



Full Council
Date: 27 July 2015

Devolution in Lincolnshire

Report by:	Chief Executive
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Purpose / Summary:	The purpose of this report is to seek Council's approval to devote financial, officer and political resources to work with the Greater Lincolnshire local authorities and others partners to develop options and the business cases for devolution. This report provides information on the background and makes recommendations to progress this work including allocation of funds which can be drawn upon if immediate decisions are needed in partnership meetings.

<p>RECOMMENDATIONS:</p> <p>It is recommended that Council:</p> <ol style="list-style-type: none"> (1) Considers this report of the Chief Executive (2) Recognises that devolution is the opportunity the Council focuses on and endorses our engagement with partners. (3) Endorses that the Leader of the Council and Chief Executive develop this work as their top priority. (4) A budget of £100,000 be approved and delegated to the Chief Executive which can be used to make contributions to any partnership work required to develop case for a deal. This budget will be funded from the General Fund Reserve
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IMPLICATIONS

Legal: None from this report

Financial:

FIN/47/16 The requested budget of £100,000 will be funded from the General Fund Reserve and managed by the Chief Executive for the purpose of contributing towards the costs of the development of a business case.

The Corporate Policy and Resources Committee will be informed of the decision of the Council at the next available meeting.

Staffing : None from this report

Equality and Diversity including Human Rights : None from this report

Risk Assessment :

The development of a business case may not result in a devolved Lincolnshire Settlement.

It relies on a collective voice between all the partners and as a result a shared ambition for the area. The CE and the Leader of the Council will need to personally provide high level commitment in all Councils including this Council.

Climate Related Risks and Opportunities : None from this report

Title and Location of any Background Papers used in the preparation of this report:

Cities and Local Government Devolution Bill

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

x

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

x

No

1 Executive Summary

- 1.1 This report to Council outlines the devolution agenda that has emerged over the last few years.

It details some of the benefits and opportunities that the current Government has offered to local government in areas such as skills, transport, infrastructure, housing, policing, health and welfare.

- 1.2 The focus is on collaboration and collective leadership rather than structures and the development of credible business cases. These are some of the requisites outlined for local areas to negotiate 'deals' with Government.
- 1.3 The focus is on achieving a 'deal' for the Greater Lincolnshire area as this is co-terminous, having the scale for health, policing and economic prosperity and it also represents the area covered by the Greater Lincolnshire Local Enterprise Partnership (GLLEP).
- 1.4 This report asks Council to endorse the Council's engagement with other Councils to develop a shared vision and business case.

2 Background

- 2.1 Since 2011, Local Enterprise Partnerships (LEPs), based broadly on County areas, were established following the abolition of regional government and enterprise bodies.
- 2.2 Local government and the LEPs (GLLEP) and Humber LEP in Lincolnshire have developed new roles and responsibilities that were delivered at a regional level.
- 2.3 The austerity back drop of reduced funding and a reduced state presence has meant a greater focus on localism and the current split it represents for outcomes across national government bodies and local level subjects such as skills is deemed not as effective in delivering outcomes (results). For example it may be more efficient to deliver universal benefits at a regional level but it is questioned how this helps get people into work, especially developing the right skills needed both at present and in the future such as engineering, IT and management skills, which are issues at a district level as well as nationally.
- 2.4 The last four years have seen the development of 'City Deals' and Essex County with its districts have been pilots for whole place, community budgets, where public spending controlled at a national level is devolved to enable more effective and efficient delivery. This work has informed the Government's Devolution Policies.
- 2.5 Government recognises that where many different public bodies deliver services for a similar outcomes, it is not only inadequate but also inefficient. For example, to develop skills amongst those who are unemployed. There are at least the following bodies with responsibilities; Department of Work and Pensions, Job Centre Plus, Universities, Collages, Schools, National Skills Agencies, Local Authorities. The pooling of these budgets at a local level could mean more

efficient and tailored services. The same applies to Health, Criminal Justice, Benefits and infrastructure. For example, CIL and Section 106 will fund less than 10% of infrastructure the rest being contributions from existing budgets at national or local level.

3 Proposals

- 3.1 Following on from the success of last year's Greater Manchester Deal, local authorities have been encouraged to develop local devolution deals, as this is seen as a more effective approach than Unitary Councils. The view is that restructuring takes time and money and there is no conclusive evidence of savings let alone this approach not addressing what residents and businesses need from services that work in delivering improved skills, roads etc.
- 3.2 Meetings have taken place between County, District and the South Humber Unitary Councils and it has been agreed that Chief Executives be tasked to develop options.

4 Risk Assessment

- 4.1 Councils and areas which started this work over the last year have prepared deals that will be submitted before the next spending review.
- 4.2 The continued focus on structures such as unitary status or other options will distract from limited time that needs to be focused on a devolved greater Lincolnshire or County option.
- 4.3 County Council's proposals for a Unitary Council appear to have been dropped by the County and announcements have been made by the Leader of the County Council and reported in the local press to that effect. The risk is all Councils getting up to speed on the devolution work and building the relationships for a shared ambition for a Greater Lincolnshire.
- 4.4 The Chief Executive and Leader will need to devote a large part of their time to this agenda and reduce other priorities.
- 4.5 How we set focussed priorities including work on devolution is a separate item at this Council meeting

5 Resources

- 5.1 Resources including funding for specialist resources to develop business cases will be needed. Therefore it is proposed a £100,000 budget is allocated and delegated to the Chief Executive. This decision is to avoid delays in committee meetings as the Council does not operate a cabinet system to enable more timely decisions as Leaders and Chief Executives meetings may need decisions to contribute funds to the work required.

5.2 Some resources may be provided at a national level, however, the majority of these resources are focussed on the first wave of councils who have submitted deals.

6 Conclusion

6.1 It is recommended that Council having considering the report of the Chief Executive:

- a) Recognises that devolution is the opportunity the Council focuses on and endorses our engagement with partners.
- b) Endorses that the Leader of the Council and Chief Executive develop this work as their top priority.
- c) A budget of £100,000 be delegated to the Chief Executive which can be used to make contributions to any partnership work required to develop the business case for a deal, and that this be funded from the General Fund Reserve.