# PLYMOUTH CITY COUNCIL

Subject:	A Devolution Deal for the Heart of the South West
Committee:	Council
Date:	23 November 2015
Cabinet Member:	Councillor Evans
CMT Member:	Tracey Lee, Chief Executive
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Ref:	
Key Decision:	Yes (Policy framework decision)
Part:	I

# **Purpose of the report:**

In July 2015 the Government published its approach to the spending review. This included setting a deadline of 4<sup>th</sup> September 2015 for areas to submit expressions of interest for devolved powers which could be used to inform the Government's future spending commitments.

A shared devolution Statement of Intent was therefore submitted to Government on 4 September. This was led by the leaders of all the councils across the Heart of the South West (HotSW) area, which includes Plymouth City Council, Somerset and Devon County Councils, all Somerset and Devon Districts, Torbay Council, Dartmoor and Exmoor National Parks, together with the Local Enterprise Partnership. In total, the Government received 38 bids from cities, towns and counties across England by the 4<sup>th</sup> September deadline.

The process to produce formal proposals is now underway and they are being co-produced across the HotSW area. The Government's expectation is that a detailed proposition will be submitted before the end of 2015, and formal negotiations on a deal will commence in early 2016.

This report seeks endorsement of the draft proposals, to be submitted in line with the Government's timescales. Any final devolution deal with Government will be subject to further approval /ratification by all councils across the Heart of the South West partnership individually.

# The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:

The Council will seek to utilise the cooperative frameworks that it has developed with neighbouring authorities to ensure that the city's objectives are properly reflected in any devolution deal.

# Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land:

Until detailed devolution proposals are developed, financial implications can only be generalised and it is therefore not clear at this stage what any devolution deal might mean for Plymouth or the subregion.

Furthermore, the Government requires devolution deals to be fiscally neutral, however there is a lack of clarity as to whether this test is applied at a national, regional or sub-regional level, and

# Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

A devolution deal has the potential to impact on the whole city, however any final devolution deal with Government will be subject to further approval /ratification and will require other implications and impacts to be considered at that stage. Therefore no specific implications have been identified at this stage, but these will be addressed where identified as the process evolves.

Some strategic risks have been identified across the whole partnership. There is a clear expectation that Government expects all areas to submit proposals for devolution. A failure to secure a deal could affect the delivery of the Council's ambitions for Plymouth, for example in relation to future growth funding.

There is also a risk of not being able to submit a deal by the agreed deadline because one or more of the partners could choose to withdraw /vote against devolution proposals. To mitigate this, significant discussions are underway between all partners to produce acceptable proposals. Furthermore, the Statement of Intent's working principles include a principle that proposals will not disadvantage any partner, even if they offer no particular advantage to a given area.

# **Equality and Diversity:**

Has an Equality Impact Assessment been undertaken? Yes

# **Recommendations and Reasons for recommended action:**

That the Council:

1. Endorses the current approach to devolution and the drafting of proposals, and the submission and negotiation of a deal for the Heart of the South West, namely:

Working with local authorities, National Parks and the Heart of the South West Local Enterprise Partnership to deliver full proposals for devolution which will seek a formal agreement with Government on a formal devolution deal based around:

- Productivity and economic growth
  - Devolving powers over skills, apprenticeships, and business support, including more flexible, joined up funding and investment
  - Greater control over the public sector property portfolio
- Health, care and wellbeing
  - Reducing ill-health and reliance on health and social care services
  - Support to deliver integration of health and social care

# • Improved connectivity and resilience

- o Better coordination of infrastructure and local growth
- More housing and economic infrastructure
- Improved coordination and delivery of flood and coastal defence, protection and prevention infrastructure
- Governance
  - Proposals to manage any new powers across the Heart of the South West, based on existing decision-making structures where possible, but accepting that new forms of governance may be required by Government, depending on the content of the final deal.

- Passporting' of powers down to more local areas or themes using existing formal decision-making structures where possible, illustrating the HotSW commitment to 'double devolution'.
- 2. Gives delegated authority to the Leader, in consultation with the Chief Executive and the Leader of the Largest Opposition Group, to endorse the final submission to Government of the detailed proposition for a devolution deal before the end of the year.

#### **Reasons for recommendations:**

The Government has clearly set out their expectations that areas should submit proposals for devolved powers against an agreed timetable.

The development of a devolution deal for the Heart of the South West links to Plymouth's "Offers and Asks" lobbying work and develops the detailed business case to support some "Asks" at a sub-regional level.

These recommendations seek to gain authority to pursue solutions that help the Council maximise the opportunities of devolution. They do not commit the Council to a formal devolution deal, only to submit and negotiate proposals.

At this stage of the process the Council is not required to take decisions on the detail of future service provision but rather to be actively aware and involved in discussions.

#### Alternative options considered and rejected:

Alternative approaches would have been (i) to not participate, (ii) to submit proposals based on a different geography or (iii) to submit proposals over a longer timeframe. All of these alternatives have been ruled out based on the advice of senior civil servants. The Government has confirmed that the preferred geography is based on Local Enterprise Partnership boundaries, and the timetable for submission for the HotSW area has been agreed.

# Published work / information:

#### Statement of Intent

#### Equality Impact Assessment

#### **Background papers:**

Title	Part I	Part II	Exemption Paragraph Number						
				2	3	4	5	6	7

#### Sign off:

Fin	akh 151 6.43	Leg	DVS 2429 0	Mon Off	DVS 2429 0	HR	Assets	IT	Strat Proc	
Origir	nating S	MT Me	mber							
Has t	he Cabi	net Me	mber(s)	agreed	l the co	ontent of	the report? Ye	s		