

**SOUTH EAST ENGLAND LEADERS' BOARD/
SOUTH EAST ENGLAND COUNCILS' EXECUTIVE**

Date: 22 January 2010

Subject: **Regional Governance: Transfer of Staff**

Report of: Chris M. Williams Chairman of LACE

Recommendation:

The Leaders' Board is recommended:

- a) To seek the formal agreement of the SEEDA Board to these proposals.
 - b) To request the Secretary of State to agree to the transfer of the SEERA Ltd staff to the Leaders Board for regional planning activity.
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1. Introduction

- 1.1 When the new regional governance and support arrangements were set up in April 2009, it was agreed that 2009-10 would be a transition year and support arrangements would be reviewed once the legislation had been passed.
- 1.2 The Local Democracy, Economic Development and Construction Act received Royal Assent in November 2009 and section 71 relating to Leaders' Boards has now been enacted (see Appendix A).
- 1.3 Within this section (para 7) is reference to the fact that funding from CLG goes through the Leaders' Board. Specifically, it states that: 'the Secretary of State may give such sums as he considers appropriate to a Leaders' Board, or to a participating authority in a region in respect of the Leaders' Board. This is for activities connected with part 5 of the Act' i.e. the Regional Strategy.

2. Background

- 2.1 The Leaders Board and SEEDA have established joint working arrangements to produce a new integrated Regional Strategy. The South East England Partnership Board is the regional planning body reporting directly to the Secretary of State. The Partnership Board is supported by the South East England Strategy Board and a number of implementation Boards. The working arrangements are bedded down and working well. Preparatory work on a new Regional Strategy has commenced and a series of workshops have been arranged over the next few months.
- 2.2 However the position of the staff in the Strategy Unit is less than clear. They are currently employed by SEERA Ltd (a company limited by guarantee) established by the former Regional Assembly which has subsequently been disbanded. Funding for the Strategy Unit and costs associated with the preparation and implementation of the regional strategy is paid by CLG to SEERA Ltd. The Strategy Unit reports to the Partnership Board but also to the Leaders Board on some issues and is funded to provide support to the various Boards. This is a very unsatisfactory situation leading to confusion and either duplication or, worse still, some issues being overlooked.

- 2.3 The Leaders' Board remains committed to joint working with SEEDA on the preparation and implementation of a single Regional Strategy via the various Boards that have been established. However, it is proposed to clarify the reporting relationship of the staff in the Strategy Unit in the light of the new guidance on the establishment of Leaders' Boards. This could be achieved most easily by requesting the Secretary of State to provide the necessary funding for regional planning directly to the Leaders' Board and by making the Strategy Unit staff (i.e. SEERA Ltd) directly accountable to the Leaders Board.

3. The Need for Change

- 3.1 Accountability – with the South East England Leaders' Board (SEELB) responsible for the CLG funding in 2010-11, they are also responsible for ensuring delivery of the business plan which will be agreed by CLG in March 2010. Ensuring that SEERA Ltd staff work to SEELB, rather than the Partnership Board, gives a clearer line of accountability under this new funding arrangement for the South East.
- 3.2 The need to retain the skills base – the current working arrangement is creating uncertainty amongst the former Assembly (SEERA Ltd) staff; transferring their accountability to the Leaders' Board will give a measure of certainty and will increase the chance of retaining skills and knowledge that BOTH regional partners value and are seen by Whitehall as being an asset for the region.
- 3.3 There has been a lack of clear advice and support to SEELB on planning issues under the current arrangement which has caused difficulties, for example:
- Government consultations – a number have taken place on issues such as water and planning policy in which SEELB have an interest but SEEDA are unlikely to – CIL is a good example of this. It is important that SEELB has a voice and influences these, but without dedicated support it is unable to do so effectively.
 - The London dimension – SEELB would benefit from support from the SEERA Ltd staff.

4. Benefits

- A virtual team supporting the Partnership Board comprising technical advisors who represent the two partners – SEEDA and SEELB.
- More certainty for SEERA Ltd staff in very uncertain times, but with flexibility for the future.
- There will be two partners involved in decision making, each with access to professional technical support.
- With SEELB taking on this responsibility, it is a way of getting buy-in more widely amongst Local Authorities.
- A support arrangement which is in line with other regions e.g. South West and East of England.

5. What Will Change?

- Staff will be directly accountable to SEELB.
- SEELB will be responsible for recruitment, including the SEERA Ltd management team.
- SEELB will be directly accountable for CLG funding for the Regional Strategy and responsible for the delivery of the related business plan.

- The role of the Executive Steering Group will become more important as the forum in which the two partners' officers will come together to manage the regional strategy process (key senior staff from SEEDA and SEERA Ltd, together with Pam Alexander and Chris Williams).

6. What Won't Change?

- A continued commitment to joint working – the transfer of former Assembly staff to the Leaders' Board does not change the need for, or commitment to, joint working between the two regional bodies working under the banner of South East England Partnership Board.
- To avoid constant change and confusion (for staff and external partners), it is proposed that SEERA Ltd staff continue to work as 'Partnership Board' staff until after the general election and it becomes clearer whether current partnership arrangements will continue or change.
- The business plan for the Regional Strategy will still be signed off and monitored by the Strategy Board.
- CLG funding will continue to be used for SEERA Ltd staff to provide secretariat support to the Partnership Board, Strategy Board, delivery boards etc.

7. What Are the Arrangements in Other Regions?

- 7.1 In the **South West**, the former Assembly staff work for SW Councils (41 authorities) and provide administrative support and policy advice to SW Councils and the Leaders' Board (the executive arm of SW councils) and to SW Employers and the Regional Improvement and Efficiency Partnership. Functions previously carried out by the Regional Assembly are now the responsibility of the SW Leaders' Board. SW Leaders' Board has been designated the RPB until this designation disappears. The Leaders' Board and SW RDA meet formally twice a year and will be jointly responsible for producing a single Regional Strategy.
- 7.2 In the **East of England** the Regional Assembly is still running, but will be dissolved on 31 March 2010. A new EELGA is being formed and local government wishes to have dedicated support to advise its members on planning/transport/housing issues, whilst contributing jointly to the preparation of the new Regional Strategy. The Leaders' Board will receive CLG grant to provide this dedicated support and these staff, together with EEDA staff, will form a 'virtual team' responsible for the development, delivery and monitoring of the single Regional Strategy. The Leaders' Board and EE RDA will come together as a Regional Strategy Board. There is a proposal to jointly fund a Regional Strategy Board Manager to act as the focal point in advising the new board.

Extract from the Local Democracy, Economic Development and Construction Act 2009

Section 71 - Leaders' Boards

(1) The participating authorities in each region other than London must for the purposes of this Part make a scheme for the establishment and operation of a body (whether or not incorporated) for the region.

(2) A body under subsection (1) is to be known as a "Leaders' Board".

(3) For the purposes of this section, "participating authority," in relation to a region, means any of the following authorities whose area falls wholly or partly within the region—

- (a) a district council;
- (b) a county council;
- (c) a National Park authority;
- (d) the Broads Authority.

(4) Before making a scheme under subsection (1) the participating authorities in a region must consult such persons (if any) as they consider appropriate.

(5) After making a scheme under subsection (1) the participating authorities in a region must submit it to the Secretary of State for approval.

(6) If the Secretary of State approves a scheme under subsection (1), the participating authorities are to establish the body in accordance with the scheme.

(7) The Secretary of State may give such sums as the Secretary of State considers appropriate—

- (a) to a Leaders' Board, or
- (b) to a participating authority in a region in respect of the Leaders' Board for the region.

(8) If the Secretary of State considers that a Leaders' Board established for a region is not operating effectively, the Secretary of State may by direction withdraw approval for the scheme under which it is established (and subsection (6) accordingly ceases to apply in relation to that scheme).

(9) The Secretary of State must by regulations make provision for Part 5A of the Local Government Act 1972 (c. 70) (public admission to meetings of principal councils, public access to documents, etc) to apply in relation to Leaders' Boards as it applies in relation to principal councils (within the meaning of that Part).

(10) The application referred to in subsection (9) may be with such modifications as the Secretary of State considers necessary or expedient.