

Cherwell District Council

Executive

5 October 2015

<h3>Expression of Interest for Devolution to Oxfordshire</h3>

Report of the Chief Executive

This report is public
Appendix 1 is exempt from publication by virtue of paragraph 3 of Schedule 12A of Local Government Act 1972

Purpose of report

To advise Members of the recent proposal which set out the areas for devolution that Oxfordshire authorities are interested in exploring further with central government.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the report.

2.0 Introduction

2.1 Following the 'no' vote in the September 2014 Scottish independence referendum, the Prime Minister announced that, alongside proposals for additional devolution to Scotland, Wales and Northern Ireland, It was also important to have wider civic engagement about how to improve governance in the United Kingdom, including how to empower the cities.

2.2 This followed the production of several reports during 2014 making proposals for the transfer of additional powers to local authorities, or to local areas. These built upon the 2012 report No Stone Unturned: in Pursuit of Growth ('the Heseltine report'), which recommended the merging of various funding streams to provide much greater local responsibility for economic development. Efficiency in public service provision, triggered by continuing reductions in local government funding, is also prioritised within the more recent reports.

The changes proposed include:

- Giving new powers in specific policy areas to local authorities;

- The transfer of additional budgets alongside those powers;
- Enhanced power over local taxes (council tax and business rates), additional local taxation powers, and more flexibility around borrowing and financial management;
- The creation of combined authorities and/or directly-elected mayors

2.3 Subsequently, a 'devolution deal' was announced by the Government and the Greater Manchester Combined Authority in November 2014. Further deals followed with Sheffield (December 2014), West Yorkshire (March 2015) and Cornwall (July 2015). Additional powers for Greater Manchester were also announced in February 2015 (relating to health and social care) and in July 2015.

2.4 Following the 2015 General Election, the Chancellor, George Osborne, gave a speech on 14 May in which he said that a 'Cities Devolution Bill' would feature in the 2015 Queen's Speech:
 "A central part of our Queen's speech will be a bill to enable a radical new model of city government".

"Here's the deal":

"We will hand power from the centre to cities to give you greater control over your local transport, housing, skills and healthcare. And we'll give the levers you need to grow your local economy and make sure local people keep the rewards".

He went on to say however that

"It was right that people have a single point of accountability: someone they elect, who takes the decisions and carries the can.

So with these new powers for cities must come new city-wide elected mayors who will work with local councils.

I will not impose this model on anyone. But nor will I settle for less".

2.5 The Cities and Local Government Devolution Bill 2015-16 has subsequently passed through the House of Lords, and received its First Reading in the House of Commons on 21 July 2015. This will give statutory foundation to various aspects of the devolution deals, and will form a framework for further deals to be agreed with other areas.

2.6 The Government also confirmed that they were willing to receive additional proposals, but to have their proposals taken into account in the autumn 2015 Spending Review, any further proposals for devolution from local areas were required to be submitted to the Treasury by 4 September 2015.

3.0 Report Details

3.1 As a result of this further call for bids, an initial expression of interest for Oxfordshire (attached as Appendix 1) has been developed by the Leaders of Oxfordshire local authorities, along with the local clinical commissioning group and other local partners. This has been submitted to the treasury, and the formal response is awaited. Should this have been received by the time of the meeting then a verbal update will be given.

- 3.2 The bid was prepared at speed in order to meet the very demanding timetable and there therefore remain a considerable number of issues in the document that require significant further discussion. There has not yet been wide consultation with councillors or the public. Any final proposals that are developed from these initial ideas will need to be the subject of full and proper consultation with Oxfordshire's residents and then be formally approved by each council.

4.0 Conclusion and Reasons for Recommendations

- 4.1 This report is to draw Members attention to the recently submitted expression of interest in respect to a Devolution deal for Oxfordshire.

5.0 Consultation

The document was signed by all of the Oxfordshire local Authority leaders, by the Chairman of OXLEP and by the Chief Executive of the Oxfordshire Clinical Commissioning Group

6.0 Alternative Options and Reasons for Rejection

- 6.1 Not applicable. This report is for noting only.

7.0 Implications

Financial and Resource Implications

- 7.1 There are none in connection with this particular report, but should the bid progress further then there could be considerable financial implications for the Authority.

Comments checked by:

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Legal Implications

- 7.2 There are none in connection with this particular report, but should the bid progress, then there could be considerable legal implications, particularly in respect to any potential new governance arrangements.

Comments checked by:

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8.0 Decision Information

Key Decision

Financial Threshold Met: No

Community Impact Threshold Met: No

Wards Affected

All

Links to Corporate Plan and Policy Framework

Accessible, Value for Money Council
District of Opportunity
Safe and Healthy
Cleaner Greener

Lead Councillor

Councillor Barry Wood – Leader of the Council

Document Information

Appendix No	Title
1 EXEMPT	Delivering Growth Through Innovation - Expression of Interest for Devolution to Oxfordshire
2	Press Release
Background Papers	
None	
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