

## SOUTH EAST ENGLAND COUNCILS EXECUTIVE MEETING



Date: 30 September 2016

Subject: **SEEC activity report and updates**

Report of: Heather Bolton, Nick Woolfenden, Emma Sutton and South East Strategic Migration Partnership Manager Roy Millard

### Recommendations:

Members are asked to:

- i) Note the updates on SEEC work and provide comments on live projects.
- ii) Consider any follow up actions required for recently completed work.

### 1. Introduction

1.1 This paper highlights SEEC work to represent members' interests over the summer, including updates on business rates, infrastructure, housing, health & care and migration.

#### a) Business rate reform: SEEC response to CLG consultation

a.1 SEEC submitted responses to CLG's business rate consultations to meet the 26 September deadline. Some of the key points covered include:

- **Principles for a new system:** more transparency on funding assumptions and redistribution is needed to underpin greater accountability to businesses and residents. The new system must also offer the potential for rewards for growth to all councils in two-tier areas and ensure stable, predictable sources of funding.
- **Concerns and tensions:** It will be challenging to establish a balance between giving good rewards for growth and redistributing funds to lower performing councils while minimising complexity and risk. Linking income from business rate growth to demand-led services, such as attendance allowance, is unsustainable as councils cannot manage take up of such services. It is not clear how the new system will reduce volatility in council incomes and the system needs to be capable of providing extra funding if Government changes reduce the tax base or increase council responsibilities.

#### b) National Infrastructure Assessment: SEEC evidence to the National Infrastructure Commission

b.1 Following debate with Commissioner Bridget Rosewell OBE at SEEC's AGM, our [response](#) to the National Infrastructure Assessment consultation emphasised:

- The importance of developing a balanced infrastructure investment portfolio across the UK. We recognise the need to include regeneration projects with lower returns, but this must be balanced with high-return projects in the South East. As the UK's most profitable area, infrastructure to support the South East's high-performing economy is vital to ensure the UK-wide economy continues to prosper post-Brexit.
- The South East suffers from major infrastructure deficits which risk undermining economic success. We are keen to help develop innovative approaches to infrastructure funding but to do this Government must allow councils a greater share of locally generated taxes.
- Council leaders from all tiers are keen to help Government and the Commission understand and support South East strategic transport projects. These include projects set out in SEEC's [Missing Links](#) report, which highlights vital strategic investments needed to secure the South East's ongoing success as the UK's economic engine room.

b.2 The Neighbourhood Planning Bill does not currently include expected proposals to make the National Infrastructure Commission statutory, so timing and status is now unclear.

#### c) Wider South East/ London Political Steering Group on 18 July

c.1 SEEC representatives met James Murray, London's new Deputy Mayor for Housing, at the Wider South East (WSE) Political Steering Group (PSG) in July. Key points included:

- **New London Plan/Housing growth:** Members pressed the Deputy Mayor to meet London housing needs within the capital to avoid impact on South East housing, transport and infrastructure. They also asked the Mayor to consider releasing Green Belt in London before considering options outside.

- **Opportunity to comment:** There will be high-level consultation later this year, including invitations for all South East leaders to attend a WSE Summit on 9 December.
- **Tackling barriers to housing delivery:** Despite granting more than enough approvals to meet local plan targets, housing completions are falling below what is required across the WSE. A joint letter to Ministers calls for changes that could improve delivery eg: discretionary powers to charge penalties on unimplemented permissions; improving construction skills; greater funding for councils to build themselves.
- **Strategic infrastructure:** PSG members agreed that by working jointly, a stronger case can be made to Government for key large-scale transport investments with cross-boundary benefits. A short-list of potential schemes is being developed for further member discussion in October. SEEC representatives stressed the importance of orbital routes which can reduce pressure on London and deliver South East economic benefits, as London's focus on radial corridors could support mainly commuter-led growth.
- **Common understanding of the evidence base:** The GLA is working on a population modelling system, which it sees as an alternative to the ONS/CLG official projections. SEEC members emphasised that ONS/CLG data remains the official starting point for Local Plans and GLA work must not endanger 2017 Local Plan submission deadlines.

**d) CLG Select Committee inquiry into homebuilding capacity: SEEC input**

d.1 SEEC evidence to the CLG Select Committee's homebuilding inquiry said that, although the South East builds the most homes in England, councils are concerned about a large and growing number of unimplemented permissions. The South East had some 66,700 unimplemented permissions by 2014-15. Action is needed to ensure developers deliver approved permissions. SEEC asked the Committee to recommend that Government:

- Provides councils with discretionary powers to incentivise builders and turn applications into developments e.g. fees/penalties for slow delivery.
- Enables SME builders to access finance to help improve the competitiveness of the housebuilding industry and increase build out rates.
- Gives certainty for planners and developers by minimising change to the planning system and avoids further administrative burdens on councils, to avoid detracting from delivery.
- Works with councils, skills providers and construction industry to tackle skills gaps.
- Supports council-led approaches to securing funding for affordable homes and infrastructure and supports filling the funding gap for large scale infrastructure projects.

**e) Ministerial Influencing: Health and care integration offer to Ministers**

e.1 SEEC [wrote](#) to Ministers following the health and social care integration workshop held in May. The letter has received wide media coverage including [LocalGov](#) and [NHE](#). The letter asked for support on 8 points covering:

- Council co-chairing of Sustainability and Transformation Plans and other initiatives.
- Recognition of local authorities as equal partners with NHS in redesigning services.
- Agreeing a definition of integration that sets measurable goals for all organisations.
- Ensuring that Government programmes, incentives and guidance align with these goals.
- Re-designing jobs and qualifications to bridge organisational differences.
- Shared use of data to help eliminate duplication, identify efficiencies and quantify savings.
- Acknowledgement of the role that housing plays in preventing ill-health.
- Light touch guidance on essential requirements for integration.

**f) Migration update**

f.1 The South East is currently facing significant migration pressures as set out below in an update from the SEEC-hosted South East Strategic Partnership for Migration (SESPM):

- **Syrian refugee resettlement:** By 30 June ONS data shows 2,646 people had been resettled in the UK, with 197 in South East councils. Nationally, offers have now reached the Government's 20,000 target but not all offers can be realised in practice, so SESPM is still keen to hear from authorities who have potential to resettle refugees. SESPM is receiving Home Office funding to co-ordinate South East arrivals and is working closely with councils to match them with regular charter flight arrivals and to share good practice. Ministers are also developing a 'community sponsorship' model where community groups can provide accommodation and support for refugees.
- **Unaccompanied Asylum Seeking Children (UASC) & vulnerable refugee children:** On 1 July a voluntary national transfer scheme was introduced to relieve the burden on authorities, such as Kent CC, which have disproportionate numbers of UASC. Immigration

Minister Robert Goodwill wrote to all South East authorities on 8 September asking them to register for the scheme and confirm how many UASC and vulnerable children they can accept. Ministers have powers to make transfers mandatory but the LGA strongly supports a voluntary approach.

Despite still awaiting Home Office funding for the role, SESPM has been working with South East councils to co-ordinate transfers, completing 23 out of 81 national transfers by 16 September (some 28% of the total). SEEC and SESPM have written to Immigration Minister Robert Goodwill asking for funding and practical support to help South East authorities accept transfers.

- **Dispersal of asylum seeking adults and families:** A rise in asylum claims UK-wide means the Home Office needs to increase the number of councils volunteering to accept asylum seekers. Currently three South East councils participate. SESPM is co-ordinating meetings to establish the position of every South East authority. Ministers have reserve powers to mandate councils to accept dispersal of asylum seekers.