

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY  
EXECUTIVE COMMITTEE**

Date: 12 September 2008

Subject: **Chief Executive's Report**

**Recommendation:**

This report is for the Committee's information.

**Purpose of the Report:**

This, my last report to the Committee, provides an update on the following issues:

- The Sub-National Review
- South East Plan Proposed Changes
- Migration research and the South East Strategic Partnership for Migration
- Changes to the Assembly's senior management
- The financial report for the first quarter of 2008-09

**Key Issues:**

**Sub-National Review**

The Government is expected to announce next steps on the SNR by 20 September 2008.

**South East Plan Proposed Changes**

The November plenary meeting has been brought forward to the afternoon of 17 October to consider and approve the Assembly's response to Government.

**Migration Research and the South East Strategic Partnership for Migration**

Joint research on economic migration has recently been published, and the regional Strategic Partnership for Migration is being restructured.

**Changes to the Assembly's Senior Management Team**

Diana Pogson will be Interim Managing Director from 1 October and a Finance Controller has been appointed.

## **First Quarter Financial Report**

Income and expenditure were both close to budget in the first quarter. Reserves are currently high due to all subscription income being received in this quarter and stand at £1,473.6k.

## I. The Sub-National Review

I.1 Following the conclusion on 20 June of the consultation on 'Prosperous Places', Ministers are expected to make an announcement concerning the next steps in implementing the SNR by 20 September. I understand that the consultation revealed broad agreement on:

- The principal of a single regional strategy.
- The new economic development duty for local authorities.
- (In the main) the emphasis on sub-regional working.

By contrast I understand the consultation revealed the following areas of contention which need to be resolved:

- The democratic deficit arising from the transfer of planning housing and transport to RDAs.
- Business concerns about the dilution of RDAs' focus on economic development if that happens.
- The involvement of stakeholders in regional policy making in future.
- Some concerns from the green lobby that sustainable development may be compromised.

I.2 I understand that the Government hopes to publish a Community Empowerment, Regeneration and Economic Development Bill in November. However, there is speculation that the legislation for implementing the SNR will either be delayed by virtue of the scope of issues to be resolved or, if it does emerge, will become mired in controversy. With the Queen's speech as late as 3 December, there is an impression of time running out.

I.3 On the specific question of continued stakeholder involvement in regional policy making civil servants have been at pains to confirm that the requirement for the Regional Planning Body (whichever organisation performs that role in future) to consult and involve stakeholders will remain. The cost of such stakeholder engagement is therefore seen as integral to the Government's funding of the Regional Planning Body role. However Government is unlikely to dictate how that engagement should happen in the future - e.g. forums, roadshows and consultation meetings are viewed as possible alternatives to the participation of stakeholders 'within the tent' of assemblies.

I.4 Within the region the Assembly/SEEDA/GOSE working group continues to meet monthly to plan for the transition as far as is currently possible, to resolve interim recruitment issues and to agree common lines of communication with staff. Turnover of Assembly staff is at present probably only marginally higher than in a normal year. We have succeeded in replacing some key staff (e.g. in the finance and administrative functions) but have had more difficulty recruiting to technical posts. As anticipated in our business plan we are therefore gradually narrowing the scope of our activities, reducing our work for example on Europe and health. In addition redeploying to cover gaps provides important development opportunities for the staff that remain.

## **2. South East Plan Proposed Changes**

- 2.1 Members will be aware that on 17 July the Secretary of State published for consultation her proposed changes to the draft South East Plan. The consultation deadline is 24 October. The Leadership Group is proposing that the Assembly's response to the Government is decided through the following meetings:

24 September	Regional Planning Committee
17 October	Assembly plenary brought forward from 5 November

- 2.2 The Executive Committee already scheduled for 10.30 a.m. on Friday 17 October will still take place but with an abbreviated agenda that should last no more than an hour. The plenary meeting is scheduled to commence at 1.30 p.m. There is therefore space in the interim for party and partner group meetings, for lunch, and for a meeting of South East Councils should one be required.

## **3. Migration Research and South East Strategic Partnership for Migration**

- 3.1 As reported previously to this committee we have been working with SEEDA, the Learning and Skills Council, GOSE and South East Economic Partnerships, with substantial input from other partners, on a research study investigating the impact of migrant workers. This study, led by SEEDA, has recently been published and is available on our website:  
[http://www.southeast-ra.gov.uk/planning\\_publications.html](http://www.southeast-ra.gov.uk/planning_publications.html).
- 3.2 The report is concerned with the impact of economic migration to South East England, with a particular focus on migrants from the central and eastern European Member States. It is intended to contribute to improving the evidence base on migration, providing a balanced regional perspective to complement existing local and national migration studies. We are circulating information about the report to a wide range of partners.
- 3.3 I have previously brought the work of South East Strategic Partnership for Migration (SESPM) to members' attention. We recently received correspondence from the partnership coordinator, who is employed by Portsmouth City Council with funding from UK Border Agency, regarding changes to its structure. The intention is to create a more strategic-focused executive group, with sub-regional groupings established on GOSE's sub-regional geographies. I understand that a letter has been sent from the coordinator to all local authority Chief Executives to this effect, inviting their involvement. The Assembly will continue to liaise at officer level and to have member representation on the partnership; the Leadership Group will be asked to provide a steer on this when it convenes later today. A copy of the letter to prospective members of the new SESPM executive group is included as Annex I to this report.

#### **4. Changes to the Assembly's Management Team**

- 4.1 Our business plan includes a target to streamline the senior management of the Assembly in recognition of the reduction in scope of our agenda over the year. Members will be aware that Director of Development Martin Tugwell is seconded to SEEDA until the end of the financial year and that I will step down from my post as Chief Executive on 30 September. Diana Pogson will serve as Interim Managing Director, working closely with the remaining members of the management team - Catriona Riddell (Director of Planning), Heather Bolton (Director of Communications) and Nick Woolfenden (Head of Policy). With Diana's more strategic role and following the emigration of our Finance Manager, we have reorganised that team so that the management of the Assembly's finances remains in the hands of a fully qualified accountant, who occupies the new part-time post of Finance Controller.
- 4.2 In the meantime, I am delighted to have been appointed as Secretary General of Eurocities, the Brussels-based advocacy network for Europe's largest cities ([www.eurocities.org](http://www.eurocities.org)). This is a very exciting opportunity that builds on my experience of working at the European level not only while at the Assembly but also in my earlier local government career. Rather like the Assembly, Eurocities comprises a relatively small team tackling an ambitious agenda, only the canvas is even broader than South East England. After my dealings with local government leaders here over the last nine years I will in future be working with the Mayors of some of Europe's greatest cities to lever their influence in European affairs.

#### **5. First Quarter Financial Report**

- 5.1 Income for the first quarter includes the deferred income brought forward from 2007/08 relating to funding for the public consultation on the South East Plan partial reviews on gypsy and traveller accommodation and minerals which were postponed from last financial year.
- 5.2 Payroll costs are £10.1k less than budget at 30 June due to an unfilled post, but training and development costs are £5k higher than budget.
- 5.3 Spend on the research programme (planning, policy, implementation and monitoring) is £24.3k higher than budget for the first quarter due to one major project being commissioned and completed ahead of forecast.
- 5.4 The publications and consultations budget is underspent by £21.8k in the first quarter due to a change in timing of one project.
- 5.5 The gypsy and traveller accommodation consultation will start on 1 September following the decision to proceed at the Assembly's plenary in July, so spend will start in the second quarter.
- 5.6 Office costs are broadly in line with budget for this quarter.

5.7 The opening reserves of £963.9k are higher than the budget figure of £777.9k due to an adjustment in the 2007/08 statutory accounts relating to pension assets and liabilities required under accounting standard FRS17. Reserves at 30 June are similarly higher than budget and stand at £1,473.6k.

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27 August 2008

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