

To: City Executive Board

Date: 14 April 2016

Report of: Assistant Chief Executive

Title of Report: Devolution – Update

Summary and recommendations	
Purpose of report:	To update the Board on devolution and to authorise further joint working in support of it.
Key decision:	Yes
Executive Board Member:	Councillor Bob Price
Corporate Priority:	Efficient and Effective Council
Recommendation(s): That the City Executive Board resolves to:	
<ol style="list-style-type: none"> 1. Agree to work with the other District Councils and partners to further develop the initial unitary devolution proposals. 2. Agree that independent consultants should be jointly appointed by the Districts to undertake detailed work and a contribution of up to £50k be made to facilitate those studies. 3. Recommend Council to allocate the budget of £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. This will be funded from reserves and balances. 	
Appendices	

Introduction and background

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. In summary, the proposals included:

- Bringing 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.

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 Local Enterprise Partnership where necessary to collectively coordinate strategic services in which economies of large scale can be secured (eg. 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.

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

5. At their budget meeting on 16 February, Oxfordshire County Council put forward proposals for a consultation to Government and made it clear that their preference was for a single Unitary County to cover the whole County. The District Councils 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. In our view, this would offer a better solution for the people of Oxford and Oxfordshire 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.

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 (eg. 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.

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.
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.

Next Steps

9. 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 Oxford City Council contribute up to £50,000 to jointly commission this detailed work.
10. 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 Oxford.

Financial implications

11. 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.
12. The contribution from Oxford City will be funded from reserves and balances.

Legal issues

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

Level of risk

14. 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 in Oxfordshire will not deliver the most cost-effective solutions or the best outcomes for residents.

Equalities impact

15. There are no equalities implications arising from the commissioning of the studies outlined in the report.

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