

REPORT OF CABINET

(Meeting held on 5 August 2015)

1. HAMPSHIRE AND ISLE OF WIGHT DEVOLUTION PROPOSAL (REPORT ITEM 4)(MINUTE NO. 11)

At their meeting in August the Cabinet decided to invite a full discussion, at this meeting of the Council, of the proposals that are being developed for the submission of a bid to the Government for additional powers to be devolved to Hampshire and the Isle of Wight. Following the meeting in August the situation has evolved considerably, with the publication of the draft prospectus to support the bid to Ministers. The prospectus will have been debated at the September meeting of the Cabinet and an update to this report will be circulated after that meeting, setting out any recommendations that may come forwards.

The Government has established three main criteria that all bids must meet in order to be considered:

- There must be unanimity amongst all the Councils covering the proposed administrative area;
- There must be demonstrable ambition to deliver the stated objectives; and
- There must be support from the business community

In bidding for additional powers the authorities must demonstrate how, under the new arrangements, they will be more effective in achieving government priorities on issues such as additional house building and also improve the efficiency of the delivery of the devolved services, such as transport and economic development. This will require the establishment of a Combined Authority to operate the additional powers, but which will not act as a new “super authority” that would take over all the existing functions and structures of the authorities in the area. The current indications are that there is scope for flexibility in the arrangements chosen. While City areas seeking devolved powers will need to have an elected Mayor, it is current understanding that rural areas such as this will not need to adopt that model of governance, provided they can demonstrate a structure that is practical, efficient and effective. The Hampshire and Isle of Wight Association of Local Authorities already has strong working relationships, with various partnerships operating successfully, and it is important that these continue to operate without interference. The existing pattern of partnership working does however establish some foundations on which a wider collaborative framework can be developed. The strong working relationships that already exist with both the Enterprise M3 and Solent Local Enterprise Partnerships are also valuable in the process of securing approval for suitable governance arrangements.

The Leadership Group which has been developing the bid initially prepared a Statement of Intent, signed by all the Authorities and the LEPs, demonstrating the support of the business community, as required.

The Statement of Intent focussed on 4 main areas of activity:

1. Significantly accelerating housing delivery, including starter and rural affordable homes, and accelerating brownfield development through a joint

investment fund; a Hampshire and Isle of Wight Land Board; and a joint strategic planning approach building on partners' existing powers.

2. Raising productivity in both the Enterprise M3 and Solent LEP areas through investment in the world-class marine and aerospace clusters and university research centres; integrating skills arrangements to support the employer-led development of a highly skilled workforce; consolidating the business support programme; new innovation and growth hubs; and new Enterprise Zones.
3. Investing in the infrastructure needed to provide better access to the global gateway ports and airports supporting the wider UK economy, and to London and the Thames Valley; enabling large-scale housing delivery; boosting digital connectivity for business and in rural areas; and securing greater energy self-sufficiency; and
4. Transforming public service delivery by creating a new model for health and social care integration; sharing more services, premises and staff locally; and delivering a secure financial future for the Isle of Wight.

It is understood that Greg Clark MP, Secretary of State for Communities and Local Government, has been positive in his responses so far to the Leader of Hampshire County Council. In the light of these positive responses the Leadership Group prepared the prospectus to support the bid. This prospectus is supported by a technical document for consideration by Government Officials.

2. A PARTNERSHIP PLAN FOR THE NATIONAL PARK AUTHORITY (REPORT ITEM 5)(MINUTE NO. 12)

The Cabinet is recommending that this Council endorses the Partnership Plan which has been produced by the New Forest National Park Authority to update their 2010 Management Plan.

The National Park Authority has taken a collaborative approach to the production of this Plan, which is now in the form of a joint plan produced by a partnership group drawn from many of the statutory bodies in the Forest. A number of non-statutory organisations have also been involved and will be taking the lead on some specific actions. There is therefore a much greater level of ownership and commitment from key local and regional organisations.

The Partnership Plan has been subject to two rounds of consultation, with the response to the latest round being generally supportive. Members at the Cabinet meeting welcomed the collaborative approach that had been adopted by the Park Authority and the consequent support that the plan had attracted both from Forest organisations and the public.

RECOMMENDED:

That the Council endorse the Partnership Plan for the New Forest National Park.

3. FINANCIAL MONITORING REPORT – FORECAST OUTTURN (BASED ON PERFORMANCE TO END OF JUNE 2015) (REPORT ITEM 6)(MINUTE NO. 13)

The Cabinet has been updated on the Council's financial performance to the end of June 2015. A number of additional expenditure items have been identified since the budget was agreed, in particular from the rephasing of projects into the current financial year, increasing the General Fund requirement to £19.595 million. Details of all identified additional expenditure and other variations are set out in section 3 of the report. The additional expenditure items have been approved.

Similarly, the rephasing of a number of capital projects has increased the capital programme budget from £18.516 million to £21.037 million. Full details are set out in section 4 of the report, with variations to the Housing Revenue account in section 5.

In general terms the Council is performing much as expected. All the significant variations in expenditure have come from the rephasing of projects, which has no net effect on the Council's budget, being merely a matter of timing. A limited number of additional expenditure items inevitably come forwards at this time of year, while it is too early for trends to be analysed to confirm potential savings that may be possible. The current situation raises no concerns that this Council's financial performance will adversely affect budget development for 2016/17.

**Councillor B Rickman
CHAIRMAN**