

# TONBRIDGE & MALLING BOROUGH COUNCIL

## MANAGEMENT LIAISON PANEL

1 December 2009

### Report of Leader and Chief Executive

#### Part 1- Public

#### Matters for Recommendation to Cabinet - Non Key Decision

## 1 REGIONAL ARCHITECTURE

### Summary

**A report to improve Members' understanding of the new structures of regional governance in the south east.**

### 1.1 Introduction

1.1.1 As Members will be aware, the South East England Regional Assembly voted itself out of existence from 31 March 2009. Interestingly, although the vote that led to the winding up of SEERA is frequently described as unanimous, this Council's vote was in fact cast against abolition - the only such vote - for reasons touched upon later in this report.

1.1.2 New arrangements have been developed in the South East Region over the past eight or nine months and the purpose of this report is to try to shed some light on what is now an extremely complex not to say labyrinthine structure. Much of this has developed at a fast pace with decisions made by bodies upon which this Council is not represented and this has made it extremely difficult to keep Members advised. Some decisions have had to be made on joining new structures at short notice to protect this Council's interests and later in the report there are recommendations that this Panel recommends the Cabinet to confirm action taken.

### 1.2 Why did SEERA dissolve itself?

1.2.1 Members will recall that the Government initiated a Sub-National Review of Economic Development and Regeneration. The outcome of this Review was intended to provide a new template for important matters such as Regional Planning and Regional Strategies for Housing and Transport to be determined. There was some flexibility for individual Regions to devise mechanisms to suit their own circumstances but a fall-back position of an imposed Government solution.

1.2.2 A key element of the SNR was the signalled intention to legislate for the abolition of Regional Assemblies by 2010 and the majority view in SEERA was that moving

to new structures sooner rather than later would best serve the South East Region's interests. In exercising this Council's vote on a motion to dissolve SEERA the Leader opposed dissolution. The reason this position was taken was because the emerging arrangements for a post SEERA situation appeared to reduce not enhance this Council's ability to influence regional policy and, as later sections of this report will show, that is indeed the outcome.

### **1.3 South East England Partnership Board (SEEPB)**

1.3.1 A new body was established from 1 April 2009, known as the South East England Partnership Board.

1.3.2 SEEPB has a number of functions, some of which were previously vested in SEERA and some new responsibilities.

1.3.3 The functions of SEEPB can be summarised as:-

- § Commissioning and approving a Regional Strategy which will combine what was previously The South East Plan and the Regional Economic Strategy
- § Housing and Regeneration through a Regional Housing and Regeneration Board
- § Transport through a Regional Transport Board
- § Economic Development through a Regional Economic Development and Skills Board

1.3.4 SEEPB is made up of four members of the board of SEEDA, the Regional Development Agency, and eight members of the South East England Leaders' Board (more of which later in this report).

1.3.5 Thus it will be seen that as the most important regional policy making body, SEEPB has only 8 of the 74 Councils in the south east represented on it. It was this lessening of representation compared to the full representation that SEERA provided that caused this Council to vote against the latter's dissolution.

1.3.6 Rather than attempt to describe the precise composition of SEEPB, appended at **Annex 1** is an explanatory document produced by SEEPB itself. From this you will note that Kent holds one place in the form of the Leader of Kent County Council, Paul Carter.

### **1.4 South East England Councils (SEEC)**

1.4.1 Quite separate from SEEPB is a new body called South East England Councils. This is intended to be made up of all 74 Councils in the south east region and as far as is currently known membership is approaching 100%. Representation of

Councils is exclusively at Leader level and it is this body that is determining representation on SEEPB and its sub-structures.

- 1.4.2 It was considered important that this Council should join this body otherwise it would have had no influence whatsoever over matters that impact upon our residents. The subscription to SEEC was £1,016 and we later recommend that the Panel recommends the Cabinet endorses the action taken in joining SEEC.
- 1.4.3 At **Annex 2** there is a letter from the Chairman of SEEC, KCC Leader, Paul Carter, which provides some useful information on the way in which SEEC works. **Annex 3** is the briefing note referred to in Mr Carter's letter. **Annex 4** is the business plan developed by SEEC. Although headed 'draft', we believe it was adopted unamended.
- 1.4.4 SEEC has an Executive which it has chosen to title the "South East England Leaders' Board". **Annex 5** is the minutes of the last meeting of this Board and the ones referred to in Paul Carter's letter. These show the membership of the Board and it will be noted that Kent has two representatives in the form of Paul Carter and John Gilby of Canterbury. It is also interesting to note that even amongst SEEC members there is confusion over the way it is to operate.
- 1.4.5 It is worth noting at this point that SEEC is entirely driven by politicians. Officers do not receive copies of agendas and minutes nor are they invited to attend meetings. To ensure effective internal communications the Leader always passes on to the Chief Executive communications relating to SEEC and SEEPB.
- 1.4.6 One other issue that has arisen is the arrangements for monies held by SEERA at its point of dissolution. These were just under £1m and these monies have been vested in a company known as SEERA Ltd. All 74 Councils were invited to become shareholders of the company for a nominal £1 cost. The Chief Solicitor was comfortable with the application conditions and accordingly the Council applied and became a shareholder. The £1 was actually paid in cash at the AGM on 16 October by Cllr Dobson who represented the Council. Membership of SEERA Ltd gives the Council a say in how the £1m is spent but the intention is that it is used to promote the economic, social and environmental well-being of the south east. A letter from Paul Carter on this subject is appended at **Annex 6**.

## 1.5 Commentary

- 1.5.1 The foregoing demonstrates the complexity of the new arrangements and it is relatively easy to see that the influence of those Councils not represented on SEEPB or the SEEC Leaders' Board is insubstantial. There is also a strong feeling that district councils are considerably less influential than other types of authority in these new arrangements.
- 1.5.2 To try to counter this, South East District Council Leaders has been established to seek to exert more influence over SEEC. There is also a Steering Group (on which this Council is not represented) that acts as a form of executive committee.

Minutes of the last meeting of South East District Council Leaders are attached at **Annex 7** for information. From these the concerns about communication under the new arrangements will be noted.

- 1.5.3 Whilst it is fair to say that if we were designing a new regional structure it most certainly would not look like what we currently have, we have deemed it important to ensure that this Council has a voice to represent the interests of its residents which is why we have joined both SEEC and SEERA Ltd.
- 1.5.4 No doubt Members will have a number of questions and we will endeavour to answer these at the meeting.

## **1.6 Legal Implications**

- 1.6.1 None identified.

## **1.7 Financial and Value for Money Considerations**

- 1.7.1 To have any influence at all on behalf of our residents it is necessary to be engaged with regional policy making bodies and the subscription to SEEC is therefore an appropriate investment. The 2009/10 subscription can be met from existing budgets with provision being made in future years' estimates.

## **1.8 Risk Assessment**

- 1.8.1 There is no significant risk associated with membership of the various regional bodies.

## **1.9 Policy Considerations**

- 1.9.1 None identified.

## **1.10 Recommendations**

- 1.10.1 We **RECOMMEND** that the Panel **recommends** the following to the Cabinet:-
- i. The Cabinet **endorses** the action taken in joining South East England Councils at an initial subscription of £1,016
  - ii. The Cabinet **endorses** the action taken in joining SEERA Ltd as a shareholder through the investment of a nominal £1.

Background papers:

contact: David Hughes

Nil

Mark Worrall  
Leader of the Council

David Hughes  
Chief Executive