

Committee: Ordinary Council	Date: 28 July 2021
Subject: South Essex Local Authorities (ASELA) Update and proposed Governance Structure	Wards Affected: ALL
Report of: Jonathan Stephenson, Chief Executive	Public
Report Author/s: Name: Amanda Julian, Corporate Director (Law and Governance) and Monitoring Officer Telephone: 01277 312500 E-mail: amanda.julian@brentwood.gov.uk Name: Phil Drane, Corporate Director (Planning and Economy) Telephone: 01277 312500 E-mail: philip.drane@brentwood.gov.uk	For Decision

Summary

To provide an update on developments in relation to the Association of South Essex Local Authorities (ASELA) and to formally agree to become a member of a joint committee of constituent members to oversee ASELA and provide enhanced transparency and accountability in the new delivery stage of its work programme.

Recommendation(s)

Members are asked to:

- R1. Note the updates provided in this report.**
- R2. Agree that Brentwood Borough Council becomes a member of the Association of South Essex Local Authorities (ASELA) Joint Committee in accordance with 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.**
- R3. Approve the governance arrangements of the Joint Committee as set out in Appendix A, and the related Joint Committee Agreement and Terms of Reference.**
- R4. Appoint the Leader of the Council to represent the Council on the Joint Committee.**
- R5. Appoint a deputy representative to substitute for the Leader of the Council, in line with the Part 4 of the Council's Constitution.**
- R6. Give delegated authority to the Monitoring Officer to make changes to the Constitution that result from the decisions made in R2 and R3 above.**

Main Report

Introduction and Background

1. On 22 July 2020, an Extraordinary Council meeting considered a report by ASELA that provided an update on progressing the economic agenda for the South Essex region. At that meeting the Council agreed to note the report contents and that a further report would be brought to Council with a proposed governance model, including Joint Committee arrangements under s101 of the Local Government Act 1972.
2. Since the Council meeting, on 15 September 2020 Councillors were provided with a copy of the ASELA 'Growth and Recovery Prospectus 2020' (Appendix B), regarding 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.
3. ASELA Leaders have scoped the terms of reference of a new joint committee outlining the main features and how it would operate in practice. An outline proposal was agreed on 21 January 2021 and has been developed to share amongst prospective Councils.
4. On 10 February 2021, Thurrock Council Cabinet approved the establishment of a joint committee, as set out in Appendix A Terms of Reference, to oversee ASELA.
5. Further, on 15 June 2021 Southend Council Cabinet approved the establishment of a joint committee, as set out in Appendix A Terms of Reference, to oversee ASELA.
6. The remaining local authority partners are expected to put recommendations to their respective Council meetings during July and August 2021.

ASELA Update

ASELA ambition

7. 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.
8. ASELA has spent the past three years looking at how working together across local government boundaries will help deliver improved infrastructure and economic growth.

9. 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.
10. On 31 July 2020, ASELA submitted a Growth and Recovery Prospectus (Appendix B) to the Government. The prospectus outlines ten delivery programmes across five key themes (Economy, Transport & Connectivity, Infrastructure & Housing, Climate & Environment, and Vibrant Communities) and will see South Essex contribute an additional £15 billion to the UK economy and create 100,000 new jobs by 2050.
11. In 2018, The Thames Estuary 2050 Growth Commission published an ambitious vision for the region which includes South Essex. In October 2019 Kate Willard OBE was appointed Estuary Envoy. In this role she sits as the Chair of the Thames Estuary Growth Board (the TEGB), it receives Government funding to drive their work forward.
12. The TEGB published in June 2021 The Green Blue Workplan (Appendix C), which outlines what the TEGB aims to deliver. The plan reflects both the Council's corporate strategy priorities (Brentwood 2025) and our Digital Strategy 2020-2025.
13. These programmes will directly and indirectly benefit Brentwood and its residents. Specifically, key outputs that benefit the borough include:
 - a) Investment in green and blue infrastructure to enable new parks and river walks, supporting active use of environmental assets, adding to biodiversity, health and wellbeing outcomes, whilst supporting active and thriving communities, consistent with the Council's corporate priorities.
 - b) Provision of digital infrastructure (including 5G) and connectivity that will see businesses want to invest in South Essex and start successful and productive enterprises, consistent with the Council's aims to grow our economy.
 - c) Delivering significant improvements in connectivity and public transport, underpinned by investment in active travel projects, consistent with the Council's proposals for growth in the borough (i.e. Dunton Hills Garden Village and Brentwood town centre), as well as benefiting people's health and wellbeing with environmental benefits.
 - d) Unlocking housing sites to deliver accelerated development, bringing new quality homes, neighbourhoods and communities to South Essex

and enhancing amenity and place for existing local residents, consistent with the Council's strategy for growth in the Local Development Plan and considering the role of Dunton Hills Garden Village as the first garden village in South Essex with the potential for more.

- e) Improving skills across the region from school aged children through to adult training and education, ensuring that the current and future workforce can access productive and highly skilled jobs, an important part of the Council's aims to grow the economy and consistent with our emerging Economic Development Strategy.

Anchor Programmes

- 14. In 2021, ASELA will enhance focus on delivery of five 'anchor programmes':
 - 1. Superfast Digital
 - 2. Thames Freeport
 - 3. Technical University
 - 4. South Essex Estuary (SEE) Park
 - 5. Infrastructure and Housing
- 15. The latest position (as of 21 June 2021) on these is set out in Appendix D for Councillors' information. The above anchor programmes provide for place shaping and delivery of key strategic goals that are impossible to deliver by one organisation alone.
- 16. There is a clear need to ensure that there are now robust governance arrangements in place to ensure transparency in decision making, to ensure that investors form part of this process and provide to both them and the wider community accountability for decisions and investments received. South Essex Leaders have agreed that the most appropriate form of governance arrangement would be a Joint Committee.
- 17. By working together across all South Essex Local Authorities, the area has been able to create a compelling case for a trail blazing strategic place-based partnership with Homes England. Now agreed in principle, by the Homes England Executive Board, it will be just one of two such partnerships in the country. A Memorandum of Understanding is being prepared for ASELA's consideration, along with a joint Business Plan. The intention is that these will be agreed by ASELA before 31 July 2021 and formally launched in September 2021. Homes England remain committed to provide capacity funding for this programme for 2021/22 and the outputs of the joint work on the Business Plan will also feed into the Spending Review in the Autumn.

ASELA Joint Committee

What is a Joint Committee?

18. At the ASELA Leaders meeting on 10 December 2020, it was agreed that work would be undertaken to seek approval from ASELA Councils to move towards a joint committee arrangement. Appendix A is a paper agreed by ASLEA Leaders on 21 January 2021, to be considered by all ASELA councils. The paper recommends a joint committee model in order to provide appropriate overview, scrutiny and co-opted membership and allow ASELA to deliver its ambitious growth programme.
19. A joint committee formalises the business of an Association and would be established in accordance with Section 101 of the Local Government Act 1972. Joint committees set the strategic and policy direction as well as commission and co-ordinate the delivery of projects and programmes.
20. Joint committees have been established between local authorities for various purposes, including:
 - a) To provide a forum for local authorities to collaborate on and co-ordinate plans affecting a particular area/region.
 - b) 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.
 - c) To manage parks extending across local authority boundaries, crematoria, and museums and other cultural or recreational attractions.
21. 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 constituent 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.
22. An example of a joint committee is the South Essex Parking Partnership Joint Committee which was formed by the collaboration of seven councils in Essex and manages the South Essex Parking Partnership. A further example is The Five Councils Partnership Corporate Services Joint Committee, which is a partnership between Mendip District Council, South Oxfordshire DC, Vale of

Horse DC, Hart DC and Havant Borough Council. The joint committee enables all five councils to share services relating to Revenues & Benefits, Local Land Charges, Customer Services, IT and Procurement.

Why is a Joint Committee right for ASELA?

23. The current governance arrangement is based upon a collaborative Memorandum of Understanding (MoU), agreed by all Councils in January 2018, which recognised that decision making and accountability arrangements for ASELA would need to be regularly reviewed to ensure it remained fit for purpose.
24. 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 not only to demonstrate increased confidence in financial management but also 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:
 - a) Enhanced openness and accountability to constituent authorities.
 - b) Providing greater local control over direct investment and related financial considerations (e.g. section 106 planning agreements between councils and developers).
 - c) A signal to private investors, especially long-term investors, that ASELA is capable and committed.
 - d) A signal to Government departments and investors that ASELA is financially sustainable, and a trusted and reliable delivery partner.
25. In addition to oversight of the growth delivery programme a joint committee provides:
 - a) Management and oversight of expenditure and activity associated with funding received from Government and other sources.
 - b) Agree the level of financial contributions to be sought from each local authority to support the work of ASELA.
 - c) 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

26. The proposal for an ASELA Joint Committee would include the following features:
- a) Eight members and co-opted members are anticipated: Basildon; Brentwood; Castle Point; Essex County Council; Rochford; Southend, Thurrock; and The Federated Board of the Local Enterprise Partnership.
 - b) Each Council will appoint a member.
 - c) A Chair and Vice-Chair will be appointed.
 - d) Matters will be decided through voting (co-opted members can speak but not vote) and decisions reached through majority.
 - e) No decision can 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. Thereby maintaining the principle of subsidiarity.
 - f) One authority will act as an 'accountable body' in relation to the functions and resources of ASELA shall be agreed by the Joint Committee.
 - g) A local authority will be designated to provide secretariat to the joint committee (Southend BC currently fulfils this role).
 - h) It is the advice of Monitoring Officers for scrutiny to take place at each existing partner councils' Overview & Scrutiny process as the most efficient and effective arrangement at the present time. For Brentwood this would involve the council's Audit and Scrutiny Committee.

Issues, Options and Analysis of Options

27. 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.
28. If a Council determines that it does not want to join the Joint Committee, it is proposed that it can become a co-opted member. Councils that are co-opted members of the Committee will be able to speak on all matters in front of the Committee but will not have a vote. If a Council is not a member of a joint committee it will have not agreed to jointly discharge their functions with the other members of the committee and in essence the Joint Committee would not cover that Council area.

29. The recommendation, therefore, is that each ASELA Council should use its powers and agree to become members of the joint committee. Therefore, It is incumbent upon the Council to develop proposals that provide the best possible outcome for Brentwood's residents while satisfying Government requirements.

Reasons for Recommendation

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

Consultation

31. None

References to Corporate Strategy

32. Growing our economy, protection our environment, developing our communities, improving housing, delivering an efficient and effective Council.

Implications

Financial Implications

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33. Resources for specialist advice will be obtained from within existing budgets. Neighbouring councils are also expected to make a financial commitment to this work.

Legal Implications

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34. Section 101 of the Local Government Act 1972 enables the Council to establish a Joint Committee. Draft amendments to the Constitution have been set out in Appendix A that recognises each Council's sovereign entity. A Joint Committee will enable joint partnership working that enables transparent and accountable decisions to be made. This will form part of the Council's Constitution.

Economic Implications

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35. 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 residents and businesses, both existing and new.

Equality and Diversity Implications

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36. Key objectives, such as preparing a strategy to secure local productive and well-paid employment opportunities through commercial development from employers, and supporting young people to achieve their best and build their futures in South Essex, show the intent for joint working to create more equal and diverse opportunities for South Essex residents.
37. There are no direct implications under the equalities legislation, but the Council will continue to have due regard to its duty under s149 of the Equalities Act 2010.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

38. None

Background Papers

- Item 468 Extraordinary Council, 22 July 2020, Update report from the Association of South Essex Local Authorities (ASELA)
- ASELA Memorandum of Understanding, January 2018
- ASELA report on examples of governance models, January 2021

Appendices to this report

- Appendix A: ASELA Joint Committee Agreement and Constitution
- Appendix B: ASELA Growth and Recovery Prospectus, July 2020
- Appendix C: The Green Blue Workplan, Thames Estuary 2050 Growth Commission, June 2021
- Appendix D: ASELA Anchor Programmes Update, June 2021