometimes it is important to be careful what you wish for!

I have no doubt that local authorities should be placed at the heart of regeneration. Our challenge in Lincolnshire, however, is to take the route map set out for economic regeneration in the SNR, the opportunities around the development of the virtual unitary in Lincolnshire arising from the pathfinder approach and the evolution of our relationship with EMDA, to develop new ways forward. These approaches need to be fit for purpose and work for all players from the regional tier downwards.

Previous models for 'doing business' around economic development, outside of local authorities, have emphasised the role of the private sector as a leader.

Whilst it is clear that the private sector has much to contribute it is the democratically elected representatives of communities who should be allowed to lead public sector involvement in the economic development agenda. I am very optimistic that the implementation of the Sub-National Review proposals will provide real opportunities, not only for local authorities to return to the heart of public policy in terms of economic development, but that elected members will be given enhanced opportunities to drive that agenda. These opportunities will be through,

³ See www.lincse.org.uk

⁴ In addition to the blurb in the SNR see also the excellent Local Government Association (2007).

for example, a rebalancing of the board membership of the SSPs in the East Midlands in general and Lincolnshire in particular.

Central to the future is the need to balance governance and process considerations alongside our tradition of project delivery. We need to ensure we not only get our ducks in a row in relation to these 'internal' issues, but that we concentrate our efforts on tackling the actual economic challenges faced by the County to maximise its potential.

The GVA of Lincolnshire is just over 75% of the national average (Lincolnshire Enterprise, 2006). The County has, notwithstanding this, real opportunity areas and has recently achieved 'Growth Point Status' for its two largest settlements; Grantham and Lincoln. Each of the five subeconomies described earlier have their unique development challenges and opportunities. I can see a vision for Lincolnshire, which notwithstanding its low GVA, is very bright.

We have considerable benefits, which can be realised in terms of economic outcomes relating to the quality of our landscapes.⁵ We develop good learning outcomes but leech out our young talent. However, we do attract skilled workers with families. We have a workforce that in some stubborn areas is part of a low wage–low skill equilibrium. On the upside we also have a relatively new University, which has made a huge contribution to the development of our economic competitiveness.

We have undertaken some long and detailed thinking about how to progress in the light of all the issues I have set out. This has involved a good deal of shuttle diplomacy amongst local authorities, our SSP and the private and community sectors. As people in Lincolnshire often mean what they don't say in public, a good deal of our discourse has been in private and informal meetings. This has enabled us to build on a very positive characteristic about how things happen in Lincolnshire, when organisations do commit to something they invariably really stick to it. A new model is emerging. It is based on design principles that should enable us to pool resources and expertise to focus our activities and outcomes.

We have come up with a three-phase concept for economic regeneration. It is based on the approach of splitting: policy, commissioning (described in some quarters as procurement) and delivery. The policy setting process for the new model involves recognising that each category of stakeholders involved in regeneration in Lincolnshire will have, and has, the right to express, a unique policy agenda. Each stakeholder organisation will be encouraged to refresh and reconfirm their policy perspectives as part of the establishment of the new approach.

This then provides a starting point for the development of a commissioning process. Where we can identify common ground as the 'Lincolnshire collective' through this process of policy discussions we intend to create one jointly staffed commissioning body. This body will look at the individual policy and strategy documents of its participants and

⁵ For an exposition of the undervalued economic importance of landscape, which predates 'place shaping', see Rushbrook and Winter (2003).

consider how to most effectively build synergies amongst them to establish a common delivery agenda.

The County Council, EMDA and other local authorities will be encouraged to identify as many of their resources as possible to deploy through this body. It will pool capacity in terms of economic development expertise to act as an 'intelligent client' for Lincolnshire. Its role on behalf of its investors will be to commission the delivery of economic outcomes.

There is scope to evolve the present SSP in Lincolnshire to perform this role, supplemented by additional staffing from local authorities and others and with refreshed governance arrangements that will enable it be more proportionately 'owned' by its stakeholders.

The final stage in the process is, then, to look at delivery. Where participating organisations wish to retain aspects of direct delivery themselves we would encourage them, through the refreshed LAA, which will be shaped to reflect our new overall approach, to relate their activities to the bigger picture work of the joint commissioning agenda.

We anticipate commissioning delivery from the following:

- local authorities potentially working cross boundary, mediated through the new pathfinder arrangements
- Lincolnshire-based place-shaping delivery vehicles such as: Investors in Lincoln and Boston Area Regeneration Company
- emerging Growth Point partnerships in Lincoln and Grantham
- a proposed coastal regeneration company
- the private sector
- the voluntary sector.

It is probably useful at this juncture to reflect on the broader issues concerning the role of the private sector. I have not drawn much attention to them up to now. This is not because they do not have a key role to play. Private sector organisations are involved in the leadership of key economic groups such as the SSP, they provide services directly to local authorities and other regeneration agencies in Lincolnshire and they are by far and away the biggest driving force in our economy.

We have to engage with the private sector carefully and considerately if we are to generate quality involvement from them. We need to offer them meaningful and stimulating opportunities to add value.

Before summarising my narrative I should perhaps say a little about the paraphernalia of Local Strategic Partnerships (LSPs) and Local Area Agreements (LAAs). A textbook approach to economic development would have put the structure of the LSP and the LAA at the heart of economic development in Lincolnshire or, come to think of it, any area in England. The reality is that it has taken a long time for the structures around LSPs (we have eight in Lincolnshire for a population of less than 700,000 people) and LAAs to get embedded. This means that they tend to act more as a mirror for activity than the means by which business is done. This is reflected in the seven district and one county Sustainable Community Strategies that are 'live' in Lincolnshire. From a central government

perspective these structures, in 'two-tier land', are the only 'show in town' – albeit there is scope to join up single models of activity cross boundary now through MAAs – we therefore need to ensure we build engagement and meaning into and through them in future.

In summary, then – the challenge of building a future around economic regeneration in Lincolnshire is analogous to herding cats. It involves trying to squeeze a complex spatial and organisational geography, against the background of a new national enthusiasm for sub-regional economic development, into a logical way forward. Lincolnshire, however, has massive potential and there is therefore huge merit in the task.

At the heart of my favoured approach for Lincolnshire is the development of a new means of joining the work of economic development actors up through commissioning. This methodology respects the right of individual organisations to have their own policy perspectives. It offers them the capacity to share in the development of an 'intelligent client' role. It removes much of the opportunity cost of competing for resources through bidding. Finally, it refocuses our thinking about our capacity to deliver economic outcomes, in our own backyard, creating the potential to harness a range of sub-county delivery vehicles, developed on a 'best fit' basis in terms of local circumstances and rooted in the new logic of place shaping.

One final thought – whilst getting the process right we need to keep our eye on the main challenge, which is delivery – 'it's the economy stupid!'⁶

References

- DCLG (October 2006) *Strong and Prosperous Communities – The Local Government White Paper* (London: DCLG).
- HM Treasury (July 2007) *Sub-National Review of Economic Development and Regeneration* (London: HM Treasury).
- Lincolnshire Enterprise (2006) *Lincolnshire Economy Strategy*. Available at www.lincolnshire-enterprise.com.
- Local Government Association (January 2007) *Prosperous Communities II*.

Other Key Documents

- East Midlands Development Agency *A Flourishing Region: Regional Economic Strategy for the East Midlands 2006–2020*.
- Lincolnshire Assembly (County Tier LSP) (2006) *Lincolnshire Sustainable Community Strategy*.
- Lincolnshire County Council (2007) *Economic Development Strategy*.
- Rushbrook & Winter (May 2003) *Literature Review of the Rural Economy* (Defra).

⁶ The phrase, coined by Clinton campaign strategist James Carville, refers to the notion that Clinton was a better choice because Bush had not adequately addressed the economy, which was undergoing a recession at the time (Wikipedia, 2007).