

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY
EXECUTIVE COMMITTEE**

Date: 16 December 2005

Subject: **Report of the Chief Executive**

Recommendations:

1. To agree to the changes in stakeholder representation so far proposed, namely:
 - (i) The reduction in economic partnership places from ten to five, these to be nominated collectively through the South East Economic Partnerships group.
 - (ii) The offer of Assembly places to the Engineering Employers Federation South East, The Construction Industry Council South East, the South East Multi-Ethnic Development Agency and the UK Youth Parliament.
 2. Otherwise to note the report.
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1. Purpose of the Report

1.1 This report updates the Committee on the following issues:

- The Chancellor's pre-budget statement
- The transfer of the Regional Housing Board to the Assembly
- Progress of the review of stakeholder representation
- The Regional Olympics Co-ordinating Group
- The South East Conference
- Changes in Assembly personnel

2. Pre-budget Statement

2.1 The Chancellor's pre-budget statement on 5 December 2005 is anticipated to include provisions relating to housing development and a new Planning Gain Supplement. Arrangements will be made for the Assembly's response to these proposals to be considered jointly by the Executive and Regional Planning Committees at the next scheduled meeting of this committee on 20 January 2006.

3. Regional Housing Board transfer

- 3.1 Following the delay as a result of the ODPM 'stock-take', Minister David Miliband wrote to assembly chairmen on 18 November to confirm the Government's intention to transfer regional housing boards from government offices to regional assemblies. The Minister's letter is annexed to this report.
- 3.2 The merger of housing boards and regional planning bodies was proposed last year by Kate Barker as a means of improving the alignment of strategic housing and planning policies and delivery. As we had been led to expect, the letter expresses the Government's concern to ensure that the arrangements proposed for the merger in each region will in practice achieve the degree of policy integration sought.
- 3.3 Reflecting the Minister's visits and conversations during the stock-take, the letter also includes revised guidance for assembly designation that now makes explicit reference to the proportionate representation on assemblies of cities, city-regions, sub-regions, and rural areas. While the new guidance (included in the attachment herewith) remains mostly unchanged, the other key new element is the requirement for streamlined decision-making arrangements and a separation of executive from scrutiny functions within assemblies. Further clarification has been sought from ODPM on whether this last issue refers specifically to assemblies' RDA scrutiny function, or more generally to the accountability of the assembly's executive to the wider assembly membership.
- 3.4 We are asked to respond to the ODPM with a statement, effectively demonstrating fitness for purpose, by the end of January 2006. This committee has already agreed with the Regional Housing Board the principles and arrangements for the transfer. Subject to any views agreed at today's committee, it seems to me that our reply to the Minister should focus on demonstrating how our proposals satisfy the criteria in his letter, as well as how the broader ways of working adopted by this Assembly meet the requirements of the revised guidance. I will liaise with the Leadership Group on the response. If in making this case any proposals for changes to these arrangements or any constitutional refinements emerge it will of course be necessary to bring these back to the January meeting of this committee.
- 3.5 The effective date for housing board transfer is now envisaged as September 2006, which seems an unnecessarily prolonged timetable, considering that in this and most other regions the merger had been planned for with effect from September 2005. Having consulted with GOSE colleagues, I intend in our response, therefore, to propose that in the South East at least we are ready to effect this transfer in April 2006.

4. Progress of the stakeholder review

- 4.1 The review of stakeholder representation initiated by this committee in September has proceeded under the guidance of the Leadership Group. Although a complete set of proposals has yet to be concluded, the committee is invited to consider and agree the changes planned so far.
- 4.2 An overriding principle of the changes is not to increase the size of the Assembly. The review is therefore concerned with removing organisations from representation in order to include new members. Although it is healthy to keep stakeholder representation under review in any case, this review is prompted in particular by the perceived weakness of the business voice on the Assembly. Of the 17 economic partner members, ten places are currently taken by sub-regional economic partnerships; the other seven are allocated as follows:
- CBI
Federation of Small Businesses
South East Chambers of Commerce
Higher Education South East
Further Education (Association of South East Colleges)
South East TUC (two places)
- 4.3 All the region's economic partnerships bar one – Buckinghamshire, which was formed after the Assembly was created – currently have a seat on the Assembly. While some partnerships make a vigorous contribution to the Assembly's business, others participate much less; indeed one partnership has provided no representation at all at the last four plenary meetings. I have therefore proposed to the collective group of the region's economic partnerships – South East Economic Partnerships – that in future they should between them elect five of the region's eleven partnerships to represent them on the Assembly. Those partnerships with the capacity and commitment to participate are likely to win through under such a system, and those achieving places would be motivated to make good use of them; it would also provide the chance for Buckinghamshire Economic Partnership to have their turn. In addition this arrangement would promote a broader contribution by economic partnership representatives: geographical representation on the Assembly is already undertaken very effectively by local authority members, while stakeholders offer the capacity for representing constituencies of interest rather than of locality.
- 4.4 The proposition is that in order to strengthen the business voice on the Assembly the five places thus vacated should be offered to representative organisations of industry sectors in the region. While some sector bodies are only national in scope, there are a number that have thriving regional organisations, some of whom have previously pressed for representation on this Assembly.

- 4.5 The first proposal is that the Engineering Employers Federation (EEF) South East is invited to nominate a business representative to the Assembly in order to ensure that the interests of manufacturing industry are more strongly articulated.
- 4.6 Given the Assembly's role as regional planning body and the importance of future infrastructure investment it is suggested that the second of the five economic partner places should be offered to the Construction Industry Council (CIC) South East, in order that the building industry is more strongly represented.
- 4.7 A third key sector for the region is the creative industries. These are already represented in a sense by the Arts Council of England South East. Although their contribution to date has been mainly on cultural concerns as social partners, their new Chair has a music industry background and is keen to participate in the Assembly as an economic partner.
- 4.8 It is proposed that, given the Assembly's responsibility for long-term planning for future generations, the social/environmental place 'vacated' by the Arts Council should be allocated to the South East region of the UK Youth Parliament. The UKYP has an active regional organisation, in which young people elected from school populations in county and unitary authority areas across the region participate.
- 4.9 The final proposal recommended by the Leadership Group is for an economic partners place to be offered to the South East Multi Ethnic Development Agency (SEMEDA), a support network representing BME businesses originally established by GOSE some years ago, but now operating as an independent not-for-profit company. SEMEDA was re-launched in its new form at the House of Lords on 24 November last.
- 4.10 These changes leave one economic partner place yet to be determined. On the suggestion of the Leadership Group I am exploring the strength of regional organisation within the British Retail Consortium, in view of the significance of this industry in the region. Other sectors under consideration, on which the committee's views would be welcome, include land-based industries and tourism.
- 4.11 Paragraph 6.10 of the Assembly's constitution provides for the Executive Committee to make these changes without reference on to the full Assembly. Subject to the committee's views at this meeting, and to the final two economic partner places being agreed in due course, it is possible that these changes could be introduced in time for the March 2006 plenary meeting, and certainly for the ensuing annual meeting in July.

5. The Regional Olympics Co-ordinating Group

- 5.1 An important aspect of London's successful bid for the 2012 Olympic Games was the ambition that the whole country should benefit. The Nations and

Regions Group, chaired by Charles Allen, Chief Executive of ITV, is tasked with co-ordinating the engagement of the rest of the UK on behalf of the London Organising Committee for the Olympic Games (LOCOG). The South East is represented on the Nations and Regions Group by Mary Macanally, regional chair of Sport England and SEEDA Board member. Sport England and SEEDA together have in turn convened a Regional Olympics Co-ordinating Group (ROCG) on which I have been invited to sit; this is chaired by SEEDA Chief Executive Pam Alexander, and includes Mart Macanally herself, plus stakeholders such as the Government Office, Tourism South East, and local authorities.

- 5.2 The job of the ROCG is to maximise and manage the region's response to the opportunities that the Games present for the South East. The 'legacy' of the Games refers not only to the long-standing benefits accruing once they are over, but also to the opportunities the Games present for example for investment and participation as we approach 2012. These benefits are seen as ranging through those for the region's businesses, for the people and communities in the South East, for the region's visitor economy, for improving sports facilities and physical infrastructure.
- 5.3 The ROCG convened for the first time on 29 November and received an overview presentation of the South East's 'offer' commissioned from consultants by SEEDA. The meeting agreed that various partners should take the lead in preparing SWOT analyses on the issues identified, with the Assembly leading on physical infrastructure. This work will be reported back in February at the next ROCG meeting at Dorney Lake, Windsor, the only Olympic venue in the region. A wider stakeholder briefing event is planned for the spring.

6. The 2006 South East Conference

- 6.1 Together with SEEDA we held a successful event for business and political leaders in the region in June 2004 to press the South East's case ahead of the Comprehensive Spending Review. That half-day conference was attended by then Secretary of State for Work and Pensions Andrew Smith MP as well as senior civil servants, and focused on the Regional Emphasis Document.
- 6.2 It is now intended to repeat this approach by holding with SEEDA a second South East Conference on 31 January 2006 at Gatwick. The timing coincides with our submission on Regional Funding Allocations, and again will have the next spending review in its sights. Transport Minister Stephen Ladyman has confirmed his attendance; Planning Minister Yvette Cooper MP and John Healey MP, Financial Secretary to the Treasury, have also been invited.

7. Changes in Assembly Personnel

- 7.1 Members will be aware that the Board of SEERA Ltd has agreed a restructuring of the Assembly's planning team that involves the redundancy and early

retirement of the Director of Regional Planning and Transport. Three senior planning posts have now been reduced to two: those of Planning Implementation Director, which is Martin Tugwell's new designation, and Planning Strategy Director, currently under recruitment.

- 7.2 I have been undertaking a concomitant review of organisational development involving all staff in order to ensure that we have the right people with the right skills throughout the Assembly team to deliver our forward business plan. The main outcomes are around staff development and ways of working that promote good management and retention. As part of this review we have strengthened our finance and administration arrangements, and I have re-designated our Head of Communications, Heather Bolton, as Communications Director.

Paul Bevan
Chief Executive

5 December 2005