

**SOUTH EAST ENGLAND COUNCILS
ANNUAL GENERAL MEETING & ALL-MEMBER MEETING**



Date: 11 July 2013

Subject: **South East England Councils: Review of the Year 2012-13**

Report of: Cllr Gordon Keymer CBE, SEEC Chairman

Recommendation:

Members are asked to note SEEC's activities and achievements over the past year.

1. Background

1.1 SEEC has established a key role in representing the interests of all tiers of democratically-elected councillors in the South East since its formation in 2009. Operating with a very small staff team, limited budget and minimal bureaucracy, SEEC brings together local authority leaders to make sure South East views are heard by national and European policy makers.

2. SEEC principles & priorities

2.1 In 2010 members agreed the following principles to guide SEEC's work:

- Strive for a fair funding deal for the South East
- Promote the South East's position as a leading global economy
- Act as a single democratic voice for South East interests
- Monitor the pulse of the South East.

2.2 Working within these principles, the business plan for 2012-13 set three main areas as a focus for SEEC's work:

- Infrastructure
- Health & wellbeing
- Ongoing data and policy work to support the South East.

3. SEEC achievements 2012-13

Major achievements during the year are highlighted below by business plan topic:

3.1 Infrastructure

3.1.1 The past year has seen SEEC significantly raise the profile of the infrastructure opportunities and challenges facing South East member authorities. Three Government Ministers attended SEEC events to discuss infrastructure, allowing members to make a strong case for South East investment:

- Transport Minister Norman Baker joined members at SEEC's All-Member Meeting in February 2013 to outline Government investment priorities.
- BIS Minister Michael Fallon joined councillors and LEPs at a joint SEEC-SESL infrastructure & growth summit in March 2013. He recognised the value of the South East to the national economy and called on members to help Government prioritise spending to achieve the best outcomes.
- In June 2013, Transport Minister Stephen Hammond addressed members on strategic road and rail plans, listening to members' views on the national economic importance of improving transport to the South East's international gateway ports and airports.

3.1.2 New figures commissioned by SEEC have been used successfully this year to reinforce arguments about the **excellent return on investment that the South East offers for the national economy**. Our new data shows the South East has

contributed a significant net profit to the Treasury between 2003/4–2010/11, with South East taxes exceeding public spending in our area by £90.1bn. In the same period London contributed a net profit of £58.4bn.

- 3.1.3 Success in making the South East case for large scale **transport infrastructure** was reflected in June 2013 Spending Round announcements, which included funding for some of members' priority projects. Funding has now been committed to a new Lower Thames Crossing, upgrading the A21 and improving capacity at Waterloo station, which will help South East rail services.
- 3.1.4 Ongoing work between SEEC, SESL and the South East Directors of Economy, Environment, Planning & Transport will continue, including work with LEPs and other partners to strengthen the case for strategic, cross-boundary transport projects in the South East that will deliver significant national economic benefits.
- 3.1.5 Maximising **local authorities' contribution to economic growth** has been another key area. Work continues to argue that councils should retain a greater share of business rates to support investment in economic growth. A project with think tank Localis is previewed at today's AGM, setting out recommendations on how Government policy changes could help local authorities support growth.
- 3.1.6 SEEC has also seen success in helping to **secure funding for South East authorities to invest in growth**. SEEC work to argue for fairer, more transparent funding streams that recognise the scale of the South East population and its economic potential has paid dividends, for example:
- Population and the pressures of large scale demand are now recognised as key factors in Growing Places funding, ensuring the South East receives significant allocations.
 - New Homes Bonus rewards delivery of new homes, ensuring significant funding for the South East as England's biggest house-building area.
 - EU funding, where ministers have now confirmed the South East will have continued access to ERDF and ESF funding after 2013. Combining these pots for the future makes direct comparisons difficult, but initial indications show a slight increase in funding for the South East.
- 3.1.7 SEEC has continued to help members make the new **planning system fit for purpose**, with maximum local control to ensure councils can deliver local needs:
- Members supported the Taylor Review on simplifying and streamlining planning guidance.
 - SEEC input to CLG argued strongly for any review of s106 agreements to be a matter for local determination not central decision.
 - The infrastructure and growth summit in March 2013 shared good practice on ensuring planning applications turn into development.
- 3.1.8 Other significant areas of work in the past year include:
- Establishing a **dialogue with London** on the relationship between the South East and the Capital and its impact on economic success. London Councils spoke at March's infrastructure summit and a meeting is scheduled with London Deputy Mayor Sir Edward Lister in July 2013.
 - **Input to UK Power Networks' business plan** calling for closer working with local authorities. For example, this has resulted in pilot projects with emergency planning teams to manage the impact of power cuts.
 - Arguing for **city deal powers, funding and freedoms for the South East**. Five areas of the South East are candidates for Wave 2 city deals.

3.2 Health & wellbeing

- 3.2.1 SEEC addressed the issue of **the South East's ageing population** at a workshop in December 2012. Government Whip and former Health Minister Anne Milton MP outlined a clear route for councillors to deliver better services for older residents by working through Health & Wellbeing Boards. The workshop also shared innovation and good practice in planning and delivering older people's services. This included examples of joint working by districts, counties and partner bodies to integrate services such as health, care, housing and leisure.
- 3.2.2 Members helped secure **increased public health funding** for many South East authorities. Working in partnership with SESL and the SECASC group (South East Councils Adult Social Care) members provided input to the NHS Advisory Committee on Resource Allocation and to Health Secretary Jeremy Hunt. Funding announced in 2013 allocated above-average increases to SEEC member authorities, with most South East authorities receiving 10% extra per capita for two years, compared to the national minimum increase of 2.8%.
- 3.2.3 **New funding for integrating and updating the care system** responds to joint representations from SEEC, SESL and SECASC. A submission on the Draft Care and Support Bill in October 2012 highlighted cost implications for the South East of our rising elderly population and the high numbers of self-funders in the care system who will be affected by Dilnot proposals to cap the cost of care to individuals. Announcements in June 2013 set out plans for £335m to help local authorities prepare for social care reform and £3.8bn to support greater integration of NHS and council services.

3.3 Ongoing data and policy work

- 3.3.1 SEEC made the case for **greater funding and devolution for local authorities** during the year, for example:
- SEEC representations on the Local Government Finance Bill, including Lords briefings, helped ensure a future review of the impact of council tax benefit changes. The Government also reduced the amount of funding to be retained centrally and increased funding for council tax support. In October 2012 SEEC members set out an 8 point plan for future development of the new finance system to give more local accountability and incentives.
 - SEEC Chairman Cllr Gordon Keymer CBE represents South East interests on the LGA Executive to ensure members' concerns are heard at national level. This year he was also a keynote speaker at the LGA's South East roadshow, where he supported greater financial sustainability for councils and more devolution of powers. Roadshow discussions fed into the LGA's *Rewiring Public Services* campaign launched in July 2013.
- 3.3.2 European issues are a regular feature of SEEC agendas, ensuring that members are alert to **EU challenges and opportunities** for the South East, for example:
- Richard Ashworth MEP was keynote speaker at SEEC's All-Member meeting in November 2012, outlining the need to change European structures and finances.
 - SEEC successfully made the case for continued, and indeed increased, South East access to the next round of ERDF and ESF funding starting in 2014 (see also para 3.1.6).
- 3.3.3 In response to member concerns on **topical policy issues**, SEEC provided input to Government on issues including:

- Calling on Government to allow casino licences to move between local authority areas where both giving and receiving councils agree to the change. Currently, central rules prevent movement to the detriment of areas keen to develop the economic benefits a casino could bring.
- Working with SESL, members called for early discussions between central Government and councils on the impact of plans to relocate significant numbers of armed forces personnel to areas in the South East.
- Working with the South East Strategic Partnership for Migration, members called for a long term funding commitment to support migration issues. This is vital as the South East has the UK's second highest number of migrants after London.

3.3.4 During the year SEEC provided a regular programme of meetings, data and information updates for members, including:

- Two **data dashboards** showing key trends in the South East across six strategic issues: economy & employment; housing & infrastructure; public finance and grants; demographics; migration; and environment. The data provides a strong evidence base for SEEC influencing. Headline findings are circulated to members, MPs and MEPs. SEEC members have access to the detailed local data behind the headlines.
- **Member-led meetings and events** this year included 2 All-member meetings, 3 Executive Committees, a workshop on the South East's ageing population, a growth & infrastructure summit and a transport debate. Speakers included 4 UK ministers and the UK Conservative Leader in the European Parliament.
- **Updates and briefings** were provided via 3 newsletters, the SEEC website and briefings on issues such as the Autumn Statement, Budget, Queen's Speech and Spending Round. All SEEC papers and Government responses are published online, ensuring work is transparent and accountable.
- Work with DWP and Cabinet Office ensured invitations for SEEC members to Government departments' workshops on topics such as welfare reform and staff-led mutual organisations.
- Nominations via SEEC ensured that South East councils have a voice on external bodies, including Europe's Committee of the Regions, ERDF Local Management Committee, South East Strategic Partnership for Migration and the South Central Ambulance Service Foundation Trust.

3.3.5 Closer working between SEEC and SESL has been established, helping to establish a single, united voice for South East views on key areas such as transport and social care. Co-ordination of SEEC and SESL meeting dates and sharing of admin costs has helped reduce expenditure for both organisations.

3.4 SEEC secretariat & resources

3.4.1 SEEC employs a secretariat of 2, plus 1 admin post shared with SESL. Surrey CC hosts the SEEC team, providing office accommodation and payroll services.

3.4.2 SEEC continues to host the **South East Strategic Partnership for Migration**, ensuring regular updates on migration data, trends and key issues for members. This work is fully funded by a grant from the Home Office.

3.4.3 Net income from subscriptions raised £181,000 in 2012-13. SEEC delivered a £47,300 budget underspend in 2012-13, spending a net £277,600. As agreed with members, SEEC drew on reserves to bridge the gap between income and expenditure. (See agenda item 13 for detailed accounts). Financial management is handled in house with the assistance of an external accountant.