

Report to: **Cabinet**
Date: **15 December 2015**
By: **Chief Executive**
Title of report: **Three Southern Counties (3SC) Devolution Update**
Purpose of report: **To provide an update on the progress of 3SC devolution activity and to confirm the next steps**

RECOMMENDATIONS:

Cabinet is recommended to note the report

1. Background

1.1 A progress report on the 3SC devolution work was considered by Cabinet at its September 2015 meeting. This report provides an update on the activity that has taken place since this date and on the latest position.

2. Latest Position

2.1 The 3SC devolution prospectus, which was developed over the summer in consultation with a wide range of stakeholders, was one of 38 proposals submitted by areas across the country by the Government's deadline of 4 September 2015. The Rt Hon Greg Clark MP, Secretary of State for Communities and Local Government, responded positively to the 3SC prospectus and invited representatives to a meeting with Ministers to discuss the proposals (a copy of the response letter is attached as Appendix 1). The date of the Ministerial meeting is still to be confirmed by Government, but it is expected to take place in early 2016. The 3SC team attending the meeting will be made up of the Leaders from the County Councils, a Borough and District Leader representative from each county area and Tim Wates, Chairman of Coast to Capital Local Enterprise Partnership (LEP). East Sussex will be represented at the meeting by Cllr. Glazier as Leader of East Sussex County Council and by either Cllr. Peter Chowney, Leader of Hastings Borough Council, or Cllr. Bob Standley, Leader of Wealden District Council.

2.2 In preparation for the Ministerial meeting, 3SC representatives have been in discussion with civil servants from the Department for Communities and Local Government and the Department for Business, Innovation and Skills. Initial feedback on the 3SC devolution prospectus is very positive and civil servants have indicated that further work should take place on the basis that it should be possible to finalise a devolution deal by the time of the Budget announcement in March 2016. This is a great opportunity and endorsement of the 3SC ambition, however, it will require a significant amount of work, with a wide range of partners and stakeholders, to deliver an effective devolution deal.

2.3 To assist Government in managing the discussions with a wide range of areas developing devolution deals, the 3SC has been encouraged, as have other areas across the country, to adopt a phased approach to negotiating the proposals set out in the prospectus. The initial focus of discussions with Ministers will, therefore, be as follows (an overview of the elements of the focus areas is set out in Appendix 2):

- Housing and planning;
- Infrastructure (including transport, operation services, smart specialisation, digital, infrastructure and place packages); and
- Skills.

The financial implications and opportunities of devolution are being considered alongside and as part of these focus areas. The Section 151 Officers from the 3SC County Councils are leading on this work.

2.4 The 3SC proposals relating to Public Service Transformation will also be developed further as a later, second phase. Opportunities to expand this focus area to helping people with complex needs will be explored as part of this work.

2.5 As part of the preparatory work for a devolution deal, a governance review will be undertaken to consider and consult on the governance arrangements that may be needed to deliver the necessary accountability for an increase in responsibilities. The Monitoring Officers from the 3SC County Councils are leading on this work.

2.6 Engagement and involvement of the many partners and stakeholders, particularly the 23 Borough and District Councils, National Park, East Sussex Fire and Rescue Authority and the 3 LEPs, across the 3SC area is essential for the successful, detailed development of the devolution proposals. Representatives of the 3SC Borough and District Councils are part of the working groups to develop the detailed proposals relating to the priority focus areas. The 26 Leaders and Chief Executives from across the 3SC area are leading on the work to engage and work with relevant partner/stakeholders.

2.7 As set out in the 3SC prospectus, close work is continuing with neighbouring authorities in Greater Brighton and Hampshire and the Isle of Wight as they develop their devolution proposals. There are a number of shared focus areas in the 3SC and Greater Brighton proposals and, as such, activity on developing proposals in relation to transport and infrastructure has been combined to develop joint proposals.

3. Next Steps

3.1 Detailed work on the development of the priority focus areas for 3SC devolution will continue in advance of and in preparation for the Ministerial meeting in early 2016.

3.2 Leaders and officers will continue to work with and engage partners and stakeholders from across the 3SC area to ensure the devolution proposals to Government are as strong and effective as they can be.

3.3 Local authority networks will be accessed to ensure the 3SC can learn any lessons from other areas that are further advanced in their devolution negotiations with Government.

Becky Shaw
Chief Executive