

10 February 2021		ITEM: 14 Decision: 110554
Cabinet		
Association of South Essex Local Authorities (ASELA) Update		
Wards and communities affected: All	Key Decision: Key	
Report of: Councillor Rob Gledhill, Leader and Portfolio Holder for Public Protection and Anti-Social Behaviour		
Accountable Assistant Director: Ian Hunt, Assistant Director Law and Governance		
Accountable Director: Lyn Carpenter, Chief Executive		
This report is Public		

Executive Summary

In early 2018, the Council signed a Memorandum of Understanding (MOU) to work together with other local authorities in South Essex through a partnership collectively known as the Association of South Essex Local Authorities (ASELA).

Since then ASELA has developed a number of detailed work programmes and is engaging directly with government to promote the development and regeneration of South Essex with the aim of increasing prosperity and quality of life for residents.

ASELA have considered and explored the most appropriate and effective governance arrangements to deliver on this potential and shared ambitions at this point in time and are recommending that the Councils enter into a Joint Committee, improving the accountability and transparency of the cooperative work between the authorities.

1. Recommendation(s)

1.1 That the Cabinet notes the updates provided in this report.

1.2 To approve the establishment of a joint committee, under Section 101 of the Local Government Act 1972, to oversee ASELA and provide enhanced transparency and accountability in the new delivery stage of its work programmes.

- 1.3 **To approve the governance arrangements of the joint committee as set out in Appendix 1 and the related Joint Committee Agreement and Terms of Reference**
- 1.4 **That the Leader of the Council is appointed to represent the Council on the Joint Committee with the Cabinet Member for Regeneration and Strategic Planning appointed as substitute.**

2. Introduction and Background

- 2.1 On 22 July 2020, Cabinet, considered a report from ASELA that provided an update on progressing the economic agenda for the South Essex region. At that meeting Cabinet agreed to fully support a collaboration with South Essex Authorities to deliver regeneration across South Essex. It also agreed that there should be further discussion on appropriate governance arrangements for ASELA and the South Essex region.
- 2.2 The meeting also approved the Growth and Recovery Prospectus to be submitted to Central Government in advance of the autumn spending review. This prospectus was submitted and has been acknowledged, however in line with the government's wider discussions on devolution there has been limited progress from central government. The Government has said that the Devolution White Paper will be produced 'in due course', with some speculation this could be as late as summer 2021 and with a focus more on recovery than devolution.
- 2.3 The Council leaders have been discussing the appropriate arrangements for securing continued development of the South Essex proposals and ways of delivering on the opportunity, with agreement to the formation of a Joint Committee. This report seeks the Cabinets agreement for the Council to formally joint the Joint Committee and appoint the Leader as the Councils representative. It is likely that the Joint Committee Could operate from 1 April 2021.

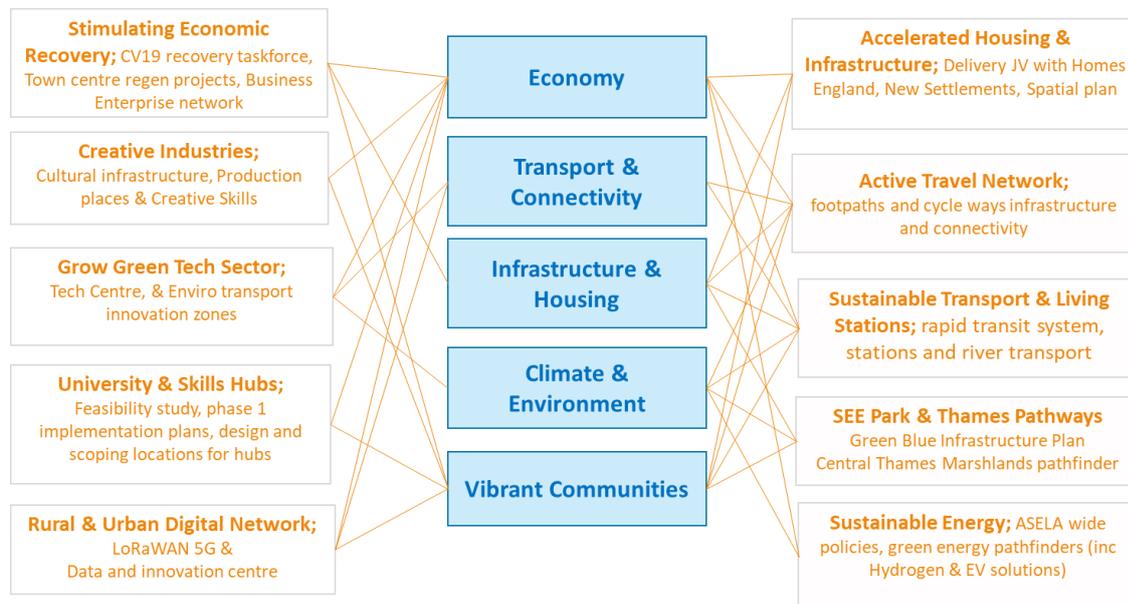
ASELA Update

- 2.4 ASELA is a partnership of neighbouring councils that have come together to deliver growth and prosperity in the region. The local authority partners are Basildon, Brentwood, Castle Point, Rochford, Southend-on-Sea, Thurrock and Essex County Council.
- 2.5 ASELA has spent the past three years looking at how working together across local government boundaries will help deliver improved infrastructure and economic growth. ASELA aims to support the south Essex region to be a UK leader in economic recovery, and drive sustained economic growth and prosperity within its communities. There is a bold and ambitious plan to create greater prosperity and quality of life for all its residents and for the benefit of the UK. Part of this plan will be to ensure its businesses and residents recover

from the COVID-19 pandemic, improve the economy locally and nationally as well as deliver the housing targets set by government.

- 2.6 On 31 July 2020, ASLEA submitted a Growth and Recovery Prospectus to central government. The ambition has 10 major delivery programmes across five key themes (Economy, Transport & Connectivity, Infrastructure & Housing, Climate & Environment, and Vibrant Communities) and will see south Essex contribute an additional £15billion to the UK economy and create 100,000 new jobs by 2050.

ASELA's 10 major programmes that will drive strategic priorities into action



2.7 A summary of some of the main areas of activity are as follows:

- Ultra-fast 5G Digital Network – further funding of £2.5m from DCMS via South East Local Enterprise Partnership has now been confirmed taking the total Government investment to £7.2m. ASELA's Local Full Fibre Network programme is also providing a catalyst for private sector investment in 5G. Between Open Reach and Three, the total private sector investment now committed to South Essex totals over £63m.
- Town centres and regeneration – the main towns of ASELA are attractive locations for private sector investors. They bring capital, advice on scheduling and phasing of larger schemes, and specialist skills to support acceleration of delivery. Work is underway to scope a framework that will attract two or three strategic investor partners. Initial private sector investment of over £150m has been identified.
- Construction Sector and Skills Training– South Essex has secured £16m from the Government's Get Building Fund. Furthermore, the South Essex

Construction Training Academy (SECTA) exceeded all targets in 2019/20 by training 749 individuals ready for the construction industry.

- Infrastructure and Housing – Homes England are providing a capacity fund of £250k for the remainder of 2020/21. Negotiations have started with regard to £23m for infrastructure funding in 2021/22 to deliver 2,000 new homes that are in local plans but that would otherwise not be viable.

What is a Joint Committee?

2.8 A joint committee formalises the business of an Association and would be done in accordance with Section 101 of the Local Government Act 1972. Joint committee's set the strategic and policy direction as well as commission and co-ordinate the delivery of projects and programmes.

2.9 Joint committees have been established between local authorities for various purposes, including:

- To provide a forum for local authorities to collaborate on and co-ordinate plans affecting a particular area/region
- To direct shared services arrangements, whether for front line functions, such as waste collection and disposal, or back office services, such as finance, HR and IT services, including joint procurement
- To manage parks extending across local authority boundaries, crematoria, and museums and other cultural or recreational attractions

2.10 Joint committees are a common and favoured feature amongst councils because they provide a transparent and accountable means to achieving combined goals whilst ensuring the individual sovereignty of each body remains. Joint committees do not become involved in the daily business of councils outside of the purposes for which it was established. There would, therefore, be **no transfer of powers currently held by any constituency authority to the joint committee**. It would also mean that no decision could be taken by the joint committee which relates to any matter that is in the preserve of a specific constituent authority, unless that authority indicates its agreement with the proposal.

What this Joint Committee does not do?

2.11 The proposed Joint committee is limited in its scope and powers, given that there are no powers transferred. The following are examples of issued which are not within the scope of the Joint Committee:

- The functions and powers of the Council, the roles of elected Members and Officers are not changed. The joint committee will have no say on staff structures or employment issues.

- The joint committee will not be a separate organisation which operates independently of the individual councils which form the committee, it should not be regarded as an overarching Council for south Essex.
- The Council will retain financial autonomy and decision making, and the joint committee will have no powers to set a precept or other direct financial levy against residents or businesses.
- The joint committee will not have planning powers, or the ability to direct planning policy. This includes issues like the allocation of housing targets or the distribution of housing.

Why is a Joint Committee right for ASELA?

2.12 The current governance structure is based upon a collaborative Memorandum of Understanding (MOU) which was agreed by all Councils in January 2018, and recognised that decision making and accountability arrangements for ASELA would need to be regularly reviewed to ensure it remained fit for purpose.

2.13 In response to progress of the programme of work into the delivery stage, it is now an appropriate time to review the current arrangement. With the imminent requirement to manage large sums of government and private sector investment, there is a pressing need to validate a combined commitment to the governance and operational delivery of the programme. A more formal, accountable and transparent governance arrangement would also support:

- enhanced openness and accountability to constituent authorities;
- providing greater local control over direct investment and related financial considerations e.g. s106;
- a signal to private investors, especially long term investors, that ASELA is capable and committed; and
- a signal to government departments and investors that ASELA is financially sustainable, and a trusted and reliable delivery partner.

2.14 In addition to oversight of the growth delivery programme a joint committee will specifically:

- Provide oversight and direction associated with the Joint Strategic Plan and approve any JSP related proposals for consideration by individual local authorities.
- Management and oversight of expenditure and activity associated with funding received from Government and other sources
- Agree the level of financial contributions to be sought from each local authority to support the work of ASELA
- Ensure effective relationships and collaboration as necessary to achieve ASELA's vision, with Central Government and other regional and national bodies including the South East Local Enterprise Partnership.

Practicalities of the ASELA Joint Committee

2.15 The proposal for an ASELA Joint Committee would include the following features:

- Initially five members are anticipated: Basildon; Castle Point; Rochford; Southend and, Thurrock. There would also be 2 co-opted members without voting rights, namely Brentwood and The Federated Board of the Local Enterprise Partnership.
- Each Council will appoint a member.
- A Chair and Vice-Chair will be appointed.
- Matters will be decided through voting (co-opted members can speak but not vote) and decisions reached through majority.
- Each Council must agree to activity/work which impacts on their own geographical area in order for it to proceed
- An 'accountable body' in relation to the functions and resources of ASELA shall be agreed by the Joint Committee (the accountable body of ASELA at present is Castle Point).
- A local authority will be designated to provide secretariat to the joint committee.(at present Southend provides this service)
- Scrutiny would take place within each partner constituent councils' Overview & Scrutiny process since there is no formal transfer of powers to the Joint Committee as stated above. This position could be reviewed as the Joint Committee becomes more mature, with the possibility of establishing a Joint Scrutiny Committee, although that would require future decisions for each of the constituent Councils.

3. Issues, Options and Analysis of Options

- 3.1 Do nothing – this option is not recommended. Continuing with the existing informal arrangements does not support ASELA's ability to secure large scale investment from Government and the Private sector. Nor does it provide transparency of decision making or accountability for delivery.
- 3.2 The recommendation therefore, is that each ASELA Council should use its powers and agree to form a joint committee. It is, therefore, incumbent upon the council to develop proposals that provide the best possible outcome for Thurrock's residents while satisfying the government's criteria.

4. Reasons for Recommendation

- 4.1 To provide ASELA with the governance arrangements required to enable delivery of the Growth and Recovery Prospectus and ten delivery programmes and for Thurrock and its residents to be a direct and indirect beneficiary of the work.

5. Consultation (including Overview and Scrutiny, if applicable)

5.1 These proposals have been developed in consultation with the partner authorities with a view to securing ongoing and developing transparent and accountable governance on the overall programme.

6. Impact on corporate policies, priorities, performance and community impact

6.1 The ASELA delivery work programme refers to the economic agenda for the South Essex region, how it can deliver new jobs, new transport infrastructure, new homes, and the future governance arrangements to deliver better outcomes for its existing, and new, residents and businesses.

6.2 This prospectus links strongly with the Council's own agenda developing the programme across the three priorities of People, Place and Prosperity.

7. Implications

7.1 Financial

Implications verified by: **Sean Clark**
Corporate Director of Finance, Governance and Property

There are no new direct financial implications arising from this report. A more formal structure will increase transparency and accountability of ASELA's activities.

7.2 Legal

Implications verified by: **Ian Hunt**
Assistant Director of Law and Governance and Monitoring Officer

Section 101 of the Local Government Act 1972 will be used in order to establish a Joint Committee. A draft constitution has been set out in Appendix 1 and recognises each Council as a sovereign entity and does not take powers from the Council. Any transfer of powers would require future decision making by the Council.

7.3 Diversity and Equality

Implications verified by: **Becky Lee**
Team Manager - Community Development and Equalities

There are no direct diversity implications arising from this report. The aim of ASELA is for the Partner Authorities to collaborate to secure greater prosperity for all residents and communities within the South Essex sub-region regardless of any protected characteristics.

7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder, and Impact on Looked After Children)

There are no other specific relevant considerations associated with consideration of this report.

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- ASELA report to Cabinet 22nd July 2020

9. **Appendices to the report**

- Appendix 1 - Joint Committee Agreement and Terms of Reference

Report Author:

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