

**THE GOVERNMENT'S DEVOLUTION AGENDA – WORCESTERSHIRE
DEVOLUTION DEAL**

Relevant Portfolio Holder	Cllr Margaret Sherrey
Portfolio Holder Consulted	Yes
Relevant Head of Service	Kevin Dicks
Ward(s) Affected	All
Ward Councillor(s) Consulted	None Specific
Key Decision / Non-Key Decision	Non-Key Decision

1. SUMMARY OF PROPOSALS

- 1.1 To update the Council on the proposals to secure a devolution deal for Worcestershire.

2. RECOMMENDATIONS

Council is asked to:

- 2.1 note the report and attached summary document on Worcestershire's emerging case for devolution;
- 2.2 supports the direction of travel as set out in the attached summary document; and
- 2.3 receives a further report in 2016 to determine the Council's approach to devolution.

3. KEY ISSUES

Financial Implications

- 3.1 None contained in this report. The Council has contributed £5,000 alongside all other district councils in Worcestershire to secure support from KPMG for the progression of Phase 2 of the work needed on the devolution deal. This was met from existing budgets.

Legal Implications

- 3.2 The legal implications are set out in the report.

Service / Operational Implications

Devolution discussions in Worcestershire

- 3.3 Devolution isn't new. In the late 1990s, the UK Parliament devolved powers to the legislatures of Scotland, Wales and Northern Ireland. However, in England, the concept is a more recent one. Powers for creating Combined Authorities, which allow local authorities to combine their economic development and

strategic transportation functions in a new body created by the Secretary of State, which can also receive additional functions, go back as far as the Local Democracy, Economic Development and Construction Act 2009.

- 3.4 The most recent emerging legislation is the Cities and Local Government Devolution Bill 2015. This is still progressing through the Parliamentary process and is subject to change. However, the government intends that this legislation will define the way in which the devolution agenda progresses. It would open up the mechanisms for Government to confer powers on to public bodies such as County or District Councils. It would also simplify the creation or alteration of a Combined Authority or Unitary Council.
- 3.5 The Coalition government announced the Manchester deal ('Devo Manc') in 2014 and this was followed by a deal in relation to the Sheffield City Region. Since the 2015 election, the new government has been swift to announce some emerging devolution deals including the first non-metropolitan one for Cornwall as a single county.
- 3.6 As of September 2015, 38 local authorities, including Worcestershire, expressed an interest to central government to pursue options for devolving powers. These 38 will now enter negotiations with government, with the results being the first true demonstration of the level of appetite that the newly elected government has for devolution of power, and shape the local government environment for the next decade.
- 3.7 With devolution stories so far being predominantly city-focused, Worcestershire has the opportunity to push this agenda forward in relation to a county acting as a pioneer for developing a suitable governance arrangement for a more typical non-urban county as well as an ambitious set of priorities to achieve genuine results.

The Worcestershire position

- 3.8 Building on the existing shared commitment for public sector reform and economic growth, in September 2015 all seven local authority Leaders in the county signed the attached summary document signalling their intent to work together on the case for devolution across a Worcestershire footprint. The commitment to work together also includes wider public sector partners including the Police, LEP and local Clinical Commissioning Groups.
- 3.9 Up to September 2015, developing the case for devolution has primarily focused on outlining a discrete set of initial 'asks' and 'offers'. These build on existing plans for Worcestershire, but focus on the added value that a devolution deal could bring. The six main themes are outlined below and are all underpinned by improved data sharing:
 - Public Estates
 - Connecting People
 - Health and Social Care Reform
 - Infrastructure and Investment
 - Skills and Innovation

- Environment.

A presentation was given to members on 13th October 2015 outlining these in more detail.

- 3.10 Early discussions around potential future governance arrangements with the seven Leaders have concluded that there is no appetite (red line) for a move towards a unitary deal and any governance model would need to be proportionate to the 'deal' if and when agreed.

Next Steps

- 3.11 Working closely with civil servants in DCLG, BIS, the Treasury and local Partners the focus over the next three months will be to further develop the detail within each of the specific themes for devolution. This will involve:-
- Seeking Member and Partner feedback on draft propositions
 - Agreeing timelines for negotiations and initial appetite for proposed priorities
 - Further development of the detail on the high level business cases and the proposed future governance arrangements; and
 - Continued engagement with Members and local Partners.
- 3.12 A further report will be brought back to Council in 2016 to enable a formal decision to be made upon the Council's approach to devolution in the light of the new legislation and ongoing work and discussions.

Customer / Equalities and Diversity Implications

- 3.13 None at this stage

4. RISK MANAGEMENT

- 4.1 None specifically contained in the report. Council will have to consider the potential devolution deal in full and assess the risks / benefits of each element to Bromsgrove District.

5. APPENDICES

Appendix 1 Worcestershire's Case for Devolution Summary Document V7

6. BACKGROUND PAPERS

Cities and Local Government Devolution Bill

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