

Devolution Framework

Purpose

For discussion and direction.

Summary

This paper proposes how the Board may wish to influence the LGA's activity concerning the Government's Devolution Framework due to be published this autumn.

Recommendations

That the People and Places Board:

1. **Note** the context for the LGA's work relating to Devolution at paragraphs 1-5.
2. **Consider and comment on** the proposed five key sector asks in forming the basis of a letter to the Secretary of State to influence the framework.

Action

Subject to Members' comments, draft a letter to the Secretary of State on behalf of the People and Places Board and City Regions Board outlining the key asks of the sector to influence the upcoming Devolution Framework.

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Background

1. The LGA has been broadly supportive of the government's English devolution policy since 2010, recognising that even if it doesn't go as far as we would like, it still offers the potential to significantly improve how decisions are made and how public services are funded for some local areas. However, we have consistently made the case that the benefits of transferring power and resources to the local level should be available to all parts of the country, not just those areas covered by a Mayoral Combined Authority. We have also found common cause with the local government associations across the UK in insisting that powers must be devolved beyond national structures.
2. There are now seven Mayoral Combined Authorities across England which are mostly concentrated in urban areas. Devolution deals have also been agreed with Combined Authorities in the North East, West Yorkshire and also with Cornwall.
3. The eighth Mayoral Election will take place in North of Tyne in May 2019. Recent signals from within government have strongly indicated that there is limited Ministerial appetite for further deals of this type.
4. The Cabinet reshuffle earlier this year has seen a further change in MHCLG leadership and potentially ministerial priorities. Several months later, it remains unclear when a direction of travel for devolution policy will emerge.
5. A commitment to develop a common devolution framework - interpreted as a mechanism to access local devolution in England outside the Mayoral Combined Authority governance model - was contained in the Conservative Manifesto. We are expecting this framework to be announced this autumn. Early indications suggest that it may focus on public service reform and elements of devolution that sit outside the economic growth agenda.
6. Without further devolution, decisions will continue to be made in Westminster, removed from communities that they affect. Given the expertise of the Board there is an opportunity to influence the development of this framework and re-engage Departments across Whitehall to support the devolution of services and resources.

Next steps

7. With consideration to this agenda and the LGA's work in this area to date, Lead Members of the People and Places Board agreed the following proposed next steps at their previous meeting:
 - 7.1 Officers to propose five key devolution aspirations and asks of councils and bring to the People and Places Board for discussion and comment;

- 7.2 Invite a representative from MHCLG to attend the next People and Places Board to better understand their thoughts and timescales around the Devolution Framework. At the time of writing, no official has yet been secured. **Members' steer on whether to pursue this for a future meeting would be welcomed.**
- 8 Having considered a range of devolution bids made previously and reflecting on the asks of the LGA nationally we have highlighted five areas for devolution that stand out as most pressing for local government. It is worth noting that some of these asks are in line with what Combined Authorities have been granted as part of their deals and therefore might be outside of the scope of government thinking for the Devolution Framework.
- 8.2 **Skills and employment**
- 8.2.1 The opportunity to work closely with Department for Work and Pensions (DWP) on locally integrated employment service
 - 8.2.2 The devolution of the Adult Education Budget
- 8.3 **Enterprise and growth**
- 8.3.1 Joint export plan agreed with the Department of Investment and Trade
 - 8.3.2 A devolved approach to business support
- 8.4 **Housing, planning and place shaping**
- 8.4.1 Compulsory purchase powers
 - 8.4.2 The ability to create Development Corporations
 - 8.4.3 Greater powers over strategic planning
 - 8.4.4 Greater control of public assets at a local level
- 8.5 **Transport and Infrastructure**
- 8.5.1 Bus franchising
 - 8.5.2 Greater flexibility of funding for infrastructure
- 8.6 **Fiscal Devolution**
- 8.6.1 Greater flexibility locally (as outlined in the fiscal devolution paper)
- 9 Members are asked to comment on the proposed key sector asks outlined above and highlight any areas that they feel are missing.
- 10 Government have indicated that they are planning to publish the Devolution Framework before Christmas 2018. We understand that no firm decision has been made in regards to the content of the framework and whilst the department is likely to have a view, writing to them at this stage provides an opportunity to put on record the view and priorities of the sector.

Action

- 11 Members consider and comment on the proposed five key sector asks of the Devolution Framework to form the basis of a letter to the Secretary of State.**