

Department for Transport, Local Government and the Regions

Regeneration Research Summary Evaluation of RDA Strategies and Action Plans

KEY FINDINGS

- The content of the Regional Economic Strategies (RESs) and Action Plans produced by the Regional Development Agencies (RDAs) generally fulfilled the requirements of statutory and non-statutory guidance issued by government. The RDAs faced challenging timescales and organisational issues at the time that they were producing the RESs and Action Plans. Within this context, the RESs and Action Plans can be considered to successfully meet most of the basic requirements of the evaluation criteria set out for this study.
- In most regions the RESs commanded the support and commitment of the majority of partner organisations, and were recognised to provide a clear over-arching vision and framework for taking forward economic development and regeneration within the region.
- There is generally comprehensive coverage in the RESs of all the main policy areas specified in the guidance (and outlined in the evaluation criteria). Although often, specific policy areas were considered to varying degrees of detail. As the RDAs move away from a context of separate funding streams and programmes to a ‘single pot’ form of funding, there is scope in the future for the RESs to demonstrate greater integration between policy themes.
- In most regions, the background research and baseline analysis undertaken to inform the production of the RES, represented a fair attempt to develop a robust and comprehensive analytical basis for the RES within the limited timescale available.
- In general, the visions and broad objectives of the RESs were appropriate (if not particularly distinctive) to their regions, and reflected the analysis upon which they were based. A main shortcoming of the documents was a general lack of regional distinctiveness or spatial specificity in the consideration of general approach to regional development and priorities in specific policy areas.
- The RESs were broadly consistent with the framework of other regional strategies. In many regions the RDA produced the RES in the context of an uncertain and under-developed wider framework of other regional strategies. Consideration of inter-regional and cross-boundary issues was generally under-developed in most of the RESs.
- Following initial problems in some regions, a ‘fitness for purpose’ approach to Action Plans has since been developed – the timescales and formats for the documents are appropriate to the specific regions, RESs, and varied RDA roles in different policy areas. As such, the Action Plans provide a sound basis for implementation of the RESs.
- The interim monitoring and evaluation frameworks generally met the requirements of guidance in terms of core indicators, although there were some concerns that over-aspirational targets had been set. Most RDAs have built on this early work to work closely with partners to further develop these frameworks.
- The RDAs will be in a far stronger position as they come to review and update their strategies. Organisational and policy competencies and joint working with partners will be more firmly established. There should be a clearer and more comprehensive base of background research and analysis on regional conditions. RDAs will also benefit from more appropriate timescales and a more clear wider policy context for the development of the strategies. The move to ‘single pot’ funding and increased resources for RDAs should

also enable a more targeted and integrated approach to be specified in the strategies. As such, it should be possible for a far better developed, more detailed and regionally distinctive set of documents to be produced.

- There are important further steps that can be taken by central government to facilitate the development of the RESs and Action Plans. In particular, there is a need for Government to specify more flexible and appropriate timescales for the development of strategy documents. Clearer guidance is required on the development of Action Plans. Government also needs to take action in respect of particular policy areas where the work of RDAs is impaired by confusion, lack of clarity and duplication between the roles and responsibilities of separate government departments and agencies.

BACKGROUND AND POLICY CONTEXT

The University of Dundee with Arup Economics & Planning and Aston Business School were commissioned in February 2000 by the then Department of Environment, Transport and the Regions (DETR), to undertake an evaluation of the RDA RESs and Action Plans.

This evaluation was of the content of the first RESs prepared by the eight RDAs in England (excluding London) in the period to autumn 1999, and the Action Plans prepared in the period to Summer 2000. The research was undertaken mainly in the spring and summer of 2000.

The exercise had two, inter-related, objectives:

- an evaluation of the rigour and appropriateness of the proposals contained within the RESs and Action Plans, both from an intra-regional perspective and from an inter-regional and national perspective; and
- the identification of best practice and transferable lessons for the RDAs in relation to the content of, and context for, the RESs and Action Plans produced by the RDAs.

The RDAs were established as non-departmental public bodies under the 1998 Regional Development Agencies Act. Five statutory purposes of a RDA were set out. These were to:

- further the economic development and the regeneration of its area;
- promote business efficiency, investment and competitiveness in its area;
- promote employment in its area;
- enhance the development and application of skills relevant to employment in its area; and
- contribute to the achievement of sustainable development in the United Kingdom where it is relevant to its area to do so.

Considerable emphasis was placed in the 1998 Act on the need for each RDA to prepare a Regional Strategy. A range of subsequent statutory and non-statutory guidance was issued by government covering the requirements for the RESs and Action Plans.

This study had regard to a number of areas of assessment, in view of the requirements set out in this guidance:

- the extent to which the content of RES and Action Plans comply with guidance;
- the extent to which the RDAs, in producing the RESs and Action Plans, had a sufficient evidence base from which to formulate the strategies;
- the extent to which the RESs and Action plans are appropriate and “internally consistent” with the regional context, and contain proposals that are realistic with respect to regional needs and opportunities;

- the extent to which the RESs make adequate and practical provision for monitoring and evaluation; and
- the extent of complementarity and “external consistency” with other relevant regional and national policy frameworks and the activities of other local and regional stakeholders.

A consistent **research method** was adopted in each region. A set of **evaluation criteria** was developed, based on the requirements for the RESs and Action Plans outlined in the RDA Act and the Statutory and Non-Statutory Guidance. A reasoned qualitative assessment was undertaken of the extent to which the RESs and Action Plans met these criteria, taking into account the different contexts in each region. This was undertaken through: a desk-based assessment of each of the RESs and supporting documents; semi structured interviews with each RDA and Government Office (GO) for the Region to discuss issues and initial findings emerging from the desk-based assessment; and further discussions with partner organisations were held in each region to confirm and explore emerging findings.

MAIN FINDINGS FROM THE EVALUATION

Content and coverage of the strategies.

In general, the RESs met the requirements of statutory and supplementary guidance and the evaluation criteria in terms of content and coverage.

Inevitably given the short time horizons over which the RESs were prepared not all aspects were covered with the same degree of detail. Factors that appeared to have influenced the depth of coverage included, the powers and resources available to the RDAs, the political salience of the issues concerned, and the extent to which it was possible for RDAs to build on existing work. Mainstream areas of regional development, including competitiveness, business growth, regeneration, innovation and skills, were prominent although detail on how particular policies were to be put into practice varied. A general finding was that an underdeveloped aspect of the RESs was the extent to which they considered principal linkages and inter-relationships between main policy themes.

Background research undertaken to underpin the strategies.

Given the challenging timescales and regional variations in the availability of existing material, the research and baseline analysis was considered sound and comprehensive, and one of the stronger aspects of the strategy development process.

In preparing the RESs, RDAs relied upon a range of analytical inputs to facilitate their analysis. All RDAs undertook some form of SWOT analysis of their regional economies and identified key sectors and clusters, opportunities and constraints. Understandably given time pressures and dependence on external inputs, the depth of analysis and the relative emphasis on particular issues varied not only between but also within the RES documents.

In the future, there is a need to move from essentially descriptive documents to more sophisticated analysis of the underlying dynamics and drivers for social and economic change in the region. In this context it was felt that in the future greater attention needed to be given to the relationships between the regions as well as regions’ situation within the context of the national and international economy. There is also scope for more detailed consideration of: underlying factors for regional economic performance; issues surrounding sustainable development, social inclusion and equal opportunities questions; and sub-regional issues.

Internal Consistency

‘Internal consistency’ is the extent to which the RESs and Action Plans reflected and responded to the specific nature, strengths, weaknesses and opportunities of the region.

Whilst the RESs were generally appropriate to regional circumstances, there was a need for them to demonstrate greater regional distinctiveness and spatial specificity, and clearer linkages with the background analyses.

A common observation of partners, and a main conclusion from the research, is that policy proposals outlined in the RESs seemed to mirror national policy thinking without any evident transposition to regional circumstances. As a result the RESs appeared somewhat bland and lacking in regional distinctiveness and specificity. In building support for the RESs, it sometimes proved necessary to avoid being too prescriptive in the documents themselves in order to avoid contentious issues that would be best resolved within a longer timeframe. While most of the 'visions' reflected the analysis undertaken, there was a concern in some cases that associated targets and objectives were over ambitious and too aspirational.

External consistency

'External consistency' is the extent to which the RESs are complementary to, and help contribute to the objectives of the wider framework of other regional strategies.

The RESs generally demonstrated complementarity with the framework of other regional strategies.

Given the catalytic leadership role that RDAs are designed to play it is vital that their RESs should be consistent with those of other relevant institutions at regional, national, and European levels. At the time when the RESs were being prepared a number of new regional frameworks were in the process of being developed. Moreover, Regional Planning Guidance (RPG) was subject to ongoing update and review. The expansion in regional strategic activity presented challenges for all parties concerned particularly regarding the phasing, given that a number of strategies were due to be completed after the RES documents.

In some regions, there was evidence of a clear recognition in the RES of the linkages and implications of this wider network of regional strategies. However in other RESs this wider context of other regional strategies was barely acknowledged beyond the evident need to be consistent with RPG. As a result the RES appeared (perhaps inadvertently) as the dominant regional strategy rather than as one key element in a wider framework of strategies.

Action plans and implementation

RDAs have adopted a flexible 'fitness for purpose' approach to developing Action Plans with appropriate timescales, levels of detail and formats to reflect varying regional circumstances.

The RDAs did not start from the same starting point in terms of regional issues, history of inter-agency working or organisational capacity. As a result, they had to approach Action Plans in different ways and with varying timescales.

Central government needs to ensure that in future policy cycles, regional and local partners are made fully aware of the precise roles and responsibilities of RDAs, Government agencies and other parties in the implementation of the RESs.

RDAs should also consider how the RESs can be strengthened to include more details on potential actions and implementation frameworks, and as such provide a better-developed base from which to subsequently develop Action Plans.

Monitoring and evaluation

RDAs have worked with partners to develop, at an appropriate pace, monitoring and evaluation frameworks that clearly meet the requirements of government guidance.

It was recognised that it would take some time for RDAs to fully develop comprehensive monitoring and evaluation frameworks. It was recognised that the data, research and mechanisms for monitoring regional performance varied between regions. RDAs in general

adopted a pragmatic step-by-step approach to these difficulties. There was a recognition of the need to work with partners and wherever possible to develop shared approaches. RDAs have successfully pooled their experience in developing appropriate indicators, benchmarks and evaluation techniques.

Partners expressed concerns that some of the RESs placed too much reliance on GDP per head as the core indicator (although it should be recognised that this was a core indicator specified by Government), and a wider 'basket of indicators' approach would be more appropriate.

CONCLUSIONS, RECOMMENDATIONS AND AREAS FOR FUTURE CONSIDERATION

General conclusions

Compliance with guidance and the evaluation criteria. In general terms, the RDAs fulfilled the requirements of Statutory and Non-Statutory Guidance on the content of the Regional Economic Strategies and Action Plans. The RDAs faced challenging timescales and organisational issues at the time that they were producing the RESs and Action Plans. Within this context, the RESs and Action Plans can be also considered to successfully meet most of the basic requirements of the evaluation criteria.

Shortcomings in the RESs. Some specific shortcomings and weaknesses were identified in some of the RESs. In general, it was widely considered there was scope for the strategies to demonstrate greater regional distinctiveness. There was generally a lack of spatial specificity and awareness in the RESs, particularly in respect of intra-regional differences. There was also potential for the RESs to more closely reflect and demonstrate clearer linkages with the background analysis. Whilst the RESs demonstrated comprehensive coverage of main policy areas, there was scope for further analysis and discussion of the critical inter-relationships between different thematic and crosscutting policy areas.

Action Plans. The flexible and varied approach adopted by RDAs to developing Action Plans reflected the fact that the *content* and level of detail in Action Plans needed to be commensurate with effective *processes and partnership working* in their production. This is an also important conclusion for government. Government needs to specify clearer guidance and more flexible timescales for the production of Action Plans, which better take into account varying regional circumstances. There is also scope for the RESs to provide a clearer basis for the development of Action Plans by including more detailed consideration of the specific actions and framework for implementation.

Monitoring and evaluation frameworks. The RDAs met the requirements of guidance in respect of the monitoring and evaluation framework specified. Building on the RESs, more detailed sets of indicators and measures for assessing regional economic performance and RDA effectiveness are to be developed. A clear finding relevant to the content, visions, and monitoring and evaluation of the RESs, was that targets and objectives tended to be overly aspirational.

The role of Government Guidance and national policy. In several policy areas RDAs have faced a difficult and challenging task of developing integration between different regional strategies and programmes. In several policy areas there has been lack of clarity and duplication between the roles and responsibilities of separate government departments and agencies. There have also been uncertainties due to changing institutional frameworks in relation to skills and business support. Also, timescales specified by Government for the production of the RESs and (as indicated above) some specific Action Plans were considered inappropriate, arbitrary, and often inconsistent with more general policy and funding cycles.

Guidance from government on the coverage and content of the RESs should reflect and emphasise the importance of RDAs developing distinct regional responses to main priorities, and a critical and tailored application of national policy to regional and sub-regional

circumstances. It is important that guidance does not assume a 'one size fits all' approach and that National policies and programmes can be simply 'rolled out' in the regions in similar formats.

The context for the review on updating of the strategies. As the RESs are reviewed and updated, the RDAs will be far better placed to deliver better-developed, more detailed, and regionally distinctive strategy documents. RDAs will be working in a far more favourable organisational context and timescales for the production of the new documents.

RDAs will be working from the basis of a strategy document on which there is likely to be general partner consensus on the vision, and main themes and objectives. RDAs will also be able to adopt longer and more flexible and appropriate timescales for reviewing and updating the RESs and Action Plans. There is likely to be a more comprehensive and better quality of background research and analysis on which to draw. There will also be a better-developed and clearer framework of other regional strategies, and more up to date Regional Planning Guidance. RDAs' experience and competencies will be better developed in all areas. RDAs will have 'single pot' funding with vastly increased flexibility in terms of project funding and programmes.

Specific recommendations and issues for future consideration

Specific recommendations and issues for consideration for RDAs and government are outlined below.

- **RDAs and Government should focus on how the RESs can better develop and more clearly outline linkages and integration between main policy and crosscutting themes.** With the move towards 'single pot' funding for RDAs, it will be important (and easier) for RDAs to consider the main linkages and areas for integration between policy fields to outline more integrated policy responses and projects.
- **RDAs should develop a more sophisticated and comprehensive base of background research to underpin the review and updating of the RESs,** utilising more generous timescales and recent work at the regional and sub-regional levels. The establishment and development of RDA monitoring and evaluation frameworks and mechanisms such as Regional Observatories will yield a more detailed, comprehensive and better quality data and intelligence on regional trends and performance.
- **A major priority for RDAs as they review and update their RESs is to develop greater regional distinctiveness in the visions, objectives and policies adopted.** This should be based on a more critical and distinctive approach to the application of national policy at the regional and sub-regional levels, and inclusion of greater spatial specificity in the RESs and supporting analyses. There should be clearer and better-developed linkages between the RESs and the supporting analysis of regional strengths and weaknesses.
- **As they are reviewed and updated, the RESs should reflect recent developments in the wider framework of other regional strategies,** as well as changing organisational roles and relationships at the regional and local levels. RDAs should continue to work with other main regional organisations to ensure integration and complementarity between the emerging frameworks of other regional strategies. It is particularly important that the RESs build on, and are consistent with, the spatial development framework as outlined by RPG. There should be far greater consideration of inter-regional and cross-boundary issues and priorities, particularly in respect to London and the South East and East of England regions. RDAs and Government will need to consider how best to support, relate to, and work through Local Strategic Partnerships.
- **RDAs should continue to adopt flexible and tailored approaches to developing Action Plans to reflect specific regional circumstances, based on more detailed consideration in the RESs of action and delivery frameworks.** RDAs should be better

placed to include in the RESs more detailed specification of subsequent actions and frameworks for implementation. This will greatly assist in the development of the Action Plans that will follow.

- **Government and RDAs should continue to work together to assess how monitoring and evaluation frameworks can be developed to build on the positive work so far.** In doing so RDAs should ensure that realistic and achievable short to medium term targets are included in the RESs, with an appropriate balance with more aspirational long-term targets.