

HAMPSHIRE PARTNERSHIP

Date:	9 December 2014
Title:	Devolution in Hampshire

1. Summary

1.1 The purpose of this paper is to share with the Hampshire Partnership recent developments around issues relating to devolution, following the recent referendum in Scotland, the Prime Minister's statements and more recently Lord Smith's report on new powers for Scotland. The outcome from each of these events has seen a move by the Government to consider devolution issues in England generally, and for local government in particular. The recent announcements by the Chancellor in relation to the North West of England (and potentially Leeds and Sheffield) indicates a willingness on the part of Central Government to devolve further powers to local government. The nature, shape and form of this devolution is not yet clear across the country or for local government in Hampshire. The Leader of the Council has asked that the Partnership is updated.

2. Recent Decisions at Hampshire County Council (HCC)

2.1 The County Council at its meeting on 17 July 2014 considered a motion proposing a move to a Unitary County Council. This was overwhelmingly rejected by the County Council which agreed as follows:

“That this Council continues to investigate efficiency savings that can be made by working further in close partnership with Borough and District Councils in Hampshire, whilst always seeking to ensure that current services are protected and where possible improved for the good of our local communities and without the significant waste of money and negative impact on public services which the investigation of unitary arrangements would bring.”

2.2 In effect this was a significant step in favour of the existing 'two tier' model of local government that exists in Hampshire and throughout many parts of England. About half the population of England lives in a 'two tier model' of government. Some would argue more where Parish and Town Councils exist.

2.3 Increasingly, the spokesmen for Government and the leading opposition parties recognise that devolution and future change should be on existing structures and boundaries. Presumably a recognition that a (relatively expensive) top down restructure of local government at a time of financial austerity would be counter productive particularly without strong public support. The last attempt at such a model in favour of regional models attracted little public support.

- 2.4 This position is strongly supported by the County Council given its extensive partnership agenda and the success of its direct public service provision. The Hampshire Partnership being one manifestation of that partnership working.
- 2.5 More recently the County Council at its meeting on 27 November 2014 considered a motion directly relating to devolution which was unanimously passed by all sides in the Council in favour of:

“Whilst applauding the outcome of the Scottish Referendum, Hampshire County Council calls upon her Majesty’s Government and the European Union to devolve more powers with appropriate funding, not just to Scotland but existing levels of local government at County, District and Parish level in England. In particular this Council calls upon Her Majesty’s Government and the European Union for a transfer of powers, with adequate capacity and resources, from unelected and unaccountable quangos, both in the UK and the EU, to existing democratically elected Councils that are answerable to their local communities.”

“In addition, this Council believe that the principle of subsidiarity in multi-tiered government means that devolution does not stop with moving powers, functions and budgets from central Government to local government, but also within local government from Counties to Districts and Parishes, where they exist, and from Districts to Parishes. Council commits to develop a programme to consider its own powers, functions and budget and how these could be devolved closer to the people of Hampshire.”

- 2.6 Both motions now create the beginning of the Council’s policy towards devolution, involving the retention of the two tier model on existing administrative boundaries and devolution being based on the existing organisations - the whole County Council with Districts being the building block.

3. The Devolution Debate

- 3.1 While government or opposition parties have shown no interest in reorganisation, there has been recognition of ‘County regions’ alongside ‘city regions’. The County Council Network having argued strongly that the economic power of County Councils being significant. Informal discussions with Ministers indicate that there is no prescription for two tier areas but what matters, at least as much as the quality of the arguments, is that there is unanimity across particular areas. Hence the importance of today’s discussion which will enable the views of the Partnership to be heard.

4. Devolution of what?

- 4.1 Examples of potentially devolved activities have been in skills, regeneration, planning functions, transportation, highways functions and related financing devices. Many of these relate to the (potential) economic prosperity of an area. The County Council also believes that devolution should not only be about economic potential or geography of an area but about the importance of devolution to:

- A place, that people recognise;
- An area that has capacity to provide first class public services (the County Council is one of the leading authorities in the Public Sector Transformation Network);
- Has capacity, competence and resilience to do more; and
- Has the financial strength to take a long term view and manage the ebb and flow of resources.

4.2 In addition to recognising existing organisations and boundaries, the role of other public sector provision should be recognised (e.g. Police and Fire), the importance of the private sector and the LEP geography recently introduced by government. Hampshire's preferred position therefore is to build on the two tier model, and join with other Council authorities where it makes sense to do so, recognising that issues of scale, capacity and deliverability will be important. For example, one model could be Hampshire with Districts, the Unitaries of Southampton and Portsmouth and the Isle of Wight, where we have extensive relationships. This would fit for instance with existing partnerships with Police and Fire. The population of such a body could be some 2 million people. Other models and geography exist.

4.3 The purpose of today's discussion was to harvest views and opinions recognising that within Whitehall unanimity of parties will be important. While this discussion has become embedded in local government structures, it is axiomatic that whatever form it takes effective partnership working with the voluntary and private sectors will be key.

4.4 The Leader of Hampshire County Council has recently been involved in discussions with Ministers and senior civil servants and will update the meeting.

Andrew Smith

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