

Information

for County Councillors

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From:	Alastair Highton
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To:	All County Councillors
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Devolution update

Background

The Government has declared its desire to devolve powers and budgets from Westminster to local authorities. The Chancellor of the Exchequer is particularly interested in devolution as a driver of economic growth and reducing reliance on the public purse. He has also expressed his interest in a 'South West Powerhouse.'

In general, devolution is expected to support the following areas of government policy:

- Productivity
- Skills
- Reducing the cost of the public sector

Many devolution deals are already being developed by consortia of local authorities and their Local Enterprise Partnerships. The largest agreed deal so far is the Greater Manchester Devolution Agreement. Known as the 'Northern Powerhouse' this deal will:

- Join up economic growth agendas and public service reform
- Health and social care integration
- Devolve business support and skills/training/apprenticeship budgets
- Create a directly elected Mayor with transport, strategic planning, housing development and Police and Crime Commissioner powers

Cornwall Council have also recently agreed a devolution deal which will give them greater power and influence over business support, skills and employment support, EU funding, and health and social care integration amongst other things.

Expressing an interest in devolution

The government has said that if an area's devolution plans include something that the Spending Review might focus on – for instance better use of public assets - then an 'expression of interest' should be made before the 4 September so it can be considered before the Treasury makes any final spending decisions.

This date is not a deadline for a fully worked-up devolution proposal. Instead, it is a chance to 'put down a marker' and request further discussions. Many areas are aiming to submit an expression of interest by 4 September.

Areas including Gloucestershire and Hampshire with the Isle of Wight have submitted expressions of interest and other areas have written to the Government requesting talks.

The government expects any devolution proposals to reflect Local Enterprise Partnership (LEP) boundaries, and be supported by each area's LEP. Somerset is part of the Heart of the South West Local Enterprise Partnership which covers Somerset and Devon (including Plymouth and Torbay).

Somerset and Devon's expression of interest in devolution

On 5 August the Leader held a summit at Dillington House to discuss how devolution could benefit the South West. It was attended by almost all South West local authority Leaders and Chief Executives.

Following that meeting, Somerset's Leaders and Chief Executives met on 18 August where they agreed to work with Devon local authorities and the Local Enterprise Partnership to submit a devolution expression of interest to government. A similar meeting took place between Devon local authorities on 20 August, where they agreed to work with Somerset's councils and the LEP.

Consequently, Devon and Somerset local authorities have begun work on an expression of interest to be submitted to Government on 4 September.

It will be a joint document between Devon and Somerset local authorities and the Local Enterprise Partnership, and has significant input from Somerset's councils. Its key themes are:

- Economy
- Health
- Infrastructure and local resilience

The expression of interest will set the scene for discussions with government on devolution for the Heart of the South West area.

This is a fast moving discussion and the Leader will provide an update on developments to the September Cabinet meeting.

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