

Note of last City Regions Board meeting

Title: City Regions Board
Date: Monday 25 January 2016
Venue: Westminster Suite, 8th Floor, Local Government House, Smith Square, London, SW1P 3HZ

Attendance

An attendance list is attached as **Appendix A** to this note

Item	Decisions and actions	Action
1	Welcome and Declarations of Interest Sir Richard Leese welcomed board members and noted apologies. There were no declarations of interest.	
2	RSA RSA Sir Richard welcomed Charlotte Alldritt, Director of Public Services and Communities at the Royal Society for the Encouragement of Arts, Manufactures and Commerce (RSA), to the meeting. The RSA had approached the City Regions Board with regards to sponsorship of an independent commission on economic inclusion which would examine and support cities in the next stage of the devolution process. Charlotte discussed how the commission would examine the social challenges of cities, exploring reasons for differing levels of economic potential and helping as many people as possible to benefit from economic growth. The commission would have one chair and eight or nine commissioners. It would recognise the interrelationship between cities and their surrounding areas and would be a cross party, non-political body. It would produce a number of interim reports and a final report, setting out key policy recommendations. The commission would arrange seminar series and engagement led activities. As ideas were still being developed at this stage, Charlotte requested that board members feedback on proposed ideas for the commission, including its name. In the discussion which followed, board members raised the following points:	

- It was important that the commission built on and did not duplicate issues which had been covered before. The report produced by Lord O'Neill had touched on similar areas, and therefore, it would be important to link the reports together and consider how they would reference each other. The approach and methodology in part four of the appendix was highlighted as particularly important when considering how devolution would affect the lives of constituents represented by board members and in understanding what was preventing some areas taking advantage of the devolution offer.
- The commission's methods of direct engagement needed to be carefully considered as some communities had already been asked many questions by bodies working on similar areas. A key component for making the commission work was to co-ordinate it with work already happening and avoid a fragmented approach. Members were assured that though the commission would take account of other work going on, it would remain independent.
- The wider LGA including all regions and cities would need to have the opportunity to feed into the report. Individuals appointed to the commission should have a wide range of experience and include those from all areas of the country. It would also be important to get the perspective of individuals at public service level. Board members were assured that this would be the case.
- There was concern that the language currently used to explain what the commission could achieve did not do it justice. The commission needed to clarify what it would try to influence. The case had to be made for doing things differently. "Good, well directed growth" was suggested as an example of how language could be positively used.

Decisions

The City Regions Board:

1. **Noted** the report.
2. **Agreed** it would contribute to setting up the commission.

3 LGA support offer - devolution

LGA support offer - devolution

Rebecca Cox, Principal Policy Adviser, introduced the paper. She asked that members give officers a steer on how the LGA's support offer on devolution could progress, asking which areas support was needed (such as on governance or knowledge sharing). She advised board members that there would be an event in June and that it would be useful to have guidance on its content.

In the discussion which followed, board members raised the following points:

- As it was clear there were shared elements to devolution deals, the LGA should focus on information it could provide on those elements so that all councils were able to take up the most ambitious offer possible.
- It would be useful to know the progress of all devolution deals and to have examples of how things would improve in specific areas as a result.
- As devolution would now be a significant part of local government, it would be useful if the topic was embedded in the LGA's training programmes. Councillors would need the right skills to ensure they were equipped for changes.
- Members commended the planned member working group on how the LGA should work with combined authorities and Mayors as part of its governance arrangements.
- The LGA should play a role in developing the scrutiny arrangements of combined authorities. It was discussed how backbench councillors could be engaged in the scrutiny process and a piece of work on scrutiny was requested.
- There needed to be a wider range of members involved in the devolution journey and it was suggested that information on devolution should be made more accessible to councillors. The LGA hub was not necessarily best placed to provide support to members, and the training focus needed to be for both councillors and officers. Those in different areas also needed to learn from each other and a system where members could talk to each other and share experiences was suggested.
- There had been complexities in some areas when forming combined authorities and there was concern that there were still legal issues in the devolution bill which members had no collective understanding of.
- The asks of and successes of devolution deals should be made more available to members so that there could be consistency in requests to government when negotiating devolution deals. Authorities would then be able to learn from each other.

Actions:

1. LGA officers to include scrutiny in the wider governance work.
2. With reference to existing devolution deals, LGA officers to share as far as possible the proposals made by places.

Decisions:

The City Regions Board:

1. **Noted** the report.
2. **Agreed** the next steps in taking forward the LGA's devolution support offer.

4 Devolution within England

Devolution within England

Rebecca Cox, Principal Policy Adviser, advised the board that the Devolution Bill was expected to receive royal assent shortly. She also highlighted that the Buses Bill would be of interest to the board.

In the discussion which followed, board members raised the following points:

- There was a clear skills shortage within local government in some areas. For example, a lot was spent on agency workers in social care. Skills training needed to be invested in in the localities.
- Members discussed the complexities of agreeing devolution deals in two tier areas and the implications of the recent amendments to the Bill. They asked officers to continue to monitor progress in non-metropolitan areas and to share learning where appropriate.
- Members felt that combined authorities would be a significant part of the future and asked that the LGA look at researching models of governance that could help new combined authorities in their development. Members reiterated the LGA's line that models of governance should not be a one size fits all proposition. Members also discussed how transport and police areas would work with combined authorities.
- The complex relationship between councils and MPs was discussed. In some cases, it was felt the latter had limited knowledge of the local communities and devolution debate. This needed to be addressed as it could compromise work already achieved.
- It was emphasised that it would be important to engage all people in areas considering devolution deals. Everyone would need to be involved in the process as there was more to be gained by working together. It was argued that it would be important for the Secretary of State to hold this line.

Members asked officers to refresh the work of a few years ago looking at functional economic areas. It was also argued that fiscal devolution beyond business rates needed to be considered.

Actions:

1. LGA officers to continue to monitor devolution deals and support

authorities where necessary.

2. LGA officers to refresh their map of functional economic areas.
3. LGA officers to look at fiscal devolution beyond business rates.
4. The LGA to continue to develop its support offer and integrate this with its broader improvement work.

Decisions:

The City Regions Board:

1. **Noted** the report.
2. **Agreed** the next steps in taking forward the LGA's campaign for devolution.

5 Local Government Finance Update

Local Government Finance Update

Bevis Ingram, Senior Adviser, summarised the LGA's response to the Spending Review/Local Government Finance Settlement. He advised the board that analysis on the impact of this had been carried out and that a response had been submitted to the Department of Communities and Local Government.

In the discussion which followed, board members made the following points:

- There was a tendency to see the present time as year 0, when in fact this was the sixth year of local government spending cuts.
- Some members felt the term flat cash was misleading, as it suggested the government was giving local government more money. Members requested that the LGA take this into consideration.
- It was felt that raising council tax by 2% would not be enough to help address rising adult social care costs.
- There needed to be a focus on the formula for business rates that the Communities Secretary had requested and ensure that this would work for local government. It was important to make this work for the future and come up with a single voice in this area.
- It was argued that a fair system needed to have an element of redistribution in it, a definition of what needed to be spent and an understanding of a council's ability to raise funds. Although a 2% rise in council tax would be quite significant for the shire counties,

it was important not to underestimate how difficult it was going to be in some areas. More work needed to be undertaken in this area.

Decisions:

The City Regions Board:

1. **Noted** the update.

6 Meeting with Secretary of State Greg Clark MP - 13 January 2016

Meeting with Secretary of State Greg Clark MP - 13 January 2016

Board members **agreed** that the note summarised the meeting accurately.

Members raised the following points regarding the meeting:

- Although it was difficult to get to a meeting when only 48 hours' notice was given, it was acknowledged that the Communities Secretary had been under substantial pressure and that it was important he continued to receive support from urban areas.
- Problems around the definition of reserves was raised, as sometimes councils were unable to draw on money that was considered a reserve. Money that belonged to schools, for example, was already set aside and the Housing Revenue Account was not available to use for the general fund, but showed as a reserve until it was spent. It was requested that work should be undertaken to make a more realistic point on this.

Mark Lloyd, Chief Executive of the LGA, advised the meeting that although there could be changes to the draft settlement, they would be marginal. The Communities Secretary had found it useful to meet with councillors to talk about the settlement. Mark advised the board that the settlement had included a postponement option and a redistribution option. As the latter could bring more money into the formula if the better care fund was introduced earlier, it was important that the Communities Secretary should hear councillors' voices on this.

Members were advised that the Communities Secretary was expected to publish around the 8th February (about the time of the parliamentary break).

Decisions:

The City Regions Board:

1. **Noted** the minutes and **agreed** they were an accurate summary of the meeting.

7 Note of the Previous Meeting

Decisions:

The City Regions Board:

Noted and **agreed** the minutes of the previous meeting.

Appendix A -Attendance

Position/Role	Councillor	Authority
Chairman	Sir Richard Leese CBE	Manchester City Council
Vice-Chairman	Cllr Robert Light	Kirklees Metropolitan Council
	Cllr Paul Watson	Sunderland City Council
Deputy-chairman	Mayor George Ferguson CBE	Bristol City Council
	Cllr Abigail Bell	Hull City Council
Members	Cllr Sean Anstee	Trafford Metropolitan Borough Council
	Cllr Robert Alden	Birmingham City Council
	Cllr John Beesley	Bournemouth Borough Council
	Cllr Donna Jones JP	Portsmouth City Council
	Mayor Jules Pipe	Hackney London Borough Council
	Mayor Joe Anderson OBE	Liverpool City Council
	Cllr Jon Collins	Nottingham City Council
	Cllr Sir Albert Bore	Birmingham City Council
	Cllr Nick Forbes	Newcastle upon Tyne City Council
	Cllr Simon Letts	Southampton City Council
Apologies	Cllr Judith Blake	Leeds City Council
	Cllr Iain Roberts	Stockport Metropolitan Borough Council
Apologies	Cllr Peter Rankin	Preston City Council
	Cllr Helen Holland	Bristol City Council
	Cllr Tudor Evans OBE	Plymouth City Council
	Cllr Roger Lawrence	Wolverhampton City Council
	Cllr Ann Lucas OBE	Coventry City Council