

# SEEC HIGHLIGHTS 2018-19



## Influencing decision-makers

SEEC delivered a focused programme of opportunities for South East authorities in unitary, county and district councils to effect change in line with the list of strategic priorities set out by members.

SEEC members had access to national policy and decision makers to ensure the views and interests of the South East were considered and to make constructive proposals on key policy areas. For 2018-19 these included local government finance, skills, economic growth, Brexit, infrastructure investment, social care and housing and planning. SEEC was the lead representative for the South East in the Wider South East partnership which considers growth across London, the South East and the East of England.

The extensive members' programme included:

- **Two free all-member conferences.** The June event on adapting skills for economic success was attended by Alan Mak MP, PPS at the Department for Business, Energy and Industrial Strategy (DBEIS); the January 2019 event focused on 'Brexit: practical impacts for the South East' which included a keynote speech from Chichester MP Gillian Keegan. Both provided opportunities to influence senior decision makers and share good practice;
- **Summit with Mayor of London,** Sadiq Khan, including a debate with SEEC Deputy Chairman Cllr Ralph Bagge, where topics for discussion included planning, economic growth, infrastructure improvements;
- **Meetings with leading politicians.** SEEC met with Housing Minister Kit Malthouse MP to make the case for incentivising house building, Skills Minister Anne Milton MP and Jules Pipe – London Deputy Mayor for Planning. These small group

meetings allowed members to discuss South East priorities with leading politician;

- **The voice of the South East.** SEEC members spoke on behalf of the South East at events looking at ageing, infrastructure needs in the Thames Gateway and London housing policy workshops. Further details of the extensive programme of supporting the needs of the South East are provided throughout this review;
- **Updates.** SEEC produced monthly e-newsletters for members and stakeholders; regular member and MP briefings, two data dashboards to update members and MPs on key issues affecting the South East.



*SEEC met with London Mayor Sadiq Khan to discuss member's priority topics*

## Local Government Funding

Funding and austerity were significant issues throughout the year and SEEC spoke out for the South East on several fronts. This included proposals for substantial structural change to the local government funding system and for additional resources. In the SEEC submission to the Ministry of Housing, Communities and Local Government (HCLG) Select Committee inquiry on Local Government Finance and Spending Review 2019, the core argument was that local government funding has become overly complex,

## About SEEC and the South East

SEEC's work focuses on making the case for strategic policy and funding priorities for the South East and its 9.2 million residents. Our [website](#) gives more detail on SEEC and its work.

The South East is the UK's economic powerhouse. In 2017 SE economic output (GVA) was £263bn, the second highest in England and more than all eight English core cities combined. Between 2000-16 the South East paid £154bn more in taxes than it received in public spending but without investment this could be at risk. This 'net profit' for the Treasury was the UK's highest, and funds public spending UK-wide.

The South East also has the UK's largest population, leading to growing demand for council services. For example, we have the UK's largest and fastest growing older population, with over-75s expected to nearly double to 1.5m by 2041. We also have 909,000 people in income deprivation. However, traditionally low levels of South East funding mean average council spending per resident, at just £628 in 2016-17, remains among the lowest in the country – £233 lower per person than in London.

SEEC's 2018-19 Chairman was Cllr Roy Perry (Conservative Leader, Hampshire County Council). Cllr Perry was elected chairman in June 2018, taking over from Cllr Nicolas Heslop who stepped down from the chairmanship after three years. SEEC Deputy Chairman was Cllr Ralph Bagge (Conservative, South Bucks District Council and Bucks CC). SEEC's work is steered by a cross-party, cross-tier Executive of 19 senior councillors. SEEC Director of nine years Heather Bolton left for new challenges in May 2019 and was replaced by David Covill.

too centralised and lacks transparency. The result is an unfair burden on council tax payers in the South East. SEEC encouraged the committee to recommend increased powers for local councils to raise funds for services and for infrastructure to help address the South East's infrastructure gap.

SEEC's leadership joined forces with South East Strategic Leaders (SESL) to challenge misleading headlines that suggested the impact of spending cuts has been lower in the South East than in other parts of the country. A joint letter to Local Government Minister Rishi Sunak MP explained that headlines about cuts falling disproportionately on metropolitan areas are misleading. Another letter published in the Municipal Journal from SEEC Chairman Cllr Roy Perry made it clear that all councils have faced significant cuts over the past eight years but metropolitan areas still receive greater funding. South East authorities called on Ministers to adopt a fairer and more transparent approach to local government funding, for example basing more decisions on scale of population. SEEC and SESL called for all parts of local government to work together to agree a fair, accountable approach to a new funding system. Copies of both letters were circulated to South East MPs to raise awareness of the issues.

SEEC supported Government proposals to eliminate 'negative Revenue Support Grant' (RSG), joining forces with SESL. Responding to the SEEC concerns, the Government did abolish the principle of negative grants which would have affected around 70% of South East authorities.

## Housing & planning

The pressure on housing and the need for planning reform continued this year, and SEEC continued to make active contributions to policy and practice areas including two consultation responses this year. SEEC's focus was on freeing up councils to be able to deliver more homes and help fund affordable housing.



Persistence has paid off. After responding to consultations on the Housing Revenue Account (HRA) over several years, most recently in April, the Government has now lifted the cap on borrowing

against the HRA, as SEEC requested. This will enable councils with their own housing stock (eg council houses) to borrow more to build more affordable homes.

On several occasions SEEC Executive discussed the need for changes to the rules on use of the proceeds of Right to Buy sales, and followed up with inputs to ministers. This included calling for Right to Buy income to be freed up for new build, as part of the response to the Affordable Housing Commission and other Government consultations. The evidence submitted to the commission in April focussed on practical suggestions for changes to the powers of councils to

maximise the delivery of homes and help for local authorities to secure greater investment in infrastructure, including affordable homes. A SEEC Executive meeting in September explored ways to speed up housing delivery using modular construction with an expert panel. Members heard from three expert speakers and were given the opportunity to visit modular home sites to see for themselves. With planning high on the political agenda, SEEC responded to the HCLG technical consultation on updates to planning policy and guidance, making practical suggestions for changes on, for example, PDRs and biodiversity. As seen in the [Spring Statement](#) the Government has agreed with SEEC's call to end some PDRs while other PDRs remain under review. SEEC Executive member Cllr Ralph Bagge spoke at a London Policy Centre event on housing growth.

## Infrastructure, the economy & preparing for Brexit

Skills development in the South East was the theme of a significant push by SEEC this year. At the 2018 Skills Conference, part of the AGM, skills minister Alan Mak MP gave a keynote speech calling for workforce skills to adapt to support South East economy, particularly hi-tech skills needed for the fourth industrial revolution. Along with infrastructure investment and an orderly Brexit, SEEC members have identified skills as critical to continued economic growth in the region.

In March SEEC's Executive meeting focused on skills in the South East. Members considered opportunities for skills to help ensure the right workforce is available to meet local economic needs and identified issues to raise with Government to further support local authority work on skills and apprenticeships. Expert speakers shared good practice on apprenticeships and effective working with local schools and colleges. Case studies are being prepared for distribution to members.

SEEC embarked on a comprehensive study to identify the skills gaps in the South East to help local authorities understand how they can best respond to local needs. SEEC members met Skills Minister Anne Milton MP. The minister offered her support for SEEC's work with colleges to address the skills gap. In May SEEC followed up the meeting with a letter to the Minister setting out ways the Government could improve the Apprenticeship Levy through a number of actions to improve the flexibility of the scheme and maximise its impact.

SEEC Executive member Cllr Andrew Bowles attended an event about potential growth in the Thames Gateway to speak about infrastructure needs.

SEEC helped members think through the practicalities of Brexit preparations. At SEEC's Brexit workshop in February members called for more help from Government to keep the economy healthy and keep local government services running after Brexit. The workshop identified four key areas of work to ensure the South East is prepared for Brexit:

- More regular updates from Government to help reduce uncertainty surrounding local authorities' planning. Eg detail is needed on national port and

freight strategies to help South East councils align their plans with Government;

- Help to address skills gaps where South East businesses and public services rely heavily on EU workers who may leave after Brexit. For example, greater powers to direct funds for training for sectors such as care, transport and hospitality;
- Help with managing traffic congestion and enforcing no-go areas for freight if a no-deal Brexit leads to large queues of lorries waiting to leave Dover or the Channel Tunnel;
- Clarity was called for on Ministers' plans for replacing EU grants with a UK Shared Prosperity Fund so that South East councils can continue to deliver much-needed infrastructure and other local projects. SEEC also worked with the LGA to hold a South East roadshow on the future of non-metropolitan councils to give authorities the opportunity to help shape proposals for greater devolution to local government after Brexit. SEEC chairman, Cllr Roy Perry spoke at the event, highlighting key areas for devolution including the need for greater influence over infrastructure and skills development.

In March SEEC wrote to James Brokenshire MP, Minister for HCLG, to show how [land value uplift capture](#) can assist with funding for housing infrastructure. The SEEC Executive meeting in November 2018 held an expert debate on land value capture to look at the options for raising income to fund greater investment in infrastructure and inform a set of principles which might be developed to shape a South East approach.

SEEC members are also engaged with the emerging Sub-national Transport Bodies (Transport for the South East and England's Economic Heartland) who are developing transport strategies and priorities for funding.

## Health & social care

The South East has the UK's largest and fastest growing older population, with over-75s expected to nearly double to 1.5m by 2041. As the debate over fundamental reform of social care funding continues, South East councils face rising costs. SEEC engaged vigorously to influence future funding.

This included a [response](#) to the LGA's social care green paper, welcoming a focused debate on addressing the challenges of funding South East adult social care in a sustainable way. SEEC focused on three key issues:

- Local role in adult social care – a system is needed that provides stable, adequate, long-term funding recognising that all tiers of councils have an important role to play in care and wellbeing;
- Opportunities to improve structures - there is potential to redesign adult care systems to create locally- responsive structures and services that bring together health and care to provide a seamless service;
- Addressing the need for additional funding - funding social care through local Council Tax is unsustainable and is not keeping pace with the growing demand. As a national problem, it

should not fall to local tax payers to be the main funders of social care.

The proposals are part of the SEEC's social care campaign to put forward proposals on the Government's policy to address major problems in the system. The points were reiterated in a [response](#) to the House of Lords Economic Affairs Committee inquiry on social care funding.

SEEC Executive member Cllr Bob Standley took part in roundtable discussions on care and health information for older people at the House of Lords in November. SEEC and a range of public, voluntary and private sector partners explored how to ensure older people get good access to information about health and care services.

## Working with London

SEEC continued to lead on the South East's co-operation with the London Mayor, London Councils and East of England LGA in the Wider South East (WSE) network. As part of this role SEEC gave substantial evidence at the [London Plan Examination in Public](#) (EiP), between January and May this year. It was an opportunity for SEEC to ensure the panel of inspectors heard the views of South East councils on the London Mayor's growth plans for the capital and on how to manage potential implications for the South East. SEEC worked collaboratively with SESL to make South East representations at eight sessions.

At the WSE summit this year, held in January prior to the EiP, members called for more joint working to secure essential investment across the region.

Representatives of 100+ councils and partner bodies from South East, East of England and London heard that collaboration to support shared infrastructure investment needs would be important to underpin sustainable growth across all three areas, which form the dynamo of the UK economy.

SEEC Director Heather Bolton chaired the keynote summit debate with a panel of WSE leaders including - the London Mayor Sadiq Khan, Newham Mayor Rokhsana Fiaz and SEEC Deputy Chairman Cllr Ralph Bagge. Topics covered included housing, investment needs and economic prosperity. Among the other speakers were London Deputy Mayor Jules Pipe and councillors from emerging Sub-national Transport Bodies, SEEC's Cllr Tony Page, Deputy Chairman of Transport for the South East and Mayor Dave Hodgson, Chairman of England's Economic Heartland's Strategic Transport Forum.



*WSE and SEEC with key influencers from London discuss the key issues for the South East*

In March the Political Steering Group (PSG) met with London Deputy Mayor Jules Pipe and leaders from the East of England to discuss the next steps on political engagement across the Wider South East. Chaired by SEEC's Cllr Nicolas Heslop, the PSG confirmed members' commitment to speak with one voice on some of the big shared issues facing the South East, London and East. Members are keen to make progress on this and will consider options and priorities at their next meeting. SEEC members called for ongoing dialogue with the Mayor's office between the London Plan EIP inspectors' report and the final version of the Plan to ensure any proposed changes do not adversely affect the South East. PSG updates included reports from three emerging Sub-national Transport Bodies who are leading on developing strategic transport priorities. Priorities include joint work to highlight how Government could help tackle housing and infrastructure delivery barriers. In further work with London SEEC facilitated the GLA offer for South East councils to share their new digital planning applications platform free of charge.

## Migration

SEEC is the host body for the South East Strategic Partnership for Migration (SESPM), which supports councils' work with asylum seekers, refugees and migrant children. Since the start of the Syrian resettlement programme the South East has received approximately 1,600 refugees, one of the highest figures in England. SESPM has worked closely with SE authorities to deliver an effective support programme, including running events on migrant health and getting refugees into work. Through SESPM, the South East has a strategic voice at the national level including the Local Government Association Asylum, Refugee & Migration Task Force, attended by the Immigration Minister. The Migration Partnership has worked collaboratively with South East authorities to participate on dispersal programmes. SESPM Chairman Cllr Roger Gough has highlighted to the Immigration Minister, Caroline Nokes, the key barriers and potential solutions to enable a more equitable distribution of Asylum Seekers, both within the South East and at the national level. SESPM helped to deliver a smooth transition to new providers after the Home Office awarded contracts for new asylum accommodation support and advice in the South East. SEEC and SESPM worked together to help provide evidence to inform the Government decision to increase funding to support local authorities caring for Unaccompanied Asylum Seeking Children (UASC), scrapping age differentials for the national funding rates. This acknowledges that the costs of supporting 16- and 17-year-olds is the same as those for under 16s and will bring in over £30 million more funding for councils nationally.

## Data, briefings & media

SEEC ensured evidence to underpin its policy work was collected and disseminated through the Data Dashboard. This year two dashboards were issued,

highlighting the challenges to economic growth and comparing trends in the South East with the national picture on the key issues: the economy and employment; housing and infrastructure; public finance; demography and migration. The dashboards were distributed to all SEEC members and to MPs, accompanied by a dedicated briefing. SEEC asked MPs to support a Royal Commission on care funding to identify a sustainable financial model for the future.

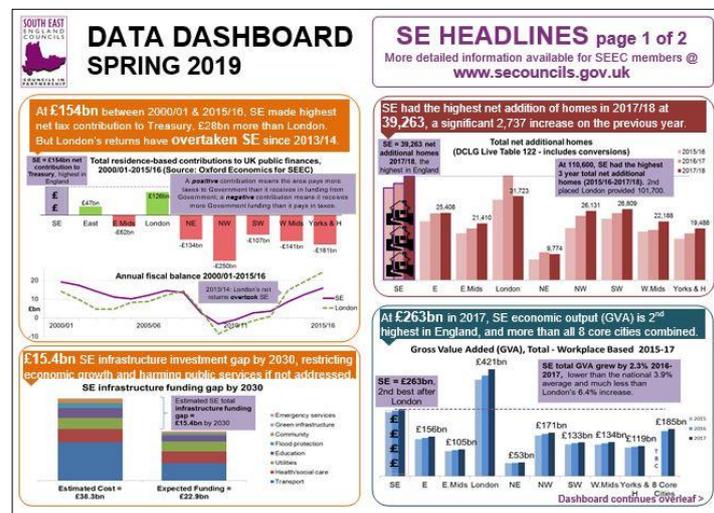
Members, chief executive and MPs continued to receive monthly e-newsletters, to which others, also subscribe. Two Wider South East Updates were produced this year to keep members in touch with the ongoing dialogue with the London Mayor's office.

'On-the-day' briefings for members included one on the Chancellor's Spring Statement and one on the local election results and the Budget.

SEEC members' views gained coverage in national and local media. In August SEEC Chairman Cllr Roy Perry featured in the Municipal Journal highlighting the need for **infrastructure investment** in proven successful economies, such as the South East and explaining that neglecting to invest in successful areas risks a dip in tax returns to the Treasury. Cllr Perry cited ONS data which shows that South East tax returns subsidised public spending in the rest of the country to the tune of £14.8bn in 2015-16.

In November Cllr Perry produced an **article** for the Local Government Chronicle to outline the need for a fairer funding deal for local government to deliver more equitable per capita spending across England. A **letter** in the Municipal Journal in February outlined the SEEC position on local government funding.

Also in the LGC, SEEC challenged misleading analysis by Cambridge academics who suggested the south had avoided the worst of austerity. The analysis misses the fact that – even after years of austerity – spending per person on local services in London and major cities is still much higher than in southern councils. Press releases included drawing attention to SEEC's 'Brexit essentials' and member views on the skills gap.



SEEC's twice yearly data dashboard shows key South East trends. The full dashboard can be found [here](#)