

Council



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Devolution in Suffolk	
Report No:	COU/SE/15/029 [to be completed by Democratic Services]	
Report to and date	Council	22 September 2015
Portfolio holder:	Cllr John Griffiths Leader Tel: 07958700434 Email: john.griffiths@stedsbc.gov.uk	
Lead officer:	Ian Gallin Chief Executive Tel: 01284 757001 Email: ian.gallin@westsuffolk.gov.uk	
Purpose of report:	To seek Council's endorsement of Suffolk's Expression of Interest to Government as the basis for future detailed negotiations with Government; and of the proposed approach to negotiation with Government throughout the autumn, in advance of final sign-off of more detailed proposals by Council.	
Recommendation:	It is <u>RECOMMENDED</u> that Council: (1) endorses Suffolk's ambition for devolution contained in its Expression of Interest to Government as the basis for future detailed negotiation with Government throughout the autumn; (2) endorses the approach to negotiating more detailed proposals with Government; and (3) agrees that following negotiation with the Government, any proposed devolved arrangements will be subject to consideration and agreement by full Council.	

Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>		<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Consultation:		<ul style="list-style-type: none"> The draft devolution proposal at Appendix A is based on intensive engagement across Suffolk by members of the Devolution Working group and Suffolk Public Sector Leaders. Any actual changes to legal arrangements arising from negotiations with Government would be subject to more formal consultation in due course. 	
Alternative option(s):		<ul style="list-style-type: none"> Full Council could decide not to pursue devolution negotiations with Government. 	
Implications:			
<i>Are there any financial implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> Not at this stage. Depending on the outcomes of negotiations with Government, there could be changes to the financial arrangements across the Suffolk public sector in the future. 	
<i>Are there any staffing implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
<i>Are there any ICT implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
<i>Are there any legal and/or policy implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> Not at this stage. Depending on the outcomes of negotiations with Government, there could be changes to the powers and duties held by public bodies in Suffolk in the future. 	
<i>Are there any equality implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
West Suffolk's interests are not fully represented in the negotiations with Government over devolution in Suffolk	Medium	The Leader and Deputy Leader continue to engage in cross-Suffolk arrangements for shaping Suffolk's devolution proposal, including with the delegated authority to sign the final proposal by the end of September.	Low

Ward(s) affected:	All Ward/s
Background papers: <i>(all background papers are to be published on the website and a link included)</i>	See foot of report.
Documents attached:	Appendix A: Draft Suffolk devolution proposal

1. Key issues and reasons for recommendation(s)

1.1 Brief summary of report

- 1.1.1 This report sets out Suffolk's ambition for and approach to devolution based on the Expression of Interest submitted to Government on 4 September 2015. This was developed by councils across Suffolk and public sector partners in response to the Government's invitation as part of the Spending Review to submit fiscally-neutral proposals for devolved arrangements to the Treasury by 4 September 2015.
- 1.1.2 This invitation builds on Government commitment to enhance local autonomy through devolution, reflected in the *Cities and Local Government Devolution Bill* currently before Parliament. The Bill does not impose devolution but offers the opportunity to put forward locally-developed proposals to the government.
- 1.1.3 From the outset, Suffolk's leaders have been eager to make the most of this opportunity and have worked together to develop a shared ambition for devolution. This has been built on Suffolk's strong track record of collaboration and innovation and will serve as the basis for negotiation with the government for a robust deal that will deliver better outcomes for local people.
- 1.1.4 This report asks full Council to endorse Suffolk's ambition based on its Expression of Interest to Government (Appendix A) and approach to devolution (set out in paragraphs 4.1-4.3). A similar report is being considered by all Councils and governing bodies (for health and policing) across Suffolk during September 2015.
- 1.1.5 Following negotiation with the Government, proposed devolved arrangements will be subject to consideration and agreement by full Council.

1.2 Reason for recommendation

- 1.2.1 Suffolk leaders are keen to explore the opportunities offered by devolution as early as possible in order to proactively influence negotiations with the Government and secure the best possible outcomes for Suffolk residents.

2. Devolution – national context

- 2.1 The Scottish independence referendum in September 2014 and publication of the Smith Commission report in November 2014 on further devolution to Scotland, promoted wide-ranging debate about similar devolutionary measures in England, at both national and sub-national levels. After the General Election in May 2015, the new Government emphasised its commitment to devolution by swiftly introducing Cities and Local Government Devolution Bill to Parliament on 28 May 2015.
- 2.2 Initially, the Government's focus was on continuing the devolution of powers and/or funding to large urban areas, particularly to the five existing combined authorities. This included a devolution deal for the Sheffield City Region and the Greater Manchester Health and Care Deal that sees the authorities take control of £6 billion of health and social care spending overseen by a new statutory body from April 2016.
- 2.3 However, as support for devolution grew, the Government announced that all areas were encouraged to come forward with proposals for a devolution deal. As a result, many areas across England have submitted or intend to submit

such proposals to the Government. An outline deal has already been concluded with Cornwall, and other proposals have come forth for example, Gloucestershire.

- 2.4 The *Cities and Local Government Devolution Bill* when passed will provide the legal framework for devolution. The Bill does not impose devolution but gives the Secretary of State the necessary powers to agree bespoke deals with local areas.
- 2.5 As part of his Summer Budget on 8 July 2015, the Chancellor announced that 'significant' devolution deals would need to be submitted to the Government by 4 September 2015 if they were to inform the Spending Review in November. However, it was explained that the September deadline was not absolute and that the Government would continue to consider proposals submitted after that date.

3. Devolution – local context

- 3.1 Suffolk's public sector partners are working collaboratively on a number of projects. These include strategic approaches, such as the Suffolk Growth Strategy,(including projects such as the Bury St Edmunds Eastern Relief Road, Suffolk Business Park and Haverhill Research Park); Suffolk Business Rates Pool; the Single Public Sector Estate; and local examples of integrated working (for example "hub" projects such as in Mildenhall, Bury St Edmunds, Newmarket, Brandon and Haverhill).
- 3.2 This means that nationally, Suffolk has come to be respected as a place for innovation, collaboration and delivery. This was further recognised in 2014 by the granting of £3.3m from the Government's Transformation Challenge Award for the further development of Suffolk's approach to innovation and shared delivery.
- 3.3 However, Suffolk's public sector leaders agreed that as well as collaborating and working in a more integrated way, there was a need for more radical change in order to meet financial challenges and continue to effectively support communities. This led to consideration of the potential benefits of devolution for Suffolk.

4. Suffolk's approach to negotiating a devolution deal with Government

- 4.1 In order to maximise influence over devolution discussions with Government, leaders from Suffolk councils, Clinical Commissioning Groups, the Constabulary and the Police and Crime Commissioner agreed to submit an Expression of Interest to Government on 4 September 2015.
- 4.2 It was agreed this would emphasise Suffolk's ambition for devolution, along with its credibility for delivery and signal that Suffolk is ready to begin negotiations with Government. The Expression of Interest is attached as Appendix A.
- 4.3 The Expression of Interest will form the basis for negotiation of more detailed proposals with Government throughout the autumn. Once concluded these would be subject to further discussion by Council and the appropriate decision making bodies of Suffolk public sector partners.
- 4.4 Any specific requests to the Government for the devolution of powers, responsibilities or funding from national to local level will be supported by business cases and/or cost benefit analysis to demonstrate the benefits to

Suffolk residents and advantages for central Government.

- 4.5 Such proposals will be subject to considerable further work and negotiation. Changes to powers, responsibilities or funding arrangements would require the approval of all constituent councils and other public bodies as well as engagement with residents.

Sources of Further Information

You should include documents relating to the subject matter of the report which:

- Disclose any facts or matters on which the report, or an important part of the matter is based, and

- Have been relied on to a material extent in preparing the report.

As well as any published works or legislation.

Background papers used in preparing the report must be kept for four years from the date of the meeting.

*If you have nothing to add in this box, please do not delete the box. A suitable **phrase** might be: "No other documents have been relied on to a material extent in preparing this report."*

- a) Cities and Local Government Devolution Bill, 28th May 2015
<http://services.parliament.uk/bills/2015-16/citiesandlocalgovernmentdevolution.html>
- b) The Case for Cornwall, July 2015
<https://www.cornwall.gov.uk/council-and-democracy/council-news-room/case-for-cornwall/>
- c) 'A Country that Lives Within its Means' 21st July 2015
<https://www.gov.uk/government/publications/spending-review-2015-a-country-that-lives-within-its-means>
- d) 'We are Gloucestershire' August 2015
<http://www.gloucestershire.gov.uk/article/119533/We-are-Gloucestershire>
- e) Suffolk County Council Cabinet paper: 'Developing Suffolk's Devolution Proposal' 15th September 2015
- f) Suffolk County Council Cabinet Report 'Developing Suffolk's Devolution Proposal' 19 May 2015
http://committeeminutes.suffolkcc.gov.uk/searchResult.aspx?qry=c_committee~~The%20Cabinet