



Date: 25 June 2015

Subject: **South East devolution & infrastructure investment – update on SEEC-SESL campaigns**

Report of: Heather Bolton, SEEC Director and Sarah Momber, SEEC-SESL Policy Support Officer

Recommendation: Members should note the update and comment on the Mind the Gap Review.

1. Introduction

1.1 South East England Councils (SEEC) and South East Strategic Leaders (SESL) continue to work together to present a strong, united voice on issues of shared concern. Joint working is also helping to make good use of members' time and reduce costs, for example through shared officer capacity supporting work across a broad range of policy areas. This paper provides an overview of our joint activity.

2. Making the case for devolution to South East councils

2.1 SEEC and SESL welcome the new Cities and Local Government Devolution Bill, in particular the reference to all local authorities, reflecting our calls for two-tier and non-city areas to be offered the same opportunities as cities. Another positive outcome is the recent announcement of a Business Rates Review. This follows calls from SEEC and SESL, alongside others, for Government to reform the current system and devolve more to local authorities. SEEC and SESL will continue work to influence and shape Government proposals on devolution of funding and powers to help local authorities overcome barriers to economic growth.

2.2 Recent work includes our research with Local Government Futures into [the benefits and impact of devolving property taxes in the South East](#). Circulated widely to Ministers, MPs and media, the report showed potential for greater self-sufficiency and reduced reliance on central Government grants if councils controlled business rates and stamp duty as well as council tax. SEEC and SESL have also written jointly to several Ministers to reinforce interest in devolution, including both the Rt Hon Greg Clark MP and the Rt Hon George Osborne MP, and are currently working with Southern Policy Centre to secure a series of meetings with Ministers / senior civil servants.

2.3 SEEC and SESL were pleased to see that the [ICLGF recommendations](#) largely reflected [our input following their interim report](#) and the [Non-Metropolitan Commission's final report](#) referenced South East examples from [our joint submission](#) to their review. Joint work will continue to present strong messages on the benefits of devolution in the South East.

3. Strategic Transport Investment

3.1 SEEC and SESL are currently updating work on South East strategic transport investment to present to the new Government, in partnership with South East Directors of Environment, Economy, Planning & Transport. Former DfT Minister Baroness Kramer recommended focus on select projects to create a clearer message, in a meeting last year about our 10-point programme of transport investment *Mind the Gap*. **Initial proposals for an updated report highlight five large cross-boundary projects with national economic benefits. These are presented for member comment (see Annex 1).**

3.2 Earlier this year, SEEC and SESL [responded to the Airports Commission](#), arguing that the shortlisted proposals do not include enough infrastructure investment to mitigate the impacts of road congestion, train overcrowding and pollution likely to be caused by airport expansion. We also expressed concern about a simplistic approach to meeting the housing needs of growing numbers of airport workers.

3.3 In May, the Southern Policy Centre arranged for us to provide input to an article being written by Paul Clifton for Rail Review, a journal aimed at decision makers in the rail industry. SEEC and

SESL took the opportunity to make the case for South East councils to have greater influence over the franchising of relevant major rail routes and the operation of rail services.

4. Engaging with London on housing, economy and infrastructure needs

4.1 SEEC and SESL have created the opportunity for members to discuss face to face with the Greater London Authority issues surrounding planning, housing, infrastructure and economic growth pressures in the South East. This builds on our effective input to influence London's Infrastructure 2050 report and the London Plan. We were pleased to see the final Infrastructure 2050 report updated following our [joint consultation response](#), has removed the draft report's recommendations to expand into the South East by increasing housing density along popular commuter routes. We welcome the Mayor's recent confirmations that London can meet its own housing need within its boundaries without expanding into the South East, but will continue work to monitor London's success in this.

4.2 A successful Wider South East Summit in March was attended by councillors from across the South East, London and East of England. Following discussion, [Leaders agreed on Roundtables](#) to take forward dialogue on how to shape future political influence and collaboration with the Mayor of London. This is an opportunity for SEEC and SESL members to agree how best to raise with London a variety of South East concerns. Council Leaders and LEP Chairs have been invited to attend a Roundtable with the GLA, the recommendations from which will be brought together at a further Summit in December. Members have been invited and are encouraged to attend one of the three South East Roundtables on the following dates:

- **10 July 2015, 09.30-11.00am at City Hall, GLA, London**
- **18 September 2015, 10.00-11.30am at City Hall, GLA, London**
- **18 September 2015, 1.00-2.30pm at City Hall, GLA, London**

4.3 [SEEC & SESL members also met London Councils' Leaders](#) in April, focusing on how London boroughs can meet their housing need within the capital's boundaries – delivering on the Mayor of London's commitment following SEEC/SESL concerns about the risk of housing overspill into the South East. Members agreed to explore ways to ensure locally approved development is progressed, as well as considering whether London should explore the need for Green Belt reviews, as is happening in South East council areas. Issues relating to London placing homeless households outside its boundaries were also raised. Members will meet again later in the year.

5. Responding to care reform and the South East's expanding and ageing population

5.1 SEEC and SESL continue to make the case for fair distribution of funding that recognises South East care demands and public health needs. Highlighted across our work are the challenges surrounding the South East's large and ageing population, high number of care self-funders, high cost base and rural population, all of which make it more expensive for South East councils to deliver these services.

5.2 This includes several high-level responses to influence both the development of the Care Act 2014 and its implementation. Recently, [SEEC and SESL responded with SECASC to a consultation](#) on care cost caps and the appeals process, calling for appropriate funding provisions to meet the cost of reform and a reconsideration of the new appeals system. [Our joint response on the public health incentive scheme](#) called for a fair funding system with maximum local flexibility and minimum bureaucracy.