

SOUTH EAST ENGLAND COUNCILS**MINUTES OF THE EXECUTIVE MEETING****Friday 9 December 2011**

The Institute of Materials, Minerals & Mining,
1 Carlton House Terrace, London SW1Y 5DB

Present: Paul Carter (SEEC Chairman)
Paul Watkins (SEEC Secretary/Treasurer)
Gordon Keymer, CBE (Deputy Chairman)
Andrew Bowles
Ken Crookes
Myles Cullen
Lynne Hack
Keith House
Arif Hussain
Peter Martin
David Neighbour
Tony Page
David Robertson
Robert Standley
Martin Tett

In Attendance: Chris Williams, Chairman of the LACE Group
Heather Bolton, Director, SEEC
Nick Woolfenden, Head of Policy Co-ordination, SEEC
Hayley Austin, Office Manager, SEEC
Roy Millard, SESPM
Helen Boulden, SESL

1. Apologies, Declarations of Substitutes and Declarations of Interest

1.1 Apologies were received from Andrew Geary, Moira Gibson, Lorraine Lindsay-Gale, Barry Norton, James Swindlehurst, Ken Thornber, David Tutt and Gerald Vernon-Jackson.

1.2 Peter Martin substituted for David Hodge.

2. Minutes of SEEC Executive on 30 September 2011 and Matters Arising Not Elsewhere on the Agenda

2.1 The minutes of the previous Executive were agreed as a true and accurate record.

2.2 Heather Bolton confirmed a response had been received from Government to SEEC's letter on further LEP bids, which explained that discussions are ongoing between BIS and potential new LEPs.

3. Fair funding: Progress report and draft SEEC recommendations for change

3.1 Heather Bolton gave a brief summary and progress report on the work commissioned from Local Government Futures (LGF). The first stage looked at flaws in the system and drew out specific examples of why it is not favourable for the South East which gets the lowest per capita formula grant in England.

3.2 The second stage shows that South East local authorities receive less per 'unit of need' because they are either at government-set thresholds or slightly above. Anything below the threshold gets less per unit than anything above the threshold. SEEC should consider pressing for a fairer flat rate paid for each unit of need.

- 3.3 Draft SEEC recommendations on a new finance system were discussed and members identified several key points including:
- Looking at minimising the dependency on all central government grants and the need for additional sources of income.
 - The importance of producing a compelling case as to why a residual grant system should distribute money more fairly than at present and setting out clear areas for improvement.
 - The importance of drawing out inequities in health funding.
 - The need for a smaller forum to decide an action plan to move forward in a positive way.
 - Whether SEEC should use points from today's discussion to respond to the forthcoming announcement on business rate redistribution.
Post meeting note: SEEC's Chairman decided against this when details of the proposals were known.
 - How best to communicate SEEC's work to Government.

ACTION 1: The Chairman suggested a sub group of finance officers and individual authorities represented on the Executive feed in their views to SEEC's developing finance recommendations.

4. Data dashboard: Key issues in the South East

4.1 Nick Woolfenden summarised key findings from the 2nd SEEC Data Dashboard, to be published on-line following member approval. It reinforces the strong message that although the South East appears to perform relatively well on a number of issues there are significant challenges still to be addressed through investment and policy. Headline messages will be sent to SEEC members, MPs and MEPs.

- 4.2 Members welcomed the Dashboard and discussed issues including:
- Endorsing the inclusion of key local level data as well as the South East level analysis.
 - Adding a note for users explaining local level data can fluctuate due to sampling sizes used for official statistics.
 - The importance of SEEC and others identifying necessary actions to tackle key issues of concern.
 - Suggesting additional analysis in respect of population growth, including identifying the change in age 75+ population, given the potential pressure on services.
 - Continued concern about the levels of unemployment, in particular young people.
 - Potential for a workshop to understand and help address the demographic challenges facing the South East.

ACTION 2: Members comments to be incorporated into the Dashboard prior to release. Dashboard to be posted on SEEC's website and circulated to SEEC members and MPs/other decision makers.

ACTION 3: Officers will ensure the Skills & Employment Workshop scheduled for 8 March 2012 provides members with the opportunity to consider actions needed to help local government address local unemployment.

ACTION 4: Develop plans later in 2012 for a further workshop based around demographic change and the implications of funding for service provision.

5. Draft SEEC response on mayoral powers for cities

5.1 Heather Bolton explained the all-member meeting in November agreed that SEEC should submit a brief response to consultation making the case for South East councils to be considered alongside 12 core cities for greater devolved powers.

5.2 Members asked for the response to reinforce the case for the South East as the economic driver of the UK in addition to existing content on the need for all areas to have the same opportunities as cities. They agreed to a joint response with SESL and that the two Chairmen should approve the final response to meet the deadline of 3 January 2012.

ACTION 5: Update response to reflect member comments, gain Chairmen's approval and submit by 3 January 2012.

6. Implications for councils of the EU's proposed energy efficiency directive

6.1 Gordon Keymer explained that the European Commission (EC) had published a draft European Union (EU) Energy Efficiency Directive, setting out major new proposals for reducing energy consumption by 20% by 2020.

6.2 He argued that the draft legislation was too prescriptive, would be very expensive for local government to implement, contained excessive red tape and distorted procurement. He was pleased to report that a number of amendments that he had proposed in co-operation with the LGA and designed to remove the most worrying aspects of the draft legislation had been adopted by the Committee of the Regions in its final opinion.

6.3 Members agreed SEEC should brief MEPs and MPs on the concerns and improvements suggested in the paper on this item.

ACTION 6: SEEC officers to prepare a short briefing for MEPs/MPs reflecting key points and recommendations to improve the directive, particularly to reduce top-down bureaucratic targets and cost implications for local government.

6.4 Update on European Regional Development Fund

Nick Woolfenden gave a brief update on the next round of European Structural Funds (ESF) which will start in 2014.

Negotiations are ongoing about how the new round of funding will be distributed across Europe. Although the South East has only had a tiny proportion of the UK national pot of funds in the past, it has still been a significant sum and well used.

6.5 DCLG, BIS and Defra offered to engage with local partners in 2012 once the national settlement is known. Partners in the South East will have the opportunity to make the case for continued access to this European funding.

- 6.6 Paul Watkins added that CLG has taken on management of the current funding given the closure of the RDAs, but there seems to be uncertainty about how the new programmes will be managed – local government should monitor this to ensure it has appropriate influence on decision making processes.

ACTION 7: SEEC officers to monitor national progress towards developing new ERDF programme and to identify opportunities for SEEC to influence decisions re focus and distribution of funding.

7. SEEC subscriptions and budget 2012-13

- 7.1 Paul Watkins asked members to confirm a freeze in subscriptions for next year again, as agreed at the AGM in July 2011. SEEC will draw on reserves next year to subsidise activities.

- 7.2 Discussions are ongoing about closer working relationship with South East Strategic Leaders (SESL) to help deliver operating efficiencies and streamline the number of member and officer meetings. There may also be some money from South East Districts to be consolidated within SEEC funds to support district activities.

- 7.3 On SEEC's overall financial position, members raised concerns about dwindling reserves and asked for a financial summary to explain current funds, including money transferred through liquidation of the former SEERA Ltd and SEEC's own subscriptions income.

- 7.4 Paul Watkins noted that the constitutional requirement to discuss subscriptions in December had taken place, but that there was no reason why a final decision could not be postponed for further discussion at a later date.

ACTION 8: It was agreed that an audit trail showing SEEC reserves should be produced by March 2012. A final decision on subscriptions would be made in June before subscription invoices are issued after the AGM.

8. Items for information

a) Strategic transport update

- 8.1 David Robertson reported there had been no further news on Government proposals for Local Transport Consortia since Justine Greening replaced Philip Hammond.

- 8.2 Chris Williams advised members that he has commissioned a piece of work through the directors of planning and transport across the South East which should pull together all major transport schemes planned/already under development. This will enable SEEC members to see how things are progressing and if there are gaps that need additional action.

b) Update on Localism Bill

- 8.3 Nick Woolfenden explained that the Bill became the Localism Act on 15 November 2011 and that the Commons accepted all changes proposed by the Lords. SEEC had provided well-received briefings for the Lords reflecting member views. A number of SEEC's key concerns were addressed by the Lords, although members were disappointed that council tax referendums remained in the Act.

8.4 SEEC had also briefed decision makers on the need for effective transitional arrangements for the new National Planning Policy Framework (NPPF), which the Government has now committed to putting in place. NPPF publication is expected in April 2012.

c) Employment and skills conference – an update

8.5 A free half day event will be held on 8 March 2012.

d) Government policy announcements: Housing strategy (21 November) and Local transport consortia (expected)

8.6 SEEC secretariat had circulated electronic summaries of the Chancellor's November Statement and the housing strategy. Local Transport Consortia were discussed under item 8a.

9. Confirmed forward meeting dates:

9.1 Forward meeting dates for 2012 SEEC meetings were noted.

- SEEC All-Member meeting (shared date with SESL) – 7 February 2012 at The Institute of Materials, Minerals & Mining, 1 Carlton House Terrace, London SW1Y 5DB
- Executive Committee meeting followed by SEEC Skills Workshop – 8 March 2012 at The Institute of Materials, Minerals & Mining, 1 Carlton House Terrace, London SW1Y 5DB
- SEEC All-Member meeting & AGM (shared date with SESL) – 21 June 2012 at Church House Conference Centre, Dean's Yard, Westminster, London SW1P 3NZ

10. Any other business

10.1 The Chairman added that as the Chairman of SEEC he also sits on the Local Government Association (LGA) Executive and there have been discussions about how the regional dimension has input into the LGA. The LGA has agreed that the Chairmen of the sub-national groupings take it in turns to report to the executive on key issues in their area. **Post meeting note:** The SEEC presentation is scheduled for June 2012.

10.2 Early discussions have started on how local government is going to self-regulate following abolition of the Audit Commission. SEEC should monitor this issue and ensure South East local government views are reflected in discussions nationally.

ACTION 9: SEEC to discuss self-regulation at a future meeting.

10.3 There being no further business, the meeting closed at 12.10.

Signed: _____

**Paul Carter
Chairman**

Date: 8 March 2012