



Report to the Partnership for Urban South Hampshire Overview and Scrutiny Committee

Date: 22 November 2016
Report of: David Williams, PUSH Lead Chief Executive
Subject: Devolution Update

SUMMARY

To update the PUSH Overview and Scrutiny Committee on the efforts to secure devolution to the Solent area and activity exploring local government reorganisation. This report has been requested by the Chairman of the Joint Committee and timing issues with the report preparation means that there may be an update to report at the meeting.

RECOMMENDATIONS

The Overview and Scrutiny Committee is recommended to:

1. NOTE the latest position on devolution discussions within the Solent area.

1. **Devolution Discussions**

1.1 There are three distinct elements to the devolution work currently underway with PUSH local authorities. These are:

- Isle of Wight Council, Southampton City Council and Portsmouth City Council are seeking to secure devolved powers and additional new funding to enhance the economic prosperity of the Solent area; a Solent Combined Authority comprising an elected mayor, the Solent LEP and the three unitary councils would be required to be created to deliver a Solent devolution deal
- Hampshire County Council are exploring options for local government reorganisation and seeking public opinion on this and alternative devolution proposals, prior to supporting any devolution deals. The options being explored by the County Council include the whole of the County Council administrative area and the three unitary councils. The consultation was informed by the report that the County Council commissioned from Deloitte
- The six Heart of Hampshire (HoH) Districts are undertaking an analysis of local government options that would support the creation of a Combined Authority which is currently not an option for their communities without County Council agreement. The Heart of Hampshire & Solent authorities have-commissioned PWC to explore solutions which would be complementary in HoH and Solent areas.

1.2 **The Solent Combined Authority**

1.2.1 The three unitary authorities are following the prescribed pathway for the consideration of the creation of a Combined Authority. As part of this they have recently completed a consultation exercise to:

- a) explore whether the public support the conclusions of a draft Governance review that the setting up of a Solent Combined Authority would improve the exercise of Statutory Functions in the three unitary authority areas
- b) explore whether the public support the areas to be devolved and the governance arrangements for the combined authority
- c) help inform the finalisation of the Governance review and the publication of the final Scheme for the combined authority

1.2.2 More than 2,500 people took part in the consultation and the results were:

- a) 71 per cent of those responding were in favour of moving power and funding for the economy, transport and jobs from central government to groups of local councils working together
- b) 71 per cent supported the idea of the Isle of Wight Council, Portsmouth City Council, Southampton City Council and the Solent Local Enterprise Partnership working closer together

- c) When asked about specific themes a combined authority should get powers for,
- 1 75 per cent were in favour of more local powers for support for businesses to grow,
 - 2 74 per cent of respondents backed extra powers for transport
 - 3 New responsibilities for skills and employment were favoured by 73 per cent; and
 - 4 70 per cent agreed with local powers for housing and infrastructure planning.
- d) When asked about the best way to secure and manage new powers and funding, the majority of respondents agreed with having a combined authority headed by a directly elected mayor

1.2.3 As well as the public survey, Solent LEP ran an engagement process with businesses simultaneously and gained similar levels of support from the businesses that they engaged with.

1.2.4 The decisions relating to the creation of a Combined authority are Executive decisions and the three unitary authorities will be taking reports to their Cabinets over the next few weeks about the Solent Combined Authority. The first authority considering this will be Portsmouth on 12th October and the final one will be Isle of Wight on 24th October. Subject to the decisions of the three Cabinets, a submission could be made to the Secretary of State requesting him to create a Combined Authority for the area of the three unitary councils. Whilst there have been criticisms about the consultation process from one of the neighbouring local authorities, it will be for the Secretary of State to decide whether a Solent Combined Authority is likely to improve the exercise of relevant statutory functions within the proposed area and whether the consultation has been meaningful and sufficient.

1.2.5 If a submission is made to the Secretary of State and he decides that a Solent Combined Authority will improve the exercise of Statutory Functions there will be a Parliamentary legislative process to be followed before the Solent Combined Authority comes into being. Whilst it will be a decision for the Combined Authority, the three unitary leaders have made a clear commitment that they will invite Solent LEP, Hampshire County Council and the Solent Districts to join the Combined Authority as non-constituent members.

1.2.6 It is hoped that the devolution deal for the Solent will be announced shortly. The Solent Combined Authority would be the vehicle for delivering the deal.

1.3 **Hampshire County Council**

1.3.1 Hampshire County Council have just finished their consultation process based on the work they commissioned from Deloitte - "Options for future local government in Hampshire". Ipsos MORI were commissioned as part of this process.

The Hampshire County Council consultation asked people for their opinion on the following options:

- Option 1 - Create one or more combined authority
 - Option 1A: create a single Combined Authority called the *Hampshire and Isle of Wight* Combined Authority
 - Option 1B: create two separate Combined Authorities called the Heart of Hampshire Combined Authority and the Solent Combined Authority [NB this is a different geography to the Solent Combined Authority consulted on and being considered by the three unitaries]

- Option 2 - Reorganise to a unitary council model
 - Option 2a: create a single unitary council for the existing Hampshire County Council area
 - Option 2b: create three new unitary councils for the existing Hampshire County Council area and neighbouring areas of Portsmouth and Southampton (Greater Portsmouth would provide all local government services in the areas covered by the existing council areas of Portsmouth, Fareham, Havant and Gosport; Greater Southampton would provide all local government services for the area covered by Southampton, New Forest and Eastleigh; and North Hampshire would provide all local government services for the area covered by Winchester, Basingstoke, East Hampshire, Hart, Rushmoor and Test Valley)

1.3.2 Hampshire County Council are due to take a report to their Full Council in November 2016 when the results of the consultation will be reported and any future actions will be agreed.

1.4 **Heart of Hampshire**

1.4.1 The Heart of Hampshire Districts and the County Council had been exploring the potential benefits of creating a Combined Authority for their area. However, Hampshire County Council wished to undertake a public consultation before they would be prepared to support this. Without the County Council support it is not possible for the Heart of Hampshire Districts to progress their proposals.

1.4.2 PWC have been commissioned by both HoH districts and the Solent district and unitary authorities to undertake a quantitative and qualitative analysis of possible options for local government including how the existing two tier structure could work more effectively and efficiently. This work is ongoing and will be based upon collaboration and solutions will be complementary in HoH and Solent.

RECOMMENDATIONS:

The Overview and Scrutiny Committee is recommended to:

1. NOTE the latest position on devolution discussions within the Solent area.

APPENDICES

None

ENQUIRES: For further information on this report please contact:

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