



**COUNCIL**

Wednesday, 23 September 2015

**SUFFOLK DEVOLUTION (REP1292)**

| <b>PURPOSE OF REPORT</b> |  |
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| 1.                       | This report sets out Suffolk’s ambition for, and approach to, devolution based on the Expression of Interest (Appendix A) submitted to Government on 4 <sup>th</sup> September 2015. This was developed by Waveney District Council, alongside both Suffolk local government and wider public sector partners, in response to the Government’s invitation to submit formal, fiscally-neutral, proposals for devolved arrangements to the Treasury by 4 September 2015, ahead of the Spending Review. |
| 2.                       | The Government invitation builds on the commitment to enhance local autonomy through devolution, reflected in the <i>Cities and Local Government Devolution Bill</i> currently before Parliament. The Bill does not impose devolution but offers the opportunity to put forward locally-developed proposals to the government.   |
| 3.                       | Suffolk’s Leaders are collectively eager to make the most of this opportunity for Suffolk 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 devolution deal that will deliver better outcomes for local people.   |
| 4.                       | Full Council is asked to consider Suffolk’s ambition and approach to devolution as set out in Suffolk’s Expression of Interest (Appendix A); and to endorse the Cabinet’s recommendation that the Expression of Interest forms the basis for future detailed negotiation with Government throughout the autumn of 2015.  |

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| Is the report Open or Exempt? | Open |
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| <b>Wards Affected:</b> | All |
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| <b>Cabinet Member:</b> | Cllr Colin Law, Leader<br>Cllr Mike Barnard |
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| <b>Supporting Officer:</b> | Stephen Baker<br>Chief Executive<br>01394 444378<br>stephen.baker@eastsoffolk.gov.uk |
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## Background & National Context

1. Following the General Election in May 2015, the new Government emphasised its commitment to devolution by swiftly introducing the Cities and Local Government Devolution Bill to Parliament on 28 May 2015.
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.
3. As support for devolution widened, the Government further announced that it would not be confined to large urban areas. 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. An outline deal has already been concluded with Cornwall, and other proposals are being developed across the country.
4. The *Cities and Local Government Devolution Bill* provides the legal framework for such devolution. The Bill gives the Secretary of State the necessary powers to agree bespoke deals with local areas.
5. As part of his Summer Budget on 8 July 2015, the Chancellor announced that 'significant' devolution deals would have to be submitted to the Government by 4 September 2015 if they were to inform and be agreed by the Comprehensive 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.
6. 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 by 4<sup>th</sup> September 2015. 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.

## Local Context

7. For many years Suffolk Councils and wider public sector partners have worked collaboratively across a number of projects, and continue to do so. These include strategic approaches, such as the Suffolk Growth Strategy which, working with partners and New Anglia LEP helped secure the Gt Yarmouth and Lowestoft Enterprise Zone and Ipswich City Deal; the Business Rates Pool, and the Single Public Sector Estate; and many more local examples of community budgeting and integrated working such as Connect Sudbury and Lowestoft Rising.
8. 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.
9. There is also a recognition, however, amongst Suffolk's public sector Leaders that as well as collaborating and working in a more integrated way, there is a need for more radical change in order to meet the forthcoming financial challenges and still effectively support local communities. This consensus led to consideration of the potential benefits of devolution for Suffolk. Suffolk's public sector Leaders therefore first began initial discussions on the opportunities offered by devolution in advance of the General Election, including with the Minister for Housing and Planning (Brandon Lewis MP).

## Negotiating Suffolk's devolution deal

10. Suffolk's Expression of Interest was submitted to Government on 4<sup>th</sup> September 2015 by the public sector Leaders (see Appendix A). That Expression of Interest will form the basis for negotiation of more detailed proposals with Government throughout the autumn, with the expectation of some conclusions in 25<sup>th</sup> November 2015 Autumn Statement.
11. Once concluded these will then be subject to further discussion by Full Council and the various appropriate decision making bodies of Suffolk's public sector partners.
12. Any specific requests to the Government for the devolution of powers, responsibilities or funding from national level to local level will be supported by business cases and/or cost benefit analysis to demonstrate the benefits to Suffolk residents of any changes, and advantages for central Government.
13. 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.

## Financial & Risk implications

14. It is difficult to anticipate the resource implications for the Council and wider public sector in Suffolk prior to any detailed negotiations with Government. The Treasury have stated however that any devolution proposals need to be fiscally neutral. There is a risk for Suffolk that by not entering into early negotiation with Government centrally developed, inappropriate and ineffective, solutions could be imposed on the people of Suffolk.

## Reason for recommendation

15. Council could decide that pursuing a devolution proposal is not appropriate for Suffolk. Suffolk's Leaders are keen however to proactively influence and negotiate with Government as early as possible in order to secure the best possible outcomes for Suffolk residents. It is therefore proposed that Suffolk enters into these negotiations with Government as soon as possible once the ambition and approach (set out in Appendix A) have been democratically agreed and endorsed.

### RECOMMENDATIONS

1. Endorse Suffolk's ambition for devolution, as contained in its Expression of Interest to Government (Appendix A).
2. Endorse the Cabinet's recommendation that the Expression of Interest (Appendix A) forms the basis for future detailed negotiation with Government throughout the autumn of 2015.
3. Agree that following negotiation with Government, proposed devolved arrangements will be subject to consideration by Full Council.

### APPENDICES

#### Appendix A

Suffolk's Devolution Expression of Interest

| <b>BACKGROUND PAPERS</b> |   |   |
|--------------------------|---|---|
| <b>Date</b>              | <b>Type</b>                                 | <b>Available From</b>   |
| 28.05.15                 | Cities and Local Government Devolution Bill | <a href="http://services.parliament.uk/bills/2015-16/citiesandlocalgovernmentdevolution.html">http://services.parliament.uk/bills/2015-16/citiesandlocalgovernmentdevolution.html</a>                                     |
| July 2015                | The Case for Cornwall                       | <a href="https://www.cornwall.gov.uk/council-and-democracy/council-news-room/case-for-cornwall/">https://www.cornwall.gov.uk/council-and-democracy/council-news-room/case-for-cornwall/</a>                               |
| 21.07.15                 | 'A Country that Lives Within its Means'     | <a href="https://www.gov.uk/government/publications/spending-review-2015-a-country-that-lives-within-its-means">https://www.gov.uk/government/publications/spending-review-2015-a-country-that-lives-within-its-means</a> |
| August 2015              | 'We are Gloucestershire'                    | <a href="http://www.gloucestershire.gov.uk/article/119533/We-are-Gloucestershire">http://www.gloucestershire.gov.uk/article/119533/We-are-Gloucestershire</a>   |