

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY
EXECUTIVE COMMITTEE**

MINUTES OF THE MEETING ON 17 DECEMBER 2004

Present: Nick Skellett (Chair)
Mary Ballin
Jill Baston
Louise Bloom
Sheila Campbell
Michael Chater
Ian Chisnall
Barry Clout
Alison Cook
Chris Corrigan
Norman Dingemans
Brian Gurden
Andrew Hodges
Alan Hopkins
Douglas Horner
Roger House
Janet Keene
David Kirk
Keith Mitchell
Pam Palmer
Don Phillips
Tony Reid
Cec Tallack
Don Turner
Paul Watkins

In Attendance: Paul Bevan, Chief Executive
Mike Gwilliam, secretariat
Carol Hodson, secretariat
Heather Bolton, secretariat
Philip Craig, secretariat
Irene Cripps, secretariat
Paul Martin, GOSE
Sheila Hopson, GOSE
Pam Alexander, SEEDA
Sue Archer, RAISE

I. Apologies for Absence and Declaration of Substitutes

Sir Sandy Bruce-Lockhart, OBE (Paul Watkins attended as substitute)
Gordon Keymer, CBE (Andrew Hodges attended as substitute)
Royce Longton (Brian Gurden attended as substitute)
Douglas Murdoch
David Shakespeare, OBE (Don Phillips attended as substitute)
Michael Thrower

2. Minutes of the Meeting on 22 October 2004

Item 8, South East Plan: Public Participation

In response to the query about the veracity of the fourth bullet point on page 11, the Chief Executive advised the Committee that he recalled the comment being made and assured the Committee that it was not an officer's comment. It was suggested that the point should be removed from the minutes.

Otherwise the Minutes were **agreed** as a true record of the meeting.

3. Matters Arising

- a) Item 3 - Matters Arising
e) Item 13a: Chairman's Report of the RPC Meeting on 28 July 2004

Concern was expressed that following the re-designation of what constitutes hazardous waste the problem of disposal will continue to increase; it was asked if a reply had been received to Keith Mitchell's second letter to the Minister. As no reply has been received, it was **agreed** that the Director of Planning and Transport would follow this up.

4. GOSE Report

Paul Martin reported as follows:

- Publication of the ODPM five year plan is imminent and will be in two parts - Sustainable Communities: Homes for All, which will focus on housing, on 17 January and Sustainable Communities: People, Places and Prosperity, which will focus on local government modernisation, regeneration, etc. The Plan will be published later in January to coincide with the Sustainable Communities Summit.
- Local government finance settlement: the Government's decision to abolish ceilings on grants is especially good for those areas experiencing rapid growth, e.g. Milton Keynes.
- Comprehensive Performance Assessment: there are 19 upper tier councils in the South East and the results were three fair, 13 good and three excellent; none of the authorities had gone down but three had gone up from fair to good - Brighton & Hove, West Berkshire and Slough. The South East's results remain amongst the best in the country.
- Planning Development Grant for local authorities: the overall figure, over five years, is to be £600m; the level of PDG to the Assembly itself has yet to be announced.

- Housing: the Government has issued guideline budgets to the Regional Housing Boards. The final settlements in the regional single housing pots for the South East are £380m in 2005/06 and £415m in 2006/07; this provisional settlement is a 13% increase over last year. Per capita funding in the South East is higher than in the eastern region, although the increase year on year is lower. The RHB had met a few days ago and had agreed a final draft strategy on which the consultation commences in January, shortly before the consultation on the regional spatial strategy. There is scope for considering the synergy between these consultations; GOSE is doing its very best to ensure connections are clear strategically, as well as timing. The Regional Housing Strategy emphasises affordability as a major problem and trying to prioritise areas where this is most acute. People are concerned about the balance of key worker housing and housing for people at the most severe end of housing need. Emphasis is given to the social rented sector in the draft strategy.
- Local Transport Plan settlements: 12 of the upper tier authorities in the region had scored higher than in the previous year. The £194m awarded in the South East, despite being a 4% reduction on last year, is 12% of the national settlement; the settlement was very tight. There are only eight new major schemes nationally, three of which are in the South East - in Portsmouth, Kent and Hastings and Bexhill; the M4 junction 11 scheme was not successful; the effect of the announcement is to delay the scheme.
- The Treasury, DfT, ODPM and DTI have jointly published a consultation document on regional funding allocations for regions to consider the budgets for transport, housing and RDAs as a whole, in order to see if there could be more intelligent phasing and linkages.

Points then raised were:

- The question was asked if the fact that the South East Regional Transport Board pilot had made less progress than the Yorkshire and Humber pilot had been put down to our more democratic approach.

Responding, Paul Martin said that Yorkshire and Humber had been seen to deliver a clearer outcome than the South East. This needs to be reflected on separately in the context of the greater complexity faced in the South East; we need to work on how the region can get the mechanisms right to integrate decision making and outcomes.

- If the transport settlement for the South East is 12% of the national settlement, then the region had been awarded less than it deserves as it accounts for about 15% of the economy. More importantly, there are indicators of congestion in the South East worse than elsewhere and we have national infrastructure in the form of airports and ports. The CBI is not likely to be at all pleased.

- With reference to regional funding allocations could a balance sheet approach be adopted that shows infrastructure deficiencies and the likely sources of funding to address them? If this is delegated to the regions, would the Regional Monitoring Report in particular look at these issues so that there would be some hard information of the type a company might use?

Responding, Paul Martin said he recognised what was being said about the amount of the transport settlement. In respect of the comments about the budgets for housing, transport and the RDAs, thought will be given to that.

The Director of Planning and Transport advised the Committee that a lot of work is already being done on infrastructure, looking at identifying a better pattern of investment in the region; a task group is developing the idea of a concordat with Government. He further advised the Committee that the next edition of the Regional Monitoring Report is due to be published in February but consideration could be given to the subsequent edition covering regional funding allocations.

The Chair commented that local authorities are always putting forward business cases for investment in education, transport, etc and he was not sure how the suggestion that these be brought together would work; these details are the subject of an on-going dialogue between local authorities and Government. He asked that the next Regional Emphasis Document summarise some of the proposed investments because some of the biggest are not transport but, e.g., health.

5. **SEEDA Report**

a) Agency Activity Report to SEEDA Board on 27 October 2004

The report was received and **noted**.

Additionally Pam Alexander reported that the Secretary of State had appointed two new SEEDA Board members - Professor Bill Wakeham, Vice-Chancellor of the University of Southampton and Imtiaz Farookhi, Chief Executive of the National House Building Council.

She was grateful for the written comments received from the Assembly on the first draft of the Corporate Plan, which will be taken into account in the next drafts. She strongly welcomed the need to create more focus on how to add value to partnership working. In order to achieve focus, the chapter headings had been reduced from nine to five. There is an ambition now to really achieve improvement in the quality of business support, and the quality of physical development, to maintain regeneration across the region, specifically in the priority areas, and to enhance strategic capabilities. Skills are essential to enterprise regeneration and are therefore a cross-cutting priority. SEEDA's January Board meeting would be conducted as a

workshop on the Corporate Plan and it was hoped that the final draft would be available for this Committee's January meeting. The deadline for submission of the Plan to the DTI is 25 January 2005.

Whilst there is a degree of flexibility in funding, quite a lot had already been committed in the first year of the Plan therefore there is very little flexibility around the edges during that period but it is hoped there will be room for new items in the second and third years to develop new approaches.

SEEDA needs to be much smarter at providing an evidence base and much more rigorous in the evaluation of outcomes; this will be one of the aspects of the enhanced strategic capability.

Points raised during the following discussion were:

- There are concerns around learning and skills; they are very fragmented and need to be pulled together.
- Where does SEEDA intend to take the Productivity Alliance?

Responding, Pam Alexander said that the real test of whether the Skills for Productivity Alliance is just a talking shop or can get results will only be proved in time. SEEDA's objective is to work with both local and regional alliances and is very encouraged by the number of people showing enthusiasm about this, and wants to see the alliance forums drive their own programmes.

- There are issues around Business Links; more information is required on where SEEDA is going with Business Links.

Responding Pam Alexander said there are no plans to restructure the current geographical coverage.

- Some of the trade press has suggested that SEEDA has already committed a higher proportion of future funding than other RDAs.

Responding Pam Alexander said this is a very important point about ensuring that forward commitments are monitored, which can now be done in way not possible before; projects are closely monitored so some flexibility can be maintained.

- Had any progress been made with the re-branding of Enterprise Hubs and Gateways to make the distinction clearer?

- There are some worrying trends in respect of small businesses; there is a need to develop some high profile, more advanced technology projects.

Responding Pam Alexander said that branding was not just about the title but is also about purpose and approach. In respect of high technology links, the work on clusters and sector consortia will be very important; SEEDA will be doing a lot of work in conjunction with the DTI on a ten year plan.

b) SEEDA's Progress Report against Milestones to 30 September 2004

The report was received and **noted**.

c) SEEDA's Response to the Report of the Select Committee on Urban Renaissance

The comment was made that it is not altogether clear that SEEDA acknowledges there is a degree of confusion as to where English Partnerships' and SEEDA's roles overlap. Pam Alexander agreed that it is very important that local, regional and national partners are clear on this but it is down to each project, although both organisations may be working on some projects. She thought local authorities and partners on the ground understand who is responsible for what on each project.

6. Environment Agency Dialogue

Louise Bloom, who had chaired the meeting on 11 October, introduced the report. Referring to the fifth bullet under point 7.1 she advised the Committee that a letter had been sent to DEFRA in respect of the new waste regulations; a response is still awaited.

The Chair said consideration has to be given to what can be done in respect of raising public awareness to achieve the behavioural change required. The Environment Agency has an important role to play. In a practical sense, where can these conclusions be taken?

The Chief Executive advised the Committee that the point had been made at the meeting about how the South East Plan can provide the impetus and backing to this work, particularly through the Implementation Plan.

Agreed

That the secretariat would take advice on practical ways to take the suggestions forward.

7. Chief Executive's Report

Responding to questions, the Chief Executive advised the Committee that:

- Although the Assembly has yet to receive notice of its specific allocation from Government, it will not get any additional funding from ODPM in the next financial year and will have to absorb any additional work, thus effectively making the efficiency savings called for by Gershon.
- Officers are aware of the letters members have received from the public about the existence of the Assembly following the North East vote. In respect of the South East Plan consultation, the resource pack will include some briefing sheets on matters like partnership assemblies. He further advised that he had received advice from Government that a letter from the Deputy Prime Minister would be sent to assembly chairs confirming the Government's backing for regional chambers.

The Chair commented that the Government clearly intends to continue with its plan for Chapter 2 assemblies and that there is plenty of work involved on the regional spatial strategy. It is also expected that the Regional Housing Board will become part of the Assembly next year.

8. Financial Report to 30 September 2004

Agreed

That the Executive Committee notes the report.

9. Regional Planning Committee - Chairman's Report of the Meeting on 8 December 2004

Keith Mitchell introduced the paper and drew the Committee's attention to the South East Plan "warm up leaflet" that had been tabled; he advised the Committee that the leaflet would not be circulated to households but would be made available through libraries etc.

Points raised during the following discussion were:

- The map in this leaflet is difficult to read and contains errors.
- The meaning of the comment on housing in the leaflet is unclear and needs to be amended as the question of housing generates the most interest. It is hoped that the leaflet to be circulated to all residents will give more meaningful information.

- Will this Committee have sight of the questionnaire before it is published?

Responding, the Chair advised the Committee that the Steering Group will sign-off the questionnaire, not the Executive Committee.

- Whilst it is recognised that this leaflet needs to be quite general, the fourth paragraph of the first column states that the South East Plan “will see that essential services”; surely this statement is misleading as the Plan will not have the power to see that this happens.
- Timing dictates that the questionnaire will be signed-off by the Steering Group but the consultation process must follow the guidance in PPS11 and the Committee must agree that.
- The reliance on the MORI polls was challenged as it is thought that the sample of 2,000 is not large enough.
- The general public will be ‘picky’ about the inaccuracies in the leaflet. Hampshire CC has been advised that with 0.25m residents a minimum sample of 2,000 should be polled for a +/- 3% accuracy, therefore for 8.5m surely the minimum must need to be much more than 2,000.
- People will only look at the leaflet for nine seconds therefore, despite the comments about the map, it is very attractive and gets the headline over. The leaflet raises awareness of the Assembly and the Plan.
- Concern was expressed that the focus is on the link between housing and the economy when the actual link is between housing and business competitiveness.
- Deep concern was expressed about the press coverage on unelected assemblies and the IPPR work; what material will be made available to members before the public consultation?

Responding, Keith Mitchell advised the Committee that there had been no member input to this initial leaflet, but he thought it not bad; the next version will have a tear-off return slip with questions. He reminded members that the Executive had delegated the decision on the questionnaire to the Steering Group. In respect of linking housing with competitiveness, there is an Economic Partner on the Steering Group who can raise this; the Group is made up of one representative from each of the five member groups. He has a team from across the counties that gives him advice on the content of the wording etc and he assumes the other four members of the Group have similar backup. He thought that MORI should not be discounted because he thought MORI will not allow something that is biased which would affect their reputation. The consultation period cannot be less than 12 weeks as

that would not meet the requirements of PPS11. The ministerial view is that MORI is very important and the household questionnaire is a waste of time and money, so the Assembly does need to get it right. He would not have chosen to do this in the run up to county elections and a possible General Election, but that is what the Government has asked for.

Responding to points made during the discussion, the Chief Executive advised the Committee that he had had positive responses to this leaflet, which had been generally well received. He apologised for the errors in the map and would see they are corrected for the next leaflet. Referring to how the Plan can see that infrastructure is provided, he advised the Committee that the phrasing used was aiming, in plain English, to state that the Plan will have policies with statutory bite and the Implementation Plan would secure delivery. Referring to the comments about PPS11 he emphasised again that what is being done at this time is not post-submission consultation; this is part of the community engagement and feedback required and is going beyond what Government is expecting in PPS11. The East of England Assembly had nothing at this level before submission. All this is additional to the statutory consultation.

The Director of Planning and Transport advised the Committee that MORI had been unequivocal that the sample size would give results. Against their advice the sample size had been increased and is twice the size that the GLA uses for regular surveys, which they are advised is a valid sample.

- It was pointed out that the Minister had not said that the questionnaire was a waste of time but that the expected response was likely to be statistically insignificant.
- Some Committee members had misunderstood what had been delegated to the Steering Group in that they believed that the Group would put together the questionnaire but the Executive would sign it off.

Responding, the Chair reminded the members that the timetable is extremely tight.

- David Kirk was concerned that it should be recorded that a number of members are still very concerned about the sample size because it does not correspond with advice received from MORI in respect of their councils' surveys.

Responding to the question about when the partnership support material would be made available, the Chief Executive advised the Committee that it will be available in time for the launch on 24 January 2005 in Southampton.

Agreed

That the Executive receive the report.

10. SEEDA Board Committees

- a) Sustainable Development, 14 October 2004

The report was received and **noted**.

- b) Infrastructure, 19 November 2004

The report was received and **noted**.

- c) Rural Advisory, 23 November 2004

The report was received and **noted**.

11. Any Other Business

There was none.

There being no further business, the meeting closed at 12.10 p.m.