

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY
EXECUTIVE COMMITTEE**

MINUTES OF THE MEETING ON 15 DECEMBER 2006

Present: Keith Mitchell (Chairman)
Mike Appleyard
Mary Ballin
Jill Baston
John Burden
Elizabeth Cartwright
Michael Chater
Ian Chisnall
Barry Clout
Chris Corrigan
Myles Cullen
Peter Dean
Christine Field
Ian Fowler
John Goddard
Maureen Holding
Alan Hopkins
Roger House
Roy Illott
Gordon Keymer, CBE
Peter Langdon
Pam Palmer
Tony Reid
Nick Skellett
Cec Tallack
Don Turner
Ian Ward
Paul Watkins

In Attendance: Paul Bevan, Chief Executive
Rolande Anderson, GOSE
Sheila Hopson, GOSE
Pam Alexander, SEEDA
Paul Lovejoy, SEEDA
Diana Pogson, Finance and Administration Director
Heather Bolton, Communications Director
Nick Woolfenden, Head of Policy
Louise Wilby, Committee Administrator
Alistair Moses, PR Executive

1. **Apologies for Absence and Declarations of Substitutes**

Alison Cook (Maureen Holding attended as substitute), Paul Carter (Paul Watkins attended as substitute), Mary Rose Gliksten, Tim Hall (Peter Langdon attended as substitute), Douglas Horner, Jerry Patterson (Jill Baston attended as substitute), David Shakespeare OBE (Mike Appleyard attended as substitute) and Lucy Young.

2. **Minutes of the Meeting on 20 October 2006**

SEEDA report - Chris Corrigan noted that his declared interest had not been recorded. He also requested that a reference to the Regional Assembly's work with SEEDA on ISO 14001 be included in the minutes. Paul Bevan confirmed that the Assembly was working with SEEDA to obtain ISO 14001 accreditation.

Otherwise the minutes were **agreed and signed** as a true record of the meeting.

3. **Matters Arising**

- a) SEEDA report - Ian Chisnall reported that he had recently met with Sheila Hopson (GOSE) to discuss the consistency of RDA board member job descriptions. Rolande Anderson reported that suggestions for improvement had been referred to the Department of Trade and Industry (DTI). Pam Alexander added that regional development agencies, both individually and collectively, are currently seeking more regional involvement in the process of board appointments.

It was **agreed** that the Chairman write to the Minister on the issue of consistency of job descriptions, incorporating the region's suggestions for improving the process.

- c) SEEDA report - It was **agreed** that the Chairman write to the Minister outlining the concerns about the effect of the reduction in the Disabilities Facilities Grant discussed at the last meeting.

4. **GOSE Report**

Rolande Anderson reported that there had been a number of announcements relating to the Pre-Budget Report and planning which had been timely with respect to the EIP, would provide clarity concerning government policy. She added that a Planning White Paper would be published in spring 2007.

She reported that the Treasury is holding a series of thematic meetings in the context of the Comprehensive Spending Review. Local authorities, regional assemblies and regional development agencies will be invited to attend a

workshop at Number 11 on 5 February. In addition there would be a further visit of the Treasury to the region on 15 January.

She indicated that the Government Office is encouraging the Department of Work and Pensions (DWP) to consider regional issues more strongly. She reported that she had engaged in recent discussions with Ruth Kelly on tackling Muslim extremism which had served to highlight examples of good practice within the region.

Rolande Anderson reported two senior appointments at GOSE: Howard Ewing with responsibility for Housing and Planning and Susan Stuart responsible for Transport and the Environment. She confirmed that the newly formed Strategic Advisory Board, which will begin work in April 2007 to address issues arising out of the Review of the Government Office, will include an external non-executive director. They will take up their positions in the spring. At the Department of Communities and Local Government, Chris Wormald has taken up his appointment as the new Head of Governance and Communication.

In respect of local government finance a question was asked about the move from unsupported borrowing consents to capital grants for local transport schemes, which still leaves councils with a problem in covering revenue costs. Reference was also made to the Eddington Report's findings that the land-side infrastructure to the region's ports was inadequate. Roland Anderson agreed to raise both these issues with the Minister when she meets him next week.

It was noted that although there had been new funding initiatives to assist faith groups with community issues this funding had not matched that previously provided by strategic and local authorities. Roland Anderson requested details of specific issues so that the matter could be further considered.

The Chairman reported that Minister Phil Woolas's recent address to the Local Government Association (LGA) had not mentioned the Secretary of State's proposed power to direct councils to form themselves into unitary authorities. This power sits uneasily with the Minister's promise of a period of stability after the submission of bids on 25 January 2007. The concern was noted.

The speed of the Government's response to the Leitch report on skills was challenged in the light of the Olympics and the shortage of skills in the construction industry. Rolande Anderson advised that decisions would follow the White Paper and the Comprehensive Spending Review (CSR) and the Examination in Public (EiP).

It was suggested that the Regional Transport Board should draw conclusions on the implementation of demand management policies in the region from the current consultation on Dartford Crossing tolls. The RTB Chairman agreed to consider this proposal.

With respect to Local Area Agreements a request was made that local authorities consider the contribution that can be made by Town and Parish Councils. In response the Chairman undertook to make Oxfordshire's Local Strategic Partnership Way Forward document available to the Committee.

The Chairman thanked Rolande Anderson for her report.

5. SEEDA Report

a) Agency Activity Report to 31 October 2006

Pam Alexander thanked members who had attended the launch of the Regional Economic Strategy (RES) and hoped that all Assembly members had now received their copy. She indicated the need to align the Implementation and Action Plan with that of the South East Plan. Paul Lovejoy reported that since the delivery of the RES would involve partners and stakeholders a draft Implementation and Action Plan would be presented to the next Executive Committee meeting. The final Implementation and Action Plan would be published in March following a Strategic Environmental Assessment carried out by consultants.

Pam Alexander drew attention to the recent Independent Performance Assessment (IPA) in which SEEDA had achieved the highest score of all RDAs so far evaluated. The assessment examined SEEDA's performance relating to ambition, achievement, prioritisation, capacity and performance management. The IPA acknowledged that SEEDA had demonstrated that it was listening to stakeholder and partnership criticism and engaging in continuous improvement. To this end SEEDA has commenced an Organisational Development Programme to take forward the Implementation Plan and support new ways of working with partners and stakeholders to deliver the RES.

The headlines which are driving future work are:

- The creation of a customer and stakeholder relationship management system
- More effective cross team systems and processes

This will enable stakeholders to access all the services provided by SEEDA, irrespective of the point of entry, and enable a strategic analysis to be made of services offered to stakeholders.

The intention is to have the structures, systems and processes in place to deliver a sharper and more focused service to a reduced number of stakeholders from April 2007. Pam Alexander reported that SEEDA will seek engagement with the Assembly in order to achieve greater efficiency and greater value for the region.

The Chairman thanked Pam Alexander and Paul Lovejoy for their report.

b) Agency Activity Report to 7 December 2006

In responding to questions on the two activity reports Paul Lovejoy confirmed that the RES would be aligned with EU funding regimes, subject to agreement with regional partners. It was noted that Brussels was the venue for the December meeting which had provided the opportunity to engage with MEPs, the UK Representation and the Commission to consider the potential leverage for European funding, through Research Framework 7, for the global competitiveness and innovation agendas.

It was noted that East Kent are bidding for the 2011 Open Golf Championship, and that SEEDA is pleased to support such opportunities to raise the profile of the area. Pam Alexander reported that region's Olympic Group will launch an action plan in March following the launch of the national action plan. The Nations and Regions Group have been very complimentary about the work in the South East both with respect to its role as Gateway to the Olympics and in particular about the aspiration to encourage every young person to compete, create or collaborate with a young person in a competing country. It was hoped that this aspiration will be rolled out nationally.

In response to a question about the possible loss of the Portsmouth naval shipyard Paul Lovejoy confirmed SEEDA is joining with the locality to make a strong case for the retention and development of the facility. Consideration is being given to all possible scenarios including contingency plans in the event of an unfavourable outcome.

SEEDA was congratulated on 'The Edge' - its successful regional enterprise competition for schools which had been well supported by businesses and would be repeated annually. It was suggested the Federation of Small Businesses would be pleased to be a partner in future, and that there were further business opportunities which could be explored through the North Kent Direct Programme.

In response to a question about the proposed expansion of Southampton Container Port, Paul Lovejoy confirmed that Associated British Ports is committed to increasing capacity within the existing footprint. To this end SEEDA is strongly supporting the rail gauge improvement north to the Midlands.

A question was asked about the intention to roll out the pilot Multi-faith Observatory Project across the region and the source of future funding if this was the case. Paul Lovejoy confirmed that SEEDA receives additional funding to support faith groups subject to agreement with local partners. The challenge to manage expectations, when the pilot extended beyond North Kent and funding from North Kent was no longer available, was noted.

There was some discussion about the impact of the acceleration of the development of China on the updating of manufacturing skills. It was noted

that Rolls Royce was importing skills from abroad. Pam Alexander reported on her recent visit, with SEEDA's Chief Executive, to India where technical and research skills were seen to be of the highest order and similar to those experienced in a visit to China last year. She confirmed that any skills advantage that the region may have had will not be retained, that there was no room for complacency and that it was essential for the region to compete globally by developing its business skills and technologies to bring value to the region and the world economy.

In responding to a question asking about SEEDA's support for the Assembly's South East Plan Paul Lovejoy confirmed that the intention is to have a single implementation plan for the region which would be used to secure resources for the South East, which is the largest manufacturing region in the country.

The report was **received** and **noted**.

c) Update from SEEDA Select Committee on Business Engagement

Pam Alexander reported that progress had been made specifically with sustainable business practices and the Investor Developer Programme to ensure focused engagement with the major companies and significant employers in the region. She advised that the RES Implementation Plan will be key in developing future business relationships.

The report was **received** and **noted**.

6. SEEDA Scrutiny - Report of the Head of Policy

The Head of Policy reported that whilst the current scrutiny arrangements had worked well the Leadership Group had recently concluded that there was scope to build the capacity of individual members to scrutinise SEEDA's activities.

He drew the Committee's attention to the proposed programme for the coming year which he hoped the SEEDA Chief Executive would endorse.

- Meeting the global challenge (to include a range of SEEDA's activities, including the Global Regions programme).
- Reducing the South East's ecological footprint (this would not only examine the work and role of SEEDA, but also a wider range of agencies/organisations – as was done for the social inclusion committee during 2005-06).
- South East Coastal Strategy.

Christine Field referred to a recent workshop on the scrutiny of regional development agencies from which it was evident that this Assembly's scrutiny procedures are well regarded.

Pam Alexander welcomed the proposed programme as key issues for the region.

In response to a proposal for stronger focus on financial management and land-banking the Chief Executive advised that such issues should be incorporated where appropriate in thematic scrutiny. He added that the purpose of assemblies' scrutiny is to improve the impact of RDA policies and interventions and referred to the protocol being prepared by the DTI and DCLG. He cautioned against duplicating accountability arrangements already in place, eg with the National Audit Office.

Pam Alexander reassured the Committee that SEEDA does not have any land banks; SEEDA only buys and holds land for specific economic development projects.

The Committee **agreed** the following recommendations:

1. The proposal for enhanced select committee arrangements.
2. That each party and partner group on the Assembly nominates a single member to sit on the three select committees for 2007-08. It was further **agreed** that the Conservative group would have two members to reflect the size of the party's membership.
3. The proposed programme for select committees for 2007-08, subject to any further refinement at the forthcoming Board Level Liaison meeting on 18 January 2007.

7. South East Plan Examination in Public - Report of the Planning Strategy Director

The Chief Executive reported that the debate had been wide ranging and that the Assembly's position was holding up well. He indicated that there are one or two areas of concern and that the Assembly was liaising closely with local authorities and stakeholders on these.

He reported that there had been helpful media coverage of the EIP including over 200 visits to the website posting, and an additional 11 radio items and a further 60 print and online items over and above those listed in the accompanying report.

The Chairman congratulated the Assembly team on the strong and confident promotion of the plan. This was endorsed by Christine Field who also praised Robin Edwards for his helpful contribution to the enhanced understanding of the demographic issues. She suggested that the sub-regional sessions, planned for 2007, would involve robust debate.

In response to questions the Chief Executive said he was pleased to report that the Panel recognised the complexity of the housing numbers issue and seemed to acknowledge that it is not limited to a balance of employment and

population. Other factors which were being considered included commuting in and out of the region, environmental capacity, demographic and economic evidence, infrastructure pressures and the weight of public opinion. The Panel acknowledged the legitimacy of the holistic and new approach to spatial strategy taken by the Assembly. The strong dimension of community involvement had also informed the debate which had been very positive.

The report was **received** and **noted**.

8. English Regions Network - Report of the Chief Executive

The Chief Executive advised that the purpose of the report was to share the English Regions Network's (ERN's) submission.

He reported that there was a perceived risk that the sub-national review's streamlining proposals would threaten the role of local authorities and regional stakeholders in regional policy-making. He advised that the Regional Assembly was seeking to prevent this by making a strong case for regional assemblies in giving local politicians and stakeholders the opportunity to make decisions to shape regional policy and spending through regional bodies like the Regional Housing and Transport Boards. He stated that this combination of responsibilities enables the Regional Assembly to take a joined up view of the sustainable future of the region. He suggested that the CSR and regional funding allocations have heightened the profile, role and benefits of regional assemblies to Government.

The Chairman reported on his role as Chairman of the English Regions Network. He informed the Committee of very constructive meetings with Secretary of State Ruth Kelly and Treasury Secretary Ed Balls which had facilitated a much clearer view of assemblies' work. He also referred to his very informative visit in November to the Yorkshire and Humber Regional Assembly.

The report was **received** and **noted**.

9. Half Year Financial Report - Report of the Finance and Administration Director

The Finance and Administration Director presented her report and indicated that the forecast would be monitored and projects brought forward where possible to minimise underspend.

A question was asked as to whether there would be funding available to support principal authorities to carry out consultation with respect to the South East Plan review of the accommodation needs of Gypsies and Travellers. The Chief Executive confirmed that a sum had been set aside for that purpose.

The report was **received** and **noted**.

10. Reports from Committees:

a) Minutes of the Joint Europe Committee, 10 November 2006

Following observations from Gordon Keymer as one of the region's delegates to the Committee of the Regions, the minutes were **received** and **noted**.

b) Regional Planning Committee, 20 November 2006

The Chairman of the Regional Planning Committee advised that the agenda of the January meeting would include Planning Policy Statement (PPS) 3, the consultations on Planning Gain Supplement and the Barker and Eddington reports.

The report was **received** and **noted**.

11. Any Other Business

A question was asked whether it would be useful for the Assembly to reconsider its position on Heathrow's expansion in the light of the Government's progress report published the previous day.

The Chief Executive assured the Committee that this would be addressed by the EiP in the light of reports on other issues including climate change. He advised that the Government's position is still subject to a report on environmental impact to be published in March 2007. He indicated that the Assembly would keep the matter under review and decide whether it needs to commission more detailed and expert work in order to judge the impact of these further developments.

There being no further business the meeting closed at 12.25.