

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY
EXECUTIVE COMMITTEE**

MINUTES OF THE MEETING ON 15 SEPTEMBER 2006

- Present:**
- Keith Mitchell (Chairman)
 - Mary Ballin
 - Louise Bloom
 - John Burden
 - Paul Carter
 - Elizabeth Cartwright
 - Michael Chater
 - Ian Chisnall
 - Barry Clout
 - Chris Corrigan
 - Myles Cullen
 - Peter Dean
 - Ian Fowler
 - Christine Field
 - Mary Rose Gliksten
 - Tim Hall
 - Alan Hopkins
 - Douglas Horner
 - Roger House
 - Roy Ilott
 - Gordon Keymer, CBE
 - Tony Reid
 - Nick Skellett
 - Cec Tallack
 - Don Turner
- In Attendance:**
- Paul Bevan, Chief Executive
 - Diana Pogson, secretariat
 - Heather Bolton, secretariat
 - Catriona Riddell, secretariat
 - Philip Craig, secretariat
 - Louise Wilby, secretariat
 - Rolande Anderson, GOSE
 - Adam Gray, GOSE
 - Pam Alexander, SEEDA
 - Paul Lovejoy, SEEDA
 - Graham Gubby, Chairman of the Select Committee on the Sustainable Use of Natural Resources

The Chairman opened the meeting by introducing the new members of the Committee. He advised the Committee that this would be Philip Craig's last meeting and thanked him for his contributions during his tenure.

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

Alison Cook (Christine Field attended as substitute, as well as in her role of Chairman of the Regional Planning Committee)

Pam Palmer (Matt Burghes attended as substitute)

Jerry Patterson

David Shakespeare OBE (Mike Appleyard attended as substitute)

Odette Cousin (Rolfe Showell attended as substitute)

Douglas Horner drew the Committee's attention to the business interests he has in the region; he assured the Committee that he complies with the Assembly's rules on such issues, as advised by the Assembly's secretariat.

The Chairman drew members' attention to the events focussing on regional development being hosted jointly by the English Regions Network and the Town and Country Planning Association at each of the forthcoming party conferences. He advised that the events would take place outside the security cordon.

2. **Minutes of the Meeting on 16 June 2006**

The Minutes were **agreed and signed** as a true record of the meeting, subject to the following amendments (in italics):

a) Agenda Item 5 - SEEDA Report:

- i) Page 3 second paragraph last sentence should read:
"It was hoped that this period as lead RDA *would provide insights into the work of the RDAs.*"

b) Agenda Item 8 - Health and Productivity:

To delete the words "*to care for the elderly*" from the final sentence of the third paragraph so that it reads:

"If people are to be encouraged to work longer, how will the shortfall of volunteers be met?"

3. **Matters Arising**

a) Item 5 - SEEDA Report

Pam Alexander reported that a new business member had been appointed to the Board with effect from September but that a formal announcement has yet to be made. Two further appointments are to be made in the near future.

b) Item 10 - Rural Issues

Paul Bevan advised that, following discussions with SERAF, a conference is planned for spring 2007 following the EiP. A debate on the future of the region's rural economy will take place at the Plenary in November.

c) **Item 13 - Review of the Assembly's Constitution**

The Chairman reported that there had been a very positive meeting of the Leadership group to discuss the Constitution. It will be reviewed by the Leadership Group meeting today. There may be some changes to the membership of the Assembly's committees following the review.

Paul Bevan reported that the Leadership Group would bring the proposals to review the Constitution to the next meeting of the Committee in readiness for the November Plenary.

4. GOSE Report

Rolande Anderson advised that three cross-cutting reviews are currently taking place for the Comprehensive Spending Review relating to:

- sub-national economic development and regeneration;
- the third sector;
- housing and infrastructure.

She informed members that the Treasury had visited Portsmouth, Guildford and Ashford.

Rolande Anderson reported that very good feedback had been received about pilot Local Area Agreements (LAAs). She advised that negotiations are currently underway for the third round of LAAs and that GOSE is very keen to share its learning with a view to improving the process. She acknowledged the value of the contributions made by partners in the region.

She reported on the development of new health structures in the region and that, following Mike Gill's retirement as Regional Director of Public Health, two new appointments had been made, Yvonne Doyle to the South East Coast and Simon Tanner to South East Central. She advised that it would be important to ensure that the two strategic health authorities are invited to engage in discussions with the Regional Assembly and SEEDA.

GOSE is currently implementing the Treasury Review. Two further appointments are to be made, that of Housing and Planning Director and Transport and Environment Director.

Some concern was expressed about the impact of current rationalisation of the Government Office.

In response Rolande Anderson referred to the current work being carried out at a national level, with the intention of increasing the effectiveness of the government office network. The intention is to focus on particular areas of strategic work which will add value and be shared with the region.

5. SEEDA Report

a) Agency Report to SEEDA Board 20 July 2006

Pam Alexander drew members' attention to the start of the Independent Performance Assessment of SEEDA, on 18 September. She acknowledged the contributions of focus groups and scrutiny by the Regional Assembly to the process. She anticipated that the assessment would provide helpful guidance for future work of the development agency.

She reported that the Thames Gateway Strategic Framework (TGFSF) is in the process of being drawn together. SEEDA has been responsible for producing an economic chapter which builds on the work by local strategic partners and will create a pan-regional perspective on the key elements of the TGFSF.

She advised that Judith Armitt, currently Chief Executive of Medway Council, has been appointed as Chief Executive of the Thames Gateway; she believed that this would provide very positive opportunities for progress.

She indicated that SEEDA would be working with Kent and Ashford to seek re-assurance from Eurostar in respect of its recent announcement concerning a reduction in international services from Ashford.

Reference was made to the current role of SEEDA as Chairman of the regional development agencies. This has provided valuable insights particularly relating to the Comprehensive Spending Review (CSR) and the importance of the Public Service Agreement (PSA) targets driving the CSR and, in particular, of raising the standard of the six lower-performing regions to that of the other three.

Pam Alexander reported on a recent study tour of the USA, with representatives of the Treasury. The focus had been on successful local partnerships characterised by high levels of devolution and empowerment and low levels of central guidance. This combination of factors provided the greatest potential for innovation.

She reported that, at the recent seminar on the Lyons Review, it was apparent that core cities are comparing themselves with others globally. It will become increasingly important for all parts of the UK to be globally competitive.

During the ensuing discussion it was suggested that consideration be given to:

- a joint communications approach with the Regional Assembly to improve understanding of complex issues;

- the assessment of the net economic outcomes resulting from SEEDA's activities.

In response the Chief Executive of SEEDA advised that the Agency Report is not a strategic document but serves to provide information about SEEDA's activities and that it would be difficult to claim that activities quantifiably achieve specific results. An Impact Evaluation Framework was, therefore, being devised. This would demonstrate added and strategic value and draw attention to the future potential of partnerships to achieve quantifiable results.

A question was asked about the success of the Redundancy Support Service in getting people back to work. The Chief Executive of SEEDA indicated that it was very successful and she would provide exact figures for the next meeting.

The report was received and noted.

6. Regional Economic Strategy - Report of the Chief Executive

Pam Alexander acknowledged the wide-ranging consultation that had taken place, including close working with the Regional Assembly, resulting in the emergence of common themes, which she summarised as:

- Global Competitiveness
- Smart Growth
- Sustainable Prosperity

She strongly welcomed the Assembly's suggestion for a single joint implementation plan. Further consultation will take place to achieve this.

Prior to discussion by the Committee, of specific sections of the document, particular reference was made to growth rates, Diamonds for Growth, housing and airports.

- I. Paul Lovejoy recognised that the RES sets an aspirational target of GVA expressed in per capita terms, which SEEDA believes to be in broad compliance with the stated assumption of headline growth in the South East Plan. He advised members that this conforms with the Treasury's measure of assessing performance against targets. This will enable SEEDA to draw attention to what specifically can be done to achieve economic activity and productivity, to minimise the gap between per capita GVA and overall GVA and to provide the means to diminish the environmental pressures including the level of new house building.

He acknowledged the sensitivity of the issue and assured members that SEEDA's view is that the Regional Assembly and SEEDA are now more closely aligned on this matter.

2. In referring to Diamonds he acknowledged that further work has been done in relation to the spatial dimension of economic growth in the region with the result that this section has been significantly redrafted, particularly in relation to the regional hubs. Areas, which extend beyond local authority boundaries have been identified with the pioneering work in Urban South Hampshire identified as the model for taking this work forward.
3. The Chairman advised members that the Committee had been delegated responsibility to sign off the document whilst recognising that significant differences remain, particularly in relation to airport policy and housing numbers and that, in so doing, the Assembly was not endorsing SEEDA policy and, therefore, continued to reserve the Assembly position on these issues.

The following comments on the strategy were noted:

Key Challenges Facing the South East (Pages 8-16)

Concern was expressed that the last sentence of the first paragraph on page 16 had the potential to create misunderstanding about the ethos of the voluntary sector.

Greater emphasis needs to be given to the figures relating to increased road traffic and the transport investment per capita being lower than any other UK region in the first paragraph of page 12 - Investment in Infrastructure.

Paul Lovejoy responded that there was scope to make small amendments to the document. He also advised that the document was intended to be aspirational with challenging targets.

Mapping the South East Economy (Pages 17-32)

The Chairman reminded members that Diamonds are for investment and growth and asked that the document is checked and amended so that "investment and growth" appear in this order and are referred to in each reference to Diamonds. He advised that investment-led growth would be a theme for CSR07.

Clarification was sought about the Heathrow area referred to in the sentence "In some respects the Heathrow area can be seen as an integrated economic entity." (Page 20 para 5). In response Paul Lovejoy stated that this referred to an area including west and central London and the Thames Valley. Concern was expressed that this would allow Heathrow to dominate a large and diverse area.

Vision, Values, Targets and Policies (Pages 33-37)

In response to a suggestion that there should be greater consultation with businesses, the Chief Executive advised that work was currently being done with Business Link to identify skills required by business.

It was noted that the CBI and other business organisations had a contribution to make to the skills agenda. In addition, whilst the CBI would endorse the RES, it regards the GVA capita growth rate target as rather modest and possibly not at a sufficient level in terms of global competitiveness.

Reference was made to the importance of Action 11.5 - Exemplar projects for local energy supply on page 37. The observation was made that there is a need to develop models of good practice in relation to managing climate change. In responding Paul Lovejoy advised that behaviour change, including changes in technology and its application, would be a crucial element of future work.

Global Competitiveness (Pages 38-50)

Concern was expressed that the document was too aspirational and needed to be more realistic.

There was agreement that the expansion of Heathrow airport and its impact on the rest of the region is not endorsed. It was noted that the airport policy in the RES is diametrically opposed to the Regional Assembly's position in the South East Plan.

Smart Growth (Pages 51-76)

Pam Alexander acknowledged the importance of addressing investment in infrastructure, as a matter of urgency, to create a more sustainable position for the region.

It was suggested that greater emphasis would be given to the timely provision of infrastructure by placing the final paragraph of page 63 at the beginning of the section on Physical Development.

It was **agreed** to endorse the regional submission to the RES subject to the following two caveats:

1. The region's position is that further housing and employment growth requires the investment in infrastructure to take place alongside further development.
2. The Assembly's position on airport policy has not changed and is set out in the South East Plan and is contrary to that in the RES. In supporting the RES the Regional Assembly has not signed up to the RES's position on airports.

Douglas Horner asked that the CBI's difference with the Assembly's airport policy be noted.

The four Economic Partners on the Committee requested that their views, which are contrary to the Assembly's airport policy, be noted.

7. Comprehensive Spending Review 2007 - Regional Submission

The Head of Policy highlighted the context of the report.

The Chairman indicated that the document would need strengthening by the Committee before submission. He referred members to the fifth paragraph of John Healey's letter, which he believed did not preclude commenting on the national distribution of funding.

The ensuing discussion focused agreement on the following points:

- The document needs sharpening by providing further evidence to support the reasons for investment in the region.
- The South East has a strong base, through the RES and the Implementation Plan, on which to approach the Treasury.
- The submission is a unique opportunity to influence changes in the way capital and revenue allocations are made nationally.
- It was suggested that a needs analysis of the region would provide supportive evidence for the case for greater investment in the area.
- The region increasingly receives an unfavourable allocation of capital and revenue at the expense of northern local authorities. This is exacerbated by the problems experienced by floor authorities. The region is considered to be at a tipping point due to local authorities, which have already made maximum efficiency savings, being forced to cut back on capital programmes because they cannot afford to repay debt due to the operation of the floor system.

The Chief Executive of the Regional Assembly referred to the ample evidence in Sections 5 and 11 and recommended only a sharpening of the message.

It was **agreed** that the Leadership Group would clear amendments to the document by email, with colleagues at SEEDA GOSE, to ensure that it reflected the Committee's comments prior to submission.

8. Report of the Select Committee on the Sustainable Use of Natural Resources

The Chairman of the Select Committee, Cllr Graham Gubby, introduced the report. He referred to the importance of recognising that sustainability was a serious obligation requiring change of behaviour in both the public and private sector. In particular, business leaders must be encouraged to see the benefits of sustainable development related to the use of natural resources. He recommended that current practices need to be abandoned and suggested that SEEDA needs to focus effort by doing more in fewer areas.

Paul Lovejoy responded by recognising the scope for SEEDA to develop this work further.

The report was received and its recommendations were noted.

9. The Barker and Eddington Reviews - Report of the Planning Implementation Director

It was agreed that the proposed further submissions to both reviews would be presented to the Regional Planning Committee for approval following its consideration of the Implementation Plan.

10. European Regional Policy - Report of the Head of Policy

The Head of Policy indicated that this is an early draft report which would be subject to further consultation.

The report was received and noted.

11. Chief Executive's Report

The report was received and noted.

The Chairman indicated that he had received the names of four members who would be willing to chair the annual dialogue meeting with the Environment Agency subject to the date of the meeting.

It was agreed that a chairman would be provided from this list.

12. Reports from Committees

a) Report of the Regional Housing Board, 28 June 2006

The report was received and noted.

b) Regional Transport Board, 21 July 2006

The Chairman of the Regional Transport Board reported that officers and portfolio holders are invited to attend a workshop on 25 September to look at future projects post 2011 and to create a first draft document.

The report was received and noted.

c) Regional Planning Committee, 26 July 2006

The report was received and noted.

d) SEEDA Sustainable Development Board Committee, 20 June 2006

The report was received and noted.

13. Annual General Meeting of SEERA Ltd

The Executive Committee meeting broke to convene the Annual General Meeting of SEERA Ltd.

See separate Minutes.

At the end of the meeting the Executive Committee meeting was reconvened.

14. Any Other Business

There was none.

There being no further business the meeting closed at 13.15.