



# Association of Councils of the Thames Valley Region

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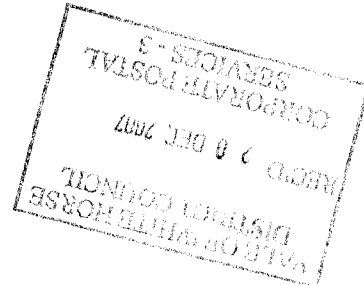
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Our Ref: BD/MJM

14 December 2007

Mr T Stock  
Vale of White Horse District Council  
The Abbey House  
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**THIS LETTER IS A HARD COPY OF AN E-MAIL  
WHICH YOU WERE SENT LAST WEEK.**

Dear *Terry*

The attached agenda item on the Sub National Review was considered by the ACTVaR meeting on 7 December 2007. Members resolved that a Special Meeting of ACTVaR should be held in February 2008 (now confirmed for the morning of 22 February 2008 at South Oxfordshire District Council) to consider this matter but that I should immediately write to all ACTVaR Chief Executives as well as the Chief Executive of Milton Keynes Council enclosing the agenda report and inviting each council to consider their response to the Sub National Review including the suggestions raised in this report. The intention is that comments from each ACTVaR Council should be received by the end of January 2008 after which a meeting of the ACTVaR Steering Group will be held to consider these responses and prepare for the Special Meeting on 22 February 2008.

I would be most grateful if your Council could consider this report alongside your other discussions on the Sub National Review and let me have your Council's view on these and any other proposals no later than 28 January 2008. Please contact me if you require clarification on any of the points in this letter or the enclosed report.

ACTVaR would like to extend an invitation to all Council Leaders to attend this Special Meeting as well as the usual ACTVaR Representatives. I would be grateful if you could bring the contents of this letter to the attention of your Leader and nominated ACTVaR representatives.

Yours sincerely

*Barry*  
Barry Deller  
ACTVaR Director

**REVIEW OF SUB-NATIONAL ECONOMIC DEVELOPMENT & REGENERATION (SNR)**

This meeting of ACTVaR has the opportunity to comment on the implications of the publication in July 2007 of the Review of Sub-National Economic Development and Regeneration (SNR). The ACTVaR Steering Group considered this matter at its meeting on 7 November 2007 prior to the plenary meeting of the Regional Assembly at Winchester on 14 November 2007.

The main elements of the SNR, in summary are:-

- There will be a single integrated regional strategy (IRS), which will provide the strategic regional framework, combining what is currently covered by the regional economic, spatial and housing strategies. The RDA will become the single regional agency with executive responsibility for producing this strategy, working closely with local government and other partners. The strategy will need to be agreed with local government in the region.
- New scrutiny arrangements for RDAs will be put in place, relying on local government in the region.
- The new RDAs' role will be more strategic, with increased delegation of economic development delivery to local authorities.
- Regional assemblies in their current form will not continue beyond 2010.
- Regional Ministers were appointed as part of the 'Governance of Britain' announcement; Parliamentary regional select committees are proposed.

The Government is expected to publish consultation papers in December 2007 on implementing the SNR including the IRS and new economic development powers for local authorities. Government has indicated that it is for regions to respond to the SNR but that certain parameters are fixed:

- there will be a single regional strategy to be drawn up by the RDA working closely with local authorities and other stakeholders
- Regional Assemblies will cease to exist in their current form and function
- the current boundaries of the SE region are immutable
- local authorities will need to organise themselves to respond to the new economic development duty and impact of the SNR.

For ACTVaR the SNR will have significant implications from the end of 2008/09 as new organisational arrangements start to come into place to

implement the SNR from 2010. Regional consultation events will be held during 2008 and the Regional Assembly plenary meeting in March 2008 will be considering potential options for the way forward including how local government wishes to work together under the post-2010 arrangements. Party groups will be considering these matters in January 2008 so there is a relatively short period for ACTVaR and its Member authorities to suggest options that might be considered during 2008 for the implementation of SNR in the South East Region.

ACTVaR Party Groups are invited to consider these matters and to contribute their thinking on possible options to the December meeting of ACTVaR. Thereafter it will probably be appropriate to convene a special meeting of the ACTVaR Steering Group in the New Year to review the contributions received on 7 December 2007 and to consider the Government consultation document(s) expected to be published before Christmas. The Steering Group could determine if there is a single option to be promoted by ACTVaR in the forthcoming debate or whether a range of options should be advanced for wider discussion across the region.

The ACTVaR Steering Group has discussed the SNR and the report considered by the Assembly's Executive Committee and the following points were agreed:

1. that the case for great urgency has not been proven;
2. that sub-regional working has demonstrated great value and a sub-regional local government organisation must be retained;
3. that the model of a Leaders' Senate is not convincing; and
4. that cross-boundary working is vitally important for our sub-region and often extends across county boundaries; the county unit is by no means the only unit for cross-boundary working.

ACTVaR is invited to consider these principles and to affirm support for these points. In considering a new model(s) for regional governance in the South East this meeting of ACTVaR might like to debate the following propositions which if supported/amended can form the basis for ACTVaR inputting option(s) to the consultation process early in 2008.

#### Key Principles for Discussion

ACTVaR is an established sub-regional local government organisation working within a regional context. Our experience over 10 years in the Thames Valley demonstrate that there are many issues that are best managed at a sub-regional level where common factors are at play. At the heart of the SNR is the wish of Government to support sub-regions to promote economic growth. Government now recognises sub-regions as the most appropriate units for managing a range of issues including economic development and transport. In the light of our experience in the Thames Valley and the Government's new emphasis on sub-regions it is most appropriate that ACTVaR should be proposing a model of regional governance that is based on sub-regional building blocks but working within a

regional framework. The following thoughts are presented for Members as a contribution to preparing an option(s) for consideration by local government across the South East:

- The “sub-region” should be the primary building block for the purposes of local government grouping in the South East region
- Each sub-regional grouping should nominate to a “South East Local Government Regional Executive” which would have the responsibility for dealing with those matters reserved for region-wide determination
- The principle of subsidiarity should be adopted such that all matters should be dealt with at the sub-regional level except where statutory or other requirements determine that these are “regional” matters
- Each sub-regional local government grouping would have in membership the county, district and unitary authorities within its area but would also establish mechanisms for stakeholder engagement from all relevant sectors and organisations including town/parish councils
- The sub-region would be responsible for:
  - advising SEEDA in respect of the development of the Integrated Regional Strategy (IRS) regarding all sub-regional components of the economic development and spatial strategy elements including future housing numbers and infrastructure requirements;
  - prioritising investment requirements for the sub-region relating to infrastructure enhancement necessary to deliver the IRS.
- The SE Local Government Regional Executive would be responsible for:
  - scrutinising the impact of SEEDA in delivering the Single Regional Strategy and its functions as the Regional Development Agency;
  - acting as the local government mechanism for negotiation with SEEDA in the development of the IRS and for its sign-off prior to submission to Ministers;
  - acting as the collective voice of the region in making representation to Ministers regarding the IRS, the work of SEEDA and other region-wide concerns
  - undertaking all “region-wide” activities which are (statutorily) determined to be the responsibility of local government operating regionally.

If this model of empowered sub-regions federated for regional working is to be advanced two factors will need to be determined in due course:

1. Definition of Sub-Regions
2. Template for sub-regional places on the Regional Grouping.

The region will need to be divided into geographical units that collectively make-up the entirety of the South East region. Each council should be a full member of one sub-regional grouping but they should also be able to be an associate member of other groupings in which they have a legitimate interest. In this way cross-border issues can be addressed and allows authorities to belong to more than one grouping. This arrangement would match current arrangements, eg Basingstoke and Deane Borough Council belongs to the Hampshire and Isle of Wight LGA but is also an Associate Member of ACTVaR.

Each sub-region would nominate to the Regional Executive with the number of places for each sub-region determined by reference to a population-based template as a proportion of the total regional population. Sub-regional representatives on the regional body would be required to report back to their "home" sub-region.