

The purpose of this paper is to invite Members to comment on the Devolution Proposals recently submitted to government on behalf of the 15 Councils forming Hampshire and the Isle of Wight.

No. DETAIL

I) BACKGROUND

- a) Earlier this month a document titled *Devolution for the People of Hampshire and the Isle of Wight* was submitted to Ministers as *A Prospectus for discussion with Government* on behalf of the 15 Councils covering the geographical area of Hampshire and the Isle of Wight along with two Local Enterprise Partnerships and two National Park Authorities.
- b) It is hoped that the proposals in it will be agreed as part of the Spending Review later this year.
- c) The full 38-page document can be accessed by <u>this link</u> and the shorter Executive Summary is attached to this Report.

2) PURPOSE

a) Its purpose is the establishment of a new Combined Authority of Hampshire and the Isle of Wight to which all 15 Local Authorities in the area have signed up:

| Councillor Roy Perry | Councillor Mark Hook |
|---|---------------------------------------|
| Leader of Hampshire County Council | Leader of Gosport Borough Council |
| Councillor Jonathan Bacon | Councillor Stephen Parker |
| Leader of Isle of Wight Council | Leader of Hart District Council |
| Councillor Donna Jones | Councillor Michael Cheshire MBE |
| Leader of Portsmouth City Council | Leader of Havant Borough Council |
| Councillor Simon Letts | Councillor Barry Rickman |
| Leader of Southampton City Council | Leader of New Forest District Council |
| Councillor Clive Sanders | Councillor Peter Moyle |
| Leader of Basingstoke & Deane Borough Council | Leader of Rushmoor Borough Council |
| Councillor Ferris Cowper | Councillor Ian Carr |
| Leader of East Hampshire District Council | Leader of Test Valley Borough Council |
| Councillor Keith House | Councillor Stephen Godfrey |
| Leader of Eastleigh Borough Council | Leader of Winchester City Council |
| Councillor Seán Woodward Leader of Fareham Borough Council | |

b) The document states that the proposals are structured around four themes: business and skills, housing delivery, infrastructure investment and public service transformation.

3) GOVERNANCE

- a) There is no indication of the proposed structures for the new Combined Authority or how it would relate to the existing Local Authorities.
- b) The section of the document dealing with this *Chapter 6: Governance and Consultation* is by far the shortest at just 227 words.
- c) One Governance it states:

The HIOW partners will undertake a full governance review, exploring all options including a Combined Authority with a directly elected mayor as well as other forms of democratic governance, such as committee governance and executive arrangements, to determine the most appropriate, robust and cost-effective governance solution for the HIOW area. This will be developed on the basis of partners' agreement to support proposals for a HIOW Combined Authority, building on partners' existing powers, responsibilities and boundaries, and the outcome of our negotiations with Government.

d) On Consultation it states:

We are committed to engaging the public and all relevant local partners in our governance review, including our eight Clinical Commissioning Groups and wider health partners, Hampshire Constabulary and the Police and Crime Commissioner, Fire and Rescue services, parish and town councils and the voluntary and community sector. Should our proposals be agreed as part of Spending Review 2015 we would expect to conduct a full public consultation in the spring of 2016.

4) **RECOMMENDATION**

Members are recommended to consider the proposals in the document and determine whether any further action is required at this time in connection with them.

Devolution for the People of Hampshire and the Isle of Wight

A Prospectus for discussion with Government



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Front cover: Aerial view of Port of Southampton, image courtesy of Destination Southampton Inside cover: Farnborough Airport, image courtesy of TAG Farnborough Airport

Foreword

Dear Ministers

Our shared ambition for Hampshire and Isle of Wight

The 15 local authorities, two Local Enterprise Partnerships and two National Park Authorities in the Hampshire and Isle of Wight area, together with our many partners, have worked collaboratively and successfully over a long period to foster a prosperous economy that supports a high quality of life in one of England's most attractive regions. However, there is more we want to do, and there are challenges we need to address. We are now taking a momentous step together in seeking devolution, to gain greater control of the decisions that affect the residents and businesses whose interests and wellbeing we put first. We are doing so in order to increase the **productivity** of our economy and our public services.

To achieve our dual ambition raising the standard of living for all our residents while protecting the unique character of Hampshire and the Isle of Wight we need to help our businesses to thrive. To achieve this, and generate the wealth the UK economy needs, we must give our young people the education and skills they need to find good jobs; build high-quality homes that local people can afford; and fund the essential infrastructure that supports their lives and helps businesses to grow. This requires long-term planning and investment and sustained local commitment that is not dependent on changing national priorities – which is why we are asking to be entrusted by Government with a radical degree of freedom and responsibility.

This Prospectus is our offer for a devolution deal with Government. If we can reach agreement, we will see new powers and investment transferred from Whitehall to Hampshire and the Isle of Wight, so that we can manage our area's affairs locally and engage our communities more closely. This will simplify our accountability, and give residents and businesses more control over the issues that matter to them. There will be no expensive reorganisation. We have agreed that new powers will be exercised transparently and through existing bodies as far as possible, with area-wide arrangements only used where this will promote strategic working or reduce bureaucracy and cost.

As leaders of local government and business in Hampshire and the Isle of Wight we have big long-term ambitions. We want to be in the vanguard of English devolution for years to come, so that we can help our area benefit from every opportunity to grow and prosper. We recognise that there will be further negotiations, which we will enter in a positive spirit; but as a first step on this journey, we hope that this document demonstrates our commitment, credibility, imagination and ability to deliver.

The Hampshire and Isle of Wight offer is a **golden opportunity** for Government and the whole UK, and we believe you will not find a better place to achieve growth and increase productivity. We look forward to discussing our proposals with you.

Councillor Roy Perry Leader of Hampshire County Council

Councillor Jonathan Bacon Leader of Isle of Wight Council

Councillor Donna Jones Leader of Portsmouth City Council

Councillor Simon Letts Leader of Southampton City Council

Councillor Clive Sanders Leader of Basingstoke & Deane Borough Council

Councillor Ferris Cowper Leader of East Hampshire District Council

Councillor Keith House Leader of Eastleigh Borough Council

Councillor Seán Woodward Leader of Fareham Borough Council

Councillor Mark Hook Leader of Gosport Borough Council

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Councillor Peter Moyle Leader of Rushmoor Borough Council

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Councillor Ian Carr Leader of Test Valley Borough Council

Councillor Stephen Godfrey Leader of Winchester City Council

Geoff French Chair of Enterprise M3 Local Enterprise Partnership

Gary Jeffries Chair of Solent Local Enterprise Partnership

Oliver Crosthwaite-Eyre Chair of New Forest National Park Authority

Margaret Paren OBE Chair of South Downs National Park Authority

The following partners have indicated their support for the Hampshire and Isle of Wight devolution bid and their wish to work collaboratively with us:

Simon Hayes Police and Crime Commissioner for Hampshire and Isle of Wight

Andy Marsh Chief Constable, Hampshire Constabulary

Councillor Chris Carter Chair, Hampshire Fire and Rescue Authority

Councillor Charles Chapman Chair, Isle of Wight Fire and Rescue

Dave Curry Chief Fire Officer, Hampshire Fire and Rescue and Isle of Wight Fire and Rescue

Executive Summary

The Hampshire and Isle of Wight (HIOW) partnership consists of the 15 councils, two National Park Authorities and two Local Enterprise Partnerships in Hampshire, the Isle of Wight, Portsmouth and Southampton. We represent the largest 'county area' economy in the UK, close in scale to Wales and Greater Manchester. Together we commit to working with Government to **maximise our productivity potential**, delivering a £3 billion boost to the UK economy.

Our devolution proposals are structured around four themes – business and skills; housing delivery; infrastructure investment; and public service transformation. They will clearly deliver on the Government's productivity plan and rural productivity plan: more homes built, a more efficient local planning system, further expansion of broadband, better mobile connectivity, improved transport connections, a higherskilled workforce with employers setting the skills agenda locally, higher employment and better wages.

We will live within our means

• HIOW will forego Revenue Support Grant and other grants in exchange for retention of 100% business rates generated within the area, ensuring fair distribution locally and securing the financial sustainability of the Isle of Wight. This will deliver local jobs and homes and reduce the national welfare bill.

We will build more homes

 In return for sufficient commitment from Government on infrastructure and land release, HIOW will accelerate housing delivery, completing two years early our Local Plan commitment of 76,000 homes by 2026. As part of this deal we will also go further and increase delivery by an additional 500 homes a year in priority categories: rural affordable, low-cost starter, council newbuild and extra care, making use of exception sites and prioritising redundant public land.

We will boost enterprise, skills and employment

 HIOW will deliver locally designated and funded Enterprise Zones, a Catapult to exploit our technology strengths; a devolved arrangement with the Skills Funding Agency to provide an integrated business-led skills and training system; and integrated services to move NEET young people and economically inactive residents into sustained employment.

We will help businesses expand

• HIOW will deliver an integrated business support service; work with UKTI to directly support international growth businesses; and secure transport improvements to capitalise on our unique marine and aerospace assets and connectivity to London.

We will invest in infrastructure

• HIOW will deliver a 10-year Transport Investment Fund; a closer partnership with Network Rail and Highways England; integrated road network

management; better public transport and faster broadband; and planning powers to make development acceptable to local communities.

We will transform public services

• HIOW will share core capacity to reduce the cost of service outcomes; develop transformative digital platforms; reimagine public services; deliver a single adoption service; and pursue innovative approaches to health and social care integration and 'blue light' collaboration.

We will bring decision-making closer to communities

• HIOW will widen and deepen devolution locally, seeking opportunities for district and parish councils to take on functions and co-design/co-deliver services with communities.

We will protect the local character of our diverse area

• HIOW will grow the economy in urban and rural areas without destroying what makes them special; maintain valued open spaces through measures such as greenbelt; and work hard to bring local people more into the design of their own communities.

Our strong tradition of collaboration brings together many high-performing bodies as well as our extended public sector family, including Health bodies, Hampshire Constabulary and Hampshire and Isle of Wight Fire and Rescue Services. This broad and capable partnership provides a platform for the successful delivery of our devolution proposals.

This Devolution Prospectus is the start of our journey with partners and with Government. The scale and complexity of our area will put us in the forefront of devolution during the current and following Parliaments, as we work to realise our vision of ambitious and independent local people and businesses, shaping their own future in globally competitive cities, prosperous towns, sustainable villages and productive countryside.

