

# Cherwell District Council

## Executive

4 April 2016

<b>Devolution – Update</b>
----------------------------

### Report of Chief Executive

This report is public

#### Purpose of report

To provide an update on devolution and to authorise further joint working in support of it.

#### 1.0 Recommendations

The meeting is recommended:

- 1.1 That Executive agree to work with the other District Councils and partners to further develop the initial unitary devolution proposals.
- 1.2 That Executive agree that independent consultants should be jointly appointed by the Districts to undertake detailed work on viability and sustainability and governance; specialist work on collaboration around Children and Adult services; public consultation and involvement; and preparation of a revised Devolution Deal and a contribution of up to £50k be made to facilitate those studies. This will be funded from General Fund balances.

#### 2.0 Report Details

- 2.1 Following the July budget in 2015 the Government invited expressions of interest from local authorities for devolution proposals. The councils in Oxfordshire worked together with the Local Enterprise Partnership and the Clinical Commissioning Group during the autumn of 2015 on proposals for an ambitious devolution deal with Government, with the aims of securing greater powers and funding locally to realise our economic growth potential, and to reform the way that public services are designed and delivered locally.
- 2.2 In summary, the proposals included:
  - Bring together NHS services with local government social care to save money on the £1bn budget and provide better services for patients and tackle the challenge of our ageing population.
  - Creating a new infrastructure investment fund to back a locally agreed investment programme to deliver the roads and infrastructure we need.

- Tackling housing shortages and affordability – through aligning strategic infrastructure and housing investment and an integrated approach to strategic planning.
- Taking on responsibility for skills funding and apprenticeships better targeting of funding for skills so it supports development of the skills base needed by local employers; and better coordination of business support programmes to support innovative and entrepreneurial companies.

2.3 The proposals included the creation of a Combined Authority through which the councils would work in partnership with the Clinical Commissioning Group and the Oxfordshire Local Enterprise Partnership and South East Midland Local Enterprise Partnership where necessary to collectively coordinate strategic services in which economies of large scale can be secured (e.g. transport planning) across a wider geographical area. The proposals rejected the option of a directly elected Mayor as not appropriate for an area as diverse and rural as Oxfordshire and South Northamptonshire.

2.4 Following discussion of the initial proposals in December 2015, more detailed proposals were submitted in February. Following an initial positive response, Government has made clear that the proposals would only make progress if they are accompanied by either a directly elected Mayor, or a move to Unitary Councils.

### **Unitary devolution proposals**

2.5 At their budget meeting on 16th February, Oxfordshire County Council put forward proposals for a consultation on Government and made it clear that their preference was for a single Unitary County to cover the whole County. The Oxfordshire District Councils and those for Cotswold and South Northants do not believe that a single county-wide unitary authority is the right solution for Oxfordshire and have put forward alternative proposals for a number of Unitary authorities. It is believed this would offer a better solution for the people of this District for two key reasons:

- It would allow decision-making and service delivery to better reflect the different challenges and priorities of the communities that we represent in different parts of the county; and
- It would build on a strong track record of sound financial planning and service transformation that are at the heart of good governance and effective service delivery.

2.6 The proposal is to abolish the existing local councils, including the County and to create new Unitary Authorities that would be responsible for running all of the local services within their local area. The preferred option is for four new Unitary Authorities that would come together where necessary to collectively coordinate strategic services in which economies of large scale can be secured (e.g. transport planning). In view of the successful partnerships and close working relationships that already exist in the north and west of the county, the Oxfordshire District Leaders have agreed to explore a Unitary Option that includes both Cotswold District Council and South Northamptonshire Council.

2.7 The new Unitary Councils would form a Combined Authority Joint Committee for strategic joint work and commissioning, and would work in partnership with the National Health Service, Police and the Local Enterprise Partnership in Oxfordshire and neighbouring county areas to coordinate services that need to be managed across a wider geographical area.

2.8 The proposals have been drawn up in support of the substantive elements of the original devolution proposals and are intended to provide a better approach to the implementation of those proposals.

### **3.0 Conclusion and Reasons for Recommendations**

3.1 There is clearly a lot of detail to be worked through over the coming months. The next step will be to jointly commission independent experts with our partners to produce detailed, costed plans for the preferred option and test them against other options to ensure the best and most cost-effective solutions. It is proposed that our Council contribute up to £50,000 to jointly commission this detailed work.

3.2 Detailed proposals will be considered by each of the Councils prior to full public consultation in the summer. We would need to be certain of the benefits for the residents of the district.

### **4.0 Consultation**

Consultation has at this preparatory stage been limited to the district councils.

### **5.0 Alternative Options and Reasons for Rejection**

5.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not to support the study – This is not supported as it is important that the councils are able to make an informed decision based on a sound evidence base..

### **6.0 Implications**

#### **Financial and Resource Implications**

6.1 The cost of the work required will be funded jointly by partner authorities. It is estimated that the cost will be up to £50k to support the initial study on viability and sustainability and governance; specialist work on collaboration around Children and Adult services; public consultation and involvement; and preparation of a revised Devolution Deal.

6.2 The contribution from this council will be funded from General Fund balances.

Comments checked by:

Paul Sutton, Head of Finance and Procurement, 0300 003 0106  
paul.sutton@cherwellandsouthnorthants.gov.uk

#### **Legal Implications**

6.3 Whilst the restructuring of local government in the area has fundamental legal implications, there are none arising directly from this report.

Comments checked by:

Kevin Lane, Head of Law and Governance, 0300 0030107,  
kevin.lane@cherwellandsouthnorthants.gov.uk

## Risk Implication

- 6.4 There is a significant risk that without commissioning the suggested work to develop the proposals and test their viability and cost against comparators, potential changes to the structure of local government will not deliver the most cost-effective solutions or the best outcomes for residents.

Comments checked by:

Paul Sutton, Head of Finance and Procurement, 0300 003 0106  
paul.sutton@cherwellandsouthnorthants.gov.uk

## 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

All

### Lead Councillor

Councillor Barry Wood

## Document Information

Appendix No	Title
None	None
Background Papers	
None	
Report Author	James Doble
Contact Information	01295 221587 james.doble@cherwellandsouthnorthants.gov.uk