

# Public Document Pack

**Committee:** Oxfordshire Growth Board

**Date:** Wednesday, 30 November 2016

**Time:** 2.00 pm

## ADDENDA

### **5. Public Participation (Pages 1 - 2)**

Members of the public may ask questions of the Chairman of the Growth Board, or address the Growth Board on any substantive item at a meeting subject to the restrictions set out in the public participation scheme.

Attached is a copy of the speakers and questions received.

### **7. Growth Board Work Programme Review (Pages 3 - 4)**

Statement attached from Oxfordshire Chief Executives.

### **10. Urgent Business - Autumn Statement 2016 Briefing Note on East-West Rail and Oxford-Cambridge Expressway (Pages 5 - 14)**

The Chairman has agreed that the following be considered as an item of urgent business in order that consideration can be given to it in a timely manner:

Autumn Statement 2016 Briefing Note on East-West Rail and Oxford-Cambridge Expressway.

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## **Oxfordshire Growth Board Wednesday 30 November 2016 Agenda Item 5: Public Participation**

**In accordance with the public participation scheme, requests to address the meeting and questions submitted have been listed in the order submitted. The time limit for public participation is 30 minutes.**

Restrictions on requests to address the Board:

- Must be on a substantive agenda item
- May speak for up to 3 minutes.
- With the leave of the Chairman, any questions of clarification asked of the speaker by Growth Board members should be duly answered.
- There will be no debate on any representations made except to the extent that they are considered when the relevant agenda item is considered later in the meeting.

Restrictions on questions submitted to the Board:

- Questions shall be directly relevant to some matter in which the Growth Board has powers and duties and which directly affects the area of Oxfordshire.
- Submitted questions shall be dealt with in the order of receipt by the host authority.
- The questioner may read his/her question, but the Chairman will do so if the questioner wishes for that, or is not present at the meeting. No supplementary question may be asked.
- The Chairman will answer submitted questions. This may take the form of an oral statement, or may be given subsequently in writing to the questioner. A written copy of the response will be circulated to all Growth Board Members. It is intended the written response will be given within ten working days of the meeting.
- No discussion shall take place on the question or the answer.

### **Public Participation Requests**

Request to speak:

**Councillor Hards, Oxfordshire County Council – Item 8  
Councillor Greene, Oxfordshire County Council – Item 8**

**Question:**

**Councillor Hards, Oxfordshire County Council**

What if anything will be the effect of the Chancellor's announcement in his autumn statement that Local Enterprise Partnerships in London and the southeast and in the southwest will be given a funding boost of £683m, and will it help to pay for the infrastructure which is needed to support the 15,000 additional houses which are planned for the Didcot area as part of the Science Vale proposals? This funding of local infrastructure is redirected from the Local Growth Fund, and is supposed to

“improve transport connections, unlock housebuilding, boost skills and enhance digital connectivity.”

## OXFORDSHIRE GROWTH BOARD – 30 NOVEMBER 2016

### Addenda to Item 7, Growth Board Work Programme Review

Oxfordshire Councils' Chief Executives have been considering the best way forward following the resolution of the Growth Board in September:

*Following the publication of the PwC and Grant Thornton reports on local government in Oxfordshire it is clear that there are several areas where joint working may help us realise significant savings and improvements of public services. A working group should be established including Chief Executives and Leaders of local authorities, CCG and LEP to explore how these transformational changes can be progressed in areas including, but not exclusively: infrastructure, skills, economic development, strategic spatial planning, public assets, business rates, health and social care. The working group will investigate, but will not be restricted to reviewing the future function of the Oxfordshire Growth Board and to consider the feasibility of establishing a combined authority for Oxfordshire.*

There have been two externally facilitated half day sessions with Chief Executives and progress has been made on identifying joint projects where savings and better outcomes could be gained by joint work. There is a shared commitment to take this forward.

It has been agreed that joint work should proceed in a number of areas:

Strategic Infrastructure Planning
Children & young people
Influencing proposals for investment in Oxford – Cambridge Corridor
Future of health services
Housing and Care
Future of the Growth Board

In addition discussions are underway regarding a devolution deal for Oxfordshire. All council leaders have expressed support for working up proposals for a mayoral combined authority model. In addition, the Cambridgeshire and Peterborough Devolution deal will be examined in detail. The Autumn Statement commitment to infrastructure and housing investment and to the National Infrastructure Commission's Oxford to Cambridge strategy will shape our ask from government in any deal.

The LEP chief executive is co-ordinating an inter authority working group to refresh our infrastructure investment priorities and the funding models available. Further discussions are now required with DCLG and a meeting for Chief Executives and civil servants has been set up in early December. Council Leaders and partners will consider progress at the earliest opportunity following this meeting. A further report will be made to the next meeting of the Growth Board.

### Oxfordshire Chief Executives November 2016

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## Oxfordshire Growth Board 30 November 2016

### Autumn Statement 2016

### Briefing Note on East-West Rail and Oxford-Cambridge Expressway

#### Funding Overview

1. A new National Productivity Investment Fund (NPIF) will be established to provide £23 billion of additional spending to boost productivity. This will include;
  - a. £1.1 billion to reduce congestion and upgrade local roads and public transport
  - b. £220 million to tackle “pinch points” on ‘strategic roads’
  - c. **£27 million to develop an expressway connecting Oxford and Cambridge**
  - d. **£110 million for East West Rail**
2. £1.8bn of Local Growth Fund has been confirmed, of which £683m will be allocated to Local Enterprise Partnerships in the South East, South West and London. Individual allocations will be announced shortly.

#### East-West Rail (EWR)

3. £100m has been brought forward into Control Period 5 (to 2019) from CP6 (2019-24) “to bring about construction of part of the Western Section of EWR ahead of HS2 in the Calvert area” (where routes and construction of the two projects overlap). Funding also will complete final design work. Note EWR is the only rail scheme nationally to have funding brought forward – supports the view that Oxford to Cambridge is a Government priority.
4. This decision effectively removes the uncertainty of HS2 ‘getting in the way’ (i.e. fear of this scheme happening first so pushing EWR back). Note HS2 is still on track for Royal Assent this year.
5. Network Rail has now been tasked with how £100m will be best used. They are completing their work on three alternative delivery programmes and pricing options before Christmas. This is likely to inform detailed discussion about the programme and delivery mechanisms early in the New Year. A quick decision will be needed as detailed design work is due to commence in February 2017, so everything which affects this needs to be on the table by then.
6. This means the Transport & Works Act Order consultation – which will include events in Bicester and Launton - is now planned to take place in May 2017 (exact dates to be confirmed early in the New Year), with Order submission expected by end of 2017, and a 12 month turnaround for approvals to be obtained (which is tight) to enable construction to start.
7. On the Central Section, the announcement of £10m funding (which is new money) is good news, as it will allow option development and design work, which is already underway, to continue and fund business case work. The process of narrowing down options and understanding benefits / opportunities is going really well (and will support the Western section, by demonstrating it is part of bigger project). On the Eastern Section (Cambridge to Ipswich/Norwich) consultants

Atkins have been appointed to undertake initial 'Conditional Output Statement' work – due to be completed by April 2017.

Oxford to Cambridge Expressway

8. The £27m funding announcement has not been broken down into what it would fund, which will no doubt be finalised as part of the scoping of the next stage of work, but the level implies design and options assessment / business case development. This work will help us understand what the options and costs/benefits are for the route as a whole as well as the section around options and what it could mean in terms of new connectivity, options for development, and what it would mean for the existing A34 corridor.
9. The Expressway is very much seen as complementary to East West Rail, but more so if an alignment round the south of Oxford linking to Aylesbury is taken forward, as this would best meet this objective – other options are closer to the EWR route and therefore have a greater risk of 'substitution' of car for rail travel. However this is obviously one of a number of considerations.

Oxfordshire County Council  
November 2016



# The Spending Review and Autumn Statement Briefing

25th November 2015

Lauren Lucas

## Summary

Today the Chancellor of the Exchequer delivered his second spending review since 2010 and the first under a majority Conservative Government. The statement combines the Spending Review and the Autumn Statement.

## Briefing in full

The key points for local government were as follows:

### Local Government Funding

- The main grant to local government will be phased out. Other sources of income such as council tax and business rates are forecast to grow in cash terms by £6.3 billion by 2019-20, based on the OBR's forecast for local authority self-financed expenditure. Local government spending is forecast to be higher in cash terms by 2019-20 than in 2015.
- DCLG will shortly consult on changes to the local government finance system to pave the way for the implementation of 100% business rate retention by the end of the Parliament. As part of these reforms, the main local government grant will be phased out and additional responsibilities devolved to local authorities. The government will consult on these and other additional responsibilities in 2016.
- Extension of the doubling of small business rate relief (SBRR) in England for 12 months to April 2017.
- The government will issue new guidance to local authorities to encourage them to rein in 'excessive' salaries and do more to drive efficiencies for local taxpayers.

- The government will allow local authorities to spend up to 100% of their fixed asset receipts (excluding Right to Buy receipts) on the revenue costs of reform projects.
- The government will deliver its commitment to a £12 billion Local Growth Fund between 2015-16 and 2020-21.

## **Devolution**

The Statement committed Government to a 'devolution revolution' and made the following pledges:

- Local government to be financially self-sufficient by the end of the Parliament 100% business rate retention.
- Councils will be allowed to cut business rates to boost growth and elected city-wide mayors allowed to raise them for specific projects.
- There will be further commitment to the Northern Powerhouse, including: investment of £13 billion on transport in the North by 2020, a range of investments in scientific research, and supporting further Northern Powerhouse trade missions to key emerging economies.

## **Health and Adult Social Care**

- The ring-fence on public health spending will be maintained in 2016-17 and 2017-18.
- The NHS will receive £10 billion more in real terms by 2020-21 than in 2014-15, with £6 billion available by the first year of the Spending Review so that the government fully funds the NHS's own Five Year Forward View.
- There will be an additional £600 million investment in mental health services. NHS England's Mental Health Taskforce will report in early 2016 and the government will work with them to set out plans for perinatal mental health and coverage of crisis care.
- A social care precept may be introduced by local authorities who are responsible for social care. The precept will work by giving local authorities the flexibility to raise council tax in their area by up to 2% above the existing threshold for spend on adult social care. This is intended to raise £2 billion a year by 2019-20.
- Increase in the Better Care Fund, rising to an extra £1.5 billion by 2019-20.
- £500 million by 2019-20 for the Disabled Facilities Grant.

## Housing

- A cap on the amount of rent that Housing Benefit will cover in the social sector to match the relevant Local Housing Allowance.
- A limit to Housing Benefit and Pension Credit to 4 weeks for claimants who are outside Great Britain, from April 2016.
- Additional Discretionary Housing Payment funding to be made available to local authorities to protect the most vulnerable including those in supported accommodation.
- Deliver 400,000 housing starts by 2020-21, focussed on low cost home ownership. This will include:
  - 200,000 Starter Homes which will be sold at a 20% discount compared to market value to young first time buyers, with a £2.3 billion fund to support the delivery of up to 60,000 of these, in addition to those delivered through reform of the planning system.
  - 135,000 Help to Buy, Shared Ownership homes. The scheme will be open to all households earning less than £80,000 outside London and £90,000 in London, and will relax and remove previous restrictions such as local authorities' rights to set additional eligibility criteria.
  - 10,000 homes that will allow a tenant to save for a deposit while they rent.
  - 50,000 affordable homes from existing commitments.
  - At least 8,000 specialist homes for older people and people with disabilities.
- Consultation on reforms to the New Homes Bonus, including means of 'sharpening the incentive to reward communities' for additional homes and reducing the length of payments from 6 years to 4 years.
- A new rate of stamp duty on second homes to pay for these measures.

## Planning and Regeneration

- Further reforms to the planning system, including establishing a new delivery test on local authorities, to ensure delivery against the number of homes set out in Local Plans.
- Support for the availability of appropriate land for housing, including by releasing public sector land with capacity for 160,000 homes.
- Support for the regeneration of previously developed brownfield sites in the green belt by allowing them to be developed in the same way as other brownfield land, providing it contributes to Starter Homes, and subject to local consultation.

- Consultation on updating the Transparency Code to require all local authorities to record details of their land and property assets in a consistent way on the government's electronic Property Information Management System (e-PIMS).

## Childcare

- Doubling the free childcare entitlement from 15 hours to 30 hours a week for working families with three and four year olds from September 2017.
- Tax-Free Childcare from early 2017, providing up to £2,000 a year per child to help working parents with their childcare costs.
- From 2017-18 an investment of £300 million to increase the average hourly rate childcare providers receive, and at least £50 million of capital funding to create additional places in nurseries.

## Schools

- The Spending Review and Autumn Statement reaffirms the Government's intention to the ending local authorities' role in running schools and all schools becoming academies.
- Protection for the core schools budget in real terms, enabling the per pupil rate for the Dedicated Schools Grant to be protected in cash terms, including £390 million of additional funding given to the least fairly funded areas in 2015-16. The pupil premium will also be protected at current rates.
- Introduction of a national funding formula for schools, high needs and early years. A detailed consultation will be launched in 2016 and the new formulae will be implemented from 2017-18. There will be a transitional period to help smooth the implementation of the new formula.
- Investment of £23 billion in school buildings, 500 new free schools, 600,000 new school places, rebuild and refurbishment of over 500 schools.
- Sixth Form Colleges in England will be given the opportunity to become academies, allowing them to recover their non-business VAT costs.
- By 2019-20 government spending on apprenticeships, including income from the new apprenticeship levy, will be double the level of spending in 2010-11 in cash terms.
- The apprenticeship levy on larger employers announced in the Summer Budget will be introduced in April 2017. It will be set at a rate of 0.5% of an employer's payroll.
- The Mayor of London and the boroughs will jointly commission employment support (outside the Jobcentre Plus regime), to assist the very long-term

unemployed and those with health conditions and disabilities to (re)-enter work.

## **Transport**

- The Roads Investment Strategy will see £15 billion of investment in the Roads Investment Strategy. This will include resurfacing over 80% of the strategic road network, and delivering over 1,300 miles of additional lanes. Future roads investment will be underpinned by a new Roads Fund paid for directly from the revenues of Vehicle Excise Duty from 2020-21.

## **Culture**

- The government will fund capital investments in culture across the country through a total of £1.6 billion by 2020-21.
- The government will explore with the sector the case for introducing a new tax relief for museums and galleries.

## **Business and Enterprise**

- The government is creating 26 new Enterprise Zones, including expanding 8 Zones on the current programme. These include 15 Zones in smaller towns and rural areas.

## **Digital Government**

- The Spending Review invests £1.8 billion in digital technology and transformation projects across the public sector over the next 4 years.
- The Government Digital Service will continue to act as the digital, data and technology centre for government. To support this role the government will provide the Government Digital Service with £450 million.

## **Community Cohesion**

- The government will maintain current levels of funding for community integration programmes. This funding will be targeted to support the recommendations of Louise Casey's review of opportunity and integration in isolated and deprived communities.

## Department for Communities and Local Government

- DCLG will deliver substantial savings through better financial management, enabling the removal of budgetary contingencies that are no longer required and further efficiencies. This includes a further 20% reduction in the department's paybill, with total savings of £94 million from administration expenditure by 2019-20.
- DCLG will also work closely with the Valuation Office Agency to digitise the collection of local taxes, funded through up-front capital investment to support the move to full business rates retention.
- DCLG will provide at least £74 million of funding for the Emergency Services Mobile Communications Programme.
- DCLG will operate the £12 billion Local Growth Fund.
- DCLG will continue to oversee delivery of devolution deals agreed with city regions and other areas.

## Comment

Dr Jonathan Carr-West, Chief Executive of LGiU commented:

This was not the slash and burn budget many feared. The Chancellor was keen to emphasise that public spending cuts would be at half the rate of the last Parliament and there were middle England giveaways on museums, sport and policing levels. Nonetheless, we are still looking at significant year on year reductions in public spending.

The Chancellor can use the Spending Review to try and change the size of the state, but only local government can help him change the shape of the state.

It's no good building houses unless you are also building communities. Housing needs to be linked to planning, social care, economic development and public service reform. Only local government can link these up in an effective and democratic way. That's why devolution matters.

Money for the local growth fund, the abolition of uniform business rates, the ability to spend the proceeds of asset sales and devolution deals on transport, planning and infrastructure are all good things and the Chancellor should be praised for them but they are only a first step. A ring-fenced precept for social care is hardly localist.

If we are to realise the Government's ambition for a country that spends less but to greater effect, we need fuller and faster devolution to give every part of the country complete control over public services and over public finances.

The full documents relating to the spending review and autumn statement can be viewed [here](#).

LGiU will be briefing further on all matters relating to local government and local democracy in the coming days and weeks.

**For more information about this, or any other LGiU member briefing, please contact Janet Sillett, Briefings Manager, on [janet.sillett@lgiu.org.uk](mailto:janet.sillett@lgiu.org.uk)**

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