



Basingstoke
and Deane

Going
Beyond

Devolution Full Council

1 September 2015

Overview

- Context for Devolution
- What is a Combined Authority
- Reasons why local authorities across the country are looking seriously at the establishment of a Combined Authority
- Emerging Hampshire and Isle of Wight proposition
- BDBC Red Lines
- Broad Timeline



Context

- Scottish debate has increased interest in devolution of powers to regions and places
- Government is encouraging a bottom up approach – groups of local authorities to come together to make a proposition on how they would improve outcomes/ cost effectiveness if granted increased power and responsibilities over government functions
- Timeframe is a challenge both in terms of time required to build a mature partnership across the proposed Combined Authority area and the development of clear meaningful propositions which have general support, that can be robustly tested in terms of positive economic impact at less cost to the public purse overall.



What is a Combined Authority?

Historically a grouping of local authorities that come together to take on transport, economic development and regeneration functions within CA area. Extended more recently; Greater Manchester Combined Authority agreement has responsibility for:

- Responsibility for devolved business support budgets
- Control of Apprenticeship Grant for Employers and power to re-shape and re-structure Further Education in Greater Manchester
- Opportunity to be joint commissioner with DWP for next phase of Work Programme
- Opportunity to work with Clinical Commissioning Group to develop business plan for integration of health and social care across Greater Manchester, based on control of existing health and social care budgets (£6 billion)

What is a Combined Authority cont'd...

- Responsibility for devolved and consolidated transport budget, with a multi year settlement
- Responsibility for franchised bus services, for integrated smart ticketing across all modes of transport, and exploring opportunities to devolve rail stations across the area
- Powers over strategic planning, including power to create a statutory spatial framework for Greater Manchester. This will need to be approved by unanimous vote of Mayor's Cabinet (comprising Leaders of the 10 local authorities – consensus required)
- Control of £300 million Housing Investment Fund (recoverable loans)
- Control of earn back deal where investment in infrastructure which boosts economic performance (GVA) above a hurdle rate, will lead to additional tax being returned to the area
- Take on the role of Police and Crime Commissioner

Drivers - Adult Social Care

- Funding of Adult Social Care is placing upper tier (county and unitary) councils under severe pressure, in context of more people living longer (a good thing), requiring support to live independently or alternatively placed in Nursing Homes “LB Barnet Graph of Doom”
- Need to integrate services to drive out costs even to stand still
- Greater Manchester Devolution Deal changed everything. In principle government agreement to devolve £6 billion of NHS spending to ten local authorities to better integrate health and social care to achieve better outcomes at less cost. **Subject to Business Case**
- Our residents, if not our services

Drivers - Growth

- Government interested in Growth and inviting proposals that would accelerate housing and economic growth
- Other Combined Authority proposals have sought commitment from government in relation to infrastructure to support growth
- For BDBC infrastructure support is a major ask.
- “Infrastructure Guarantee” seeking earmarked funding in departmental budgets for transport and education
- [Infrastructure investment would improve facilities for existing residents as well]

Deciding who does what

Fitness for Purpose of Existing Services

- Debate on Double Devolution is about which organisation is best placed to deliver what service
- For Basingstoke and Deane and/ or North Hampshire we might explore taking on responsibility from HCC in relation to local subsidised bus services, youth services etc.
- In relation to Adult Social Care Portsmouth may ask HCC to do more
- Key issue is what would work best for local residents, that would be supported locally by democratically elected representatives in the relevant local area.

Emerging Hampshire & IoW Proposition (1)

Boosting Business and Skills for Work

- Devolution of business support programmes
- Additional Investment to support Advanced Manufacturing
- Devolution of DWP Work Programme
- New Enterprise Zones
- Greater influence over design and delivery of work based training



Emerging Hampshire & IoW Proposition (2)

Accelerating Housing Delivery

- Infrastructure Guarantee required to accelerate development on major sites
- Housing Delivery Agency to facilitate release of land controlled by government departments e.g. MOD, NHS, MoJ, and to promote joint working with CA authorities and Homes and Communities Agency, commercial developers and Housing Associations to improve delivery of housing supply, including affordable housing to rent and buy
- Freedom to set planning fees locally to allow greater capacity to progress planning applications
- Freedom for Housing Associations and stock holding authorities to not reduce social housing rents as proposed in the Budget.

Emerging Hampshire & IoW Proposition (3)

Investing in Infrastructure

- Infrastructure Guarantee – 10 year funding commitment in departmental budgets for investment in roads and schools to accelerate delivery of growth and improve circumstances for existing residents and businesses
- Integrated and better coordinated area based public transport services. PTE light. More flexibility to cross subsidise from commercial bus services? Moving concessionary fares from 100% subsidy to 75% might generate more revenues to run more subsidised services!
- Flexibility to allow Local Planning Authorities to require all residential developments to incorporate broadband

Emerging Hampshire & IoW Proposition (4)

Transforming Public Services

- Joining up services and promoting more shared services where this make sense
- Co-design with health business case for joining up integrated Health and Adult Social Care
- Design and development of a single integrated adoption agency for HIOW to reduce placement times and cost effectiveness
- Identify and agree opportunities to delegate or devolve functions from county to district councils, parish councils or community groups in keeping with principles of subsidiarity



Emerging Hampshire & IoW Proposition (5)

Business Rates Retention

- HIOW area collects more in NNDR (Business Rates) than it receives in grants from central government. Proposition is for HIOW to retain all Business Rate income in place of government grant regime
- Significant detail will need to be worked up on this following initial feedback from government

BDBC Red Lines

- there is no loss of control of existing service functions such as but not limited to, development control and Local Plan policy development
- there is no loss of control of borough assets or the revenue derived therefrom
- existing income streams to the Council, for example but not limited to, New Home Bonus, will not be prejudiced by participation in a Combined Authority
- that the benefits of local economic growth in Basingstoke and Deane be retained by the Council, for example but not limited to, Business Rates
- that there is devolution and delegation of functions to Basingstoke and Deane Borough Council where this improves service delivery and/or cost efficiency for residents, with funds devolved in line with responsibilities
- a governance model be agreed that gives equal status to all Council Leaders

Broad Timeline

- Timescale recently accelerated by Treasury to 4 September. Not compulsory to make this timeline, however learning from “City Deals” suggest that those that get in first get a better deal than those that follow on later
- 3 potential timelines for announcements:
 - Party Conference in October 2015
 - Spending Review 25 November 2015
 - Budget in Spring 2016
- Significant discussions and discussions will follow submission. Initial feedback from 8 September to civil servants allocated to work with us, which will further inform the timeline.

Conclusion

- Government is offering the opportunity to devolve a range of responsibilities which arguably should be able to be better shaped and delivered by organisations closer to their communities
- Significant challenges exist in determining clearly defined propositions upon which a consensus can be reached across 15 local authorities in a short timeframe where the evidence of effective collaborative working is variable
- BDBC approach has been to proactively engage to influence the shaping of the proposition as it is developed
- Following submission of a proposal, significant work and negotiation would continue to define programmes – minimum 12 months. 4 September deadline is merely a staging point.

