

Division(s):

## **CABINET – 20 OCTOBER 2015**

### **Oxfordshire Devolution**

#### **Report by the Leader of the Council**

#### **Summary**

1. On 4 September, the Leaders of the six Oxfordshire Authorities submitted an expression of interest to government setting out initial proposals for devolution in Oxfordshire for discussion with government. This is attached at Annex A. These proposals were developed together with the Local Enterprise Partnership and the Clinical Commissioning Group and outlined proposals for greater local control over £4bn of funding for transport, skills training and health services. This paper provides an overview of the context, the proposals and the next stages in the process.

#### **Context and national overview**

2. Through its programme of devolution deals, the government is inviting groups of councils to develop proposals for new ways of working that will increase economic growth and improve services. In return, government will consider proposals for devolution of funding and powers on condition that governance arrangements provide robust accountability. Following the General Election, the government is taking forward the Cities and Local Government Devolution Bill to provide a statutory footing for governance arrangements and a framework for future deals.
3. Councils across the country are at different stages of progress with proposals for devolution. During 2014 and early 2015 deals were negotiated and agreed with Greater Manchester Combined Authority, Sheffield City Region, West Yorkshire Combined Authority and Cornwall. It is expected that further deals will be announced during the Conservative Party Conference in October 2015.
4. Following the July Budget, Government invited expressions of interest in further deals for consideration as part of the spending review process to be submitted by 4 September 2015.
5. Ours was one of a total of 34 submissions from groupings of councils across the country. The major themes covered by these proposals are:
  - Skills and employment
  - Transport
  - Housing and planning
  - Fiscal – particularly 100% retention of Business Rates
  - Business support/enterprise/innovation
  - Health and well-being
  - Public estate

## Oxfordshire Devolution Deal

6. Following discussions over the summer, the Leaders of the County and District Councils in Oxfordshire along with the Local Enterprise Partnership and the Clinical Commissioning Group developed initial proposals for an Oxfordshire Devolution Deal. These were jointly submitted as an expression of interest for further exploration on 4 September. The document is attached at Annex A.
7. There is a strong rationale for an Oxfordshire Deal because of the alignment of the local economy and public service providers and our strong joint working arrangements. The countywide Local Enterprise Partnership is aligned with the County, City and District Councils, and county is covered by a single Clinical Commissioning Group. We have already established the Oxfordshire Growth Board bringing together the local authorities and the LEP to deliver commitments in Strategic Economic Plan and the £56m City Deal and £118m Growth Deals already agreed with Government.
8. The expression of interest sets out proposals for how we could achieve faster delivery of our Economic Plan with different ways of working and more local control over funding and issues that are currently hampering delivery.
9. Our proposals are summarised under four main themes:
  - **Delivering the infrastructure – particularly the roads network – that is required to support economic growth** – delivery of infrastructure would be accelerated through sustained and committed funding streams locally secured through tax revenues arising from new development.
  - **Helping people to get the necessary skills and benefit from good jobs created in hi-tech industries** - through devolution and better targeting of funding for skills so it supports development of the skills base needed by local employers; and better coordination of business support programmes to support innovative and entrepreneurial companies.
  - **Tackling housing shortages and affordability** – through aligning strategic infrastructure and housing investment and an integrated approach to strategic planning.
  - **Ensuring health and social care services meet growing demand as the population ages and funding to public services is reduced** – by bringing together the public money spent on the health and social care of Oxfordshire residents and seeking the powers to manage it as a whole.

## Governance

10. The government is placing strong emphasis on the need for local areas to strengthen their governance arrangements as part of their deal proposals and is strongly encouraging areas to consider establishing Combined Authorities.

11. Our submission recognises that strong governance is critical and proposes to build on the robust joint working governance arrangements we already have in place through the Growth Board and the Health and Well Being Board:
  - The Oxfordshire Growth Board is a Joint Statutory Committee charged on behalf of the LEP with the delivery of the Strategic Economic Plan and the City Deal and Local Growth Deals. Membership includes the Leaders of the six local authorities (who are the voting members) together with representatives from the Local Enterprise Partnership including the Oxfordshire Skills Board, Oxford and Oxford Brookes Universities. The Homes and Communities Agency, Environment Agency, Network Rail and the Highways Agency are also represented.
  - The Health and Wellbeing Board oversees all health issues in the County via a well- established Joint Health and Wellbeing Strategy which joins up plans and activities of all the councils and the NHS. The Health and Wellbeing Board oversees c£330 million of pooled budgets, the local Children's Trust and safeguarding boards and takes a lead role on public health, health and housing related issues.
12. Our submission proposes to review the governance arrangements of the Health and Wellbeing and the Growth Board to ensure they are sufficiently robust and aligned to oversee additional functions proposed. We also agree to undertake a governance review of our existing joint working arrangements with a view to establishing a Combined Authority if the devolution on offer was substantial enough to warrant it.

### **Status of the Expression of Interest**

13. The discussions that resulted in the submission of the expression of interest took place over a short period of time and covered a wide range of issues. The submission is one step in a longer process and a number of issues set out in the document have moved on as discussions continue, both locally and with central government.
14. Our submission emphasises that there remain a number of issues in the document that require significant further discussion. It also makes it clear that the proposals have not been subject to wide consultation with councillors or the public and any final proposals will need to be subject to full consultation with Oxfordshire's residents and formally approved by each council.

### **Progressing the Oxfordshire Deal**

15. Following the submission of our Expression of Interest we have been invited to participate in further discussions with officials to develop the proposals over the coming weeks in line with the Spending Review timescales.

16. Working groups have been set up for each of the strands of work involving all authorities, the LEP and key partners. A senior level coordination group has also been established to oversee the development of the proposals.
17. The County, City and District Leaders have agreed to meet to consider revised proposals later in October.
18. If at that stage a further iteration of the proposals are agreed, it is likely this will be followed by a discussion with Ministers and decisions about the next stages agreed.

### **RECOMMENDATIONS**

19. **Action required:** Cabinet are asked to:
  - (a) note the current position in discussions regarding devolution of powers to Oxfordshire, as set out in this paper; and
  - (b) agree that a debate should be held at full council on 3 November on this issue in order to understand all members' views.

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Leader of the Council

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