

**SOUTH EAST ENGLAND COUNCILS
ALL MEMBER MEETING**



Date: 30 June 2016

Subject: **SEEC activity report and updates**

Report of: SEEC Secretariat – Heather Bolton, Nick Woolfenden, Ian Mackie, Emma Sutton

Recommendations:

- i) Note the annual review of SEEC achievements, financial report and updates on ongoing work.
 - ii) Provide input on current work and consider any follow up actions required.
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a) Highlights of 2015-16

- a1. Over the past 12 months SEEC has given members the opportunity to influence senior Government Ministers and decision-makers on key issues such as devolution, funding, infrastructure and housing:
- Exchequer Secretary to the Treasury Damian Hinds led a member debate on devolution
 - CLG Minister Baroness Williams attended SEEC Executive in November
 - Syrian Refugee Minister Richard Harrington attended two meetings to discuss re-settlement in the South East
 - LGA Chairman Lord Porter of Spalding led debates on business rates and housing delivery
 - Outside the main meetings, SEEC representatives also met Home Secretary, Theresa May and Transport Minister, Robert Goodwill
 - Three round tables gave South East leaders the chance to discuss growth with London Deputy Mayor Sir Edward Lister.
- a2. **Devolution of powers and funding**
- a2.1 These areas were the focus of much of SEEC's work this year as councils across the country pursued devolution deals and pressure mounted for greater local retention of business rates. Members had the opportunity to learn from those negotiating two devolution deals – Executive meetings saw a discussion on the progress of the Derbyshire/ Nottinghamshire D2N2 bid and feedback on the results of the Ministerial challenge process from Hampshire.
- a2.2 Member debate shaped SEEC's September input to the All Party Parliamentary Group for Reform, Decentralisation & Devolution, setting out five principles that underpin all SEEC's work on devolution:
- An open, accountable approach to negotiating devolution deals
 - Clarity on the criteria used to judge successful and unsuccessful bids
 - Consistent devolution offers across all parts of the UK
 - Linking powers with control of funding
 - Long term sustainability.
- a2.3 Building on these principles, SEEC made the case for South East devolution to HM Treasury with its input to the Spending Review and in a small group meeting with Theresa May. On financial devolution, SEEC was one of the organisations who successfully made the case for greater business rate retention through its September submission to the Business Rates Review and other national reviews over the past two years.
- a2.4 The CLG Select Committee report on the Cities & Local Government Devolution Bill endorsed key points from SEEC's evidence. It supported member views on devolution of funding, alternatives to elected Mayors, the need for clarity and consistency and the amount of time required to establish comprehensive devolution deals in two tier areas.
- a3. **Infrastructure, housing and working with London**
- Infrastructure
- a3.1 SEEC's *Missing Links* report (January 2016) details 5 strategic transport infrastructure projects vital for the future success of the South East and UK economy. The report led to discussions with Transport Minister Robert Goodwill on whether sub-national transport bodies could prioritise investment, leveraging in support from multiple partners.

- a3.2 Following debate at the SEEC Executive, CLG Minister Baroness Williams confirmed that prudential borrowing against CIL or New Homes Bonus income to fund infrastructure is a local decision and encouraged areas to develop innovative ideas.
- a3.3 Former SEEC Deputy Chairman Cllr David Hodge, speaking in July at a national Runways UK conference on airport expansion, reinforced the case for South East authorities to have a voice to ensure the right infrastructure is in place before planes begin to land.

Housing

- a3.4 Discussion on tackling barriers to delivery during a 'Meet the developer' session with Barratts at the SEEC All-Member meeting in January helped inform SEEC's work on housing this year. SEEC evidence to National Planning Policy consultation, Local Plans Expert Group, LGA Housing Commission and New Homes Bonus consultation reinforced member calls for:
 - Discretionary incentives such as charging council tax or revoking planning permissions on undeveloped sites
 - Full council control of all developer contributions and planning fees
 - Simplicity and stability in the planning system and recognition of councils' local knowledge
 - Removal of the HRA cap and council determination of the right mix of affordable housing.

Working with London

- a3.5 SEEC has established strong relationships with the London Mayor, London Councils and East of England LGA to create opportunities for dialogue on the shared concerns of housing and strategic infrastructure. Three South East roundtables in summer 2015 led to a Wider South East Summit in December 2015. The summit endorsed creation of a Political Steering Group and agreed the priorities for political dialogue. Priorities are overcoming housing barriers to ensure each area meets its own needs and supporting greater infrastructure investment.
- a3.6 Working together as the Wider South East helped ensure Treasury support for Crossrail 2. A joint letter to the National Infrastructure Commission, making the case for the project – including extensions into the South East – helped secure £80m development funding. SEEC also argued for a South East seat on the TfL Board if DfT plans go ahead giving London control over some South East rail services.

a4. Health, care and refugees

- a4.1 The drive to achieve integration of health and social care is a continuing priority for SEEC members. In May 2016 SEEC held a workshop for members and officers that looked at how district, unitary and county councils can all work together with the NHS to deliver a seamless, patient-centred service that maximises cost efficiency. Issues and recommendations raised at the event will be raised with Department of Health Ministers.
- a4.2 SEEC's response to the Local Authority Public Health Allocations consultation set out an analysis of South East underfunding and argued that any cuts to public health funding should be more heavily weighted to those councils significantly above their target allocation.
- a4.3 In September 2015 SEEC and the South East Strategic Partnership for Migration (SESPM) launched a film on Modern Slavery to help councils raise staff awareness, including care workers, of the new legal duty to notify the Home Secretary about suspected victims.
- a4.4 Syrian Refugee Minister Richard Harrington attended a SEEC-SESPM conference on resettlement in December and then the SEEC Executive in March, where he thanked South East councils for their support in re-settling refugees. SESPM and SEEC are now working with the Home Office and CLG to co-ordinate future Syrian refugee arrivals and match them to South East authorities' offers. In June 2016 Richard Harrington also hosted an event for a group of SEEC members to discuss a framework for South East councils to accept transfer of Unaccompanied Asylum Seeking Children (UASC), mainly from Kent, which has 900 UASC. The need for transfers was raised by SEEC members on behalf of Kent when they met Home Secretary Theresa May and this is now included in the new Immigration Act.

a5. Evidence and communications

- a5.1 SEEC's data dashboard provides an essential evidence base for SEEC's influencing work. It shows trends in the economy, housing and infrastructure, public finance, demography, migration and, this year, a bespoke analysis of the new Index of Multiple Deprivation. Member discussion in 2015 shaped a new streamlined, user friendly format, which has received positive feedback from members and ministers.

- a5.2 SEEC on-the-day briefings for members covered the Chancellor's Spending Review and Autumn Statement, the March Budget and Queen's Speech. This year SEEC also produced two briefings on the Syrian refugee resettlement programme and a briefing on the May local elections. Members also receive regular newsletters on SEEC activity – this year has seen an updated format and a move to monthly e-newsletters. In April a new, occasional Wider South East Update was launched in the same format.
- a5.3 Positive media coverage of SEEC's work in national and local media helped raise the profile of member views. Coverage of business rates, Crossrail 2, Missing Links, proposals to incentivise house building, calls for a South East seat on the TfL Board and the Health and Social Care Workshop appeared in media including LGC, MJ, Surveyor, Public Sector Executive and LGA First, as well as in local media.

b) SEEC financial report 2015-16

- b.1 SEEC accounts for 2015-16 have been finalised, showing total expenditure for the year at £277,903. This was funded by SEEC income and the standing agreement to draw on reserves each year to subsidise members' costs. The draw on reserves for 2015-16 was £47,909. Reserves at 31 March 2016 were £640,347.
- b.2 Accounts prepared by an independent accountant have been approved and signed by SEEC Treasurer Cllr David Monk. Profit and loss accounts for 2015-16 and 2014-15 are below:

	31.3.16		31.3.15	
	£	£	£	£
Income				
Invoiced subscriptions	177,320		179,025	
Shared services	17,946		19,535	
Project/ conference contributions	30,031		6,214	
Sundry receipts	10		91	
Bank interest	4,687		1,585	
		<u>229,994</u>		<u>206,450</u>
Expenditure				
Rent	7,877		7,700	
Staff costs	204,818		202,333	
Travel	2,089		1,988	
Projects/ conferences	40,847		18,184	
Licences/ insurance	1,305		1,313	
Regular meetings	9,538		12,228	
IT/website	5,585		6,788	
Admin/ Office costs	3,215		4,201	
Accountancy	2,100		2,100	
Other professional fees	420		370	
Depreciation of tangible fixed assets				
Computer equipment	109		-	
		<u>277,903</u>		<u>257,205</u>
Net loss		<u>(47,909)</u>		<u>(50,755)</u>

c) New Mayor of London and Wider South East (WSE) update

- c.1 The WSE Political Steering Group met for the first time on 10 March. Five councillors from SEEC joined representatives from East of England LGA and GLA/London Councils to agree priorities for a joint programme of work, focused on:
- Influencing the new London Plan - including the new Mayor's growth/housing plans and any implications for the South East.
 - Tackling barriers to housing and strategic infrastructure investment.
- As highlighted in the review of the year, SEEC, London Councils and East of England [jointly lobbied](#) the National Infrastructure Commission to speed up delivery of Crossrail 2, with the Chancellor's budget subsequently committing £80m development funding to the project.
- c.2 It is hoped new London Mayor Sadiq Khan will meet SEEC members at a future WSE Political Steering Group, to set out his priorities for tackling London's housing and infrastructure challenges. SEEC members are kept up to date with a new [WSE newsletter](#). Officers from a number of SEEC member councils have been nominated to join technical groups that will support the Political Steering Group.

d) Select Committee input on local plans

d.1 SEEC is submitting input to the [CLG Select Committee inquiry](#) on the Local Plans Expert Group's (LPEG) recommendations to Government - deadline 27 June. This will reflect SEEC's previous input to Government and LPEG, which emphasised:

- The need for a planning system which enables councils to use discretionary powers to incentivise builders to turn applications into developments.
- The need to reduce bureaucracy, minimise change to the planning system, and avoid increases in administrative burdens on councils, which all detract from delivery.
- A request for Government to reconsider allowing council-led approaches to securing funding to fill part of the infrastructure gap, including local control of S106/ CIL.
- The need to avoid restricting infrastructure investment opportunities for councils who do not yet have a local plan in place.

e) Latest SEEC data dashboard

e.1 **For member comments**, the draft 1-side summary of SEEC's summer 2016 data dashboard is attached (see Annex). It provides evidence on key South East opportunities and challenges for members to raise with Government in influencing funding and policy decisions. It sets out:

- **The scale of issues facing the South East** e.g. England's largest population (now 9m – including more than 800,000 over 75s). This raises major implications for infrastructure needs and councils' service funding.
- **South East potential for economic growth** e.g. The South East made the largest net contribution to the Treasury (2002-2012: £80bn) but infrastructure is under pressure. With local retention of property taxes – such as stamp duty – and other funding freedoms councils would be able to invest more in economic growth and supporting infrastructure.

We welcome member comments on the summary Dashboard prior to finalising it for circulation. Please send comments to nickwoolfenden@secouncils.gov.uk by 7 July.