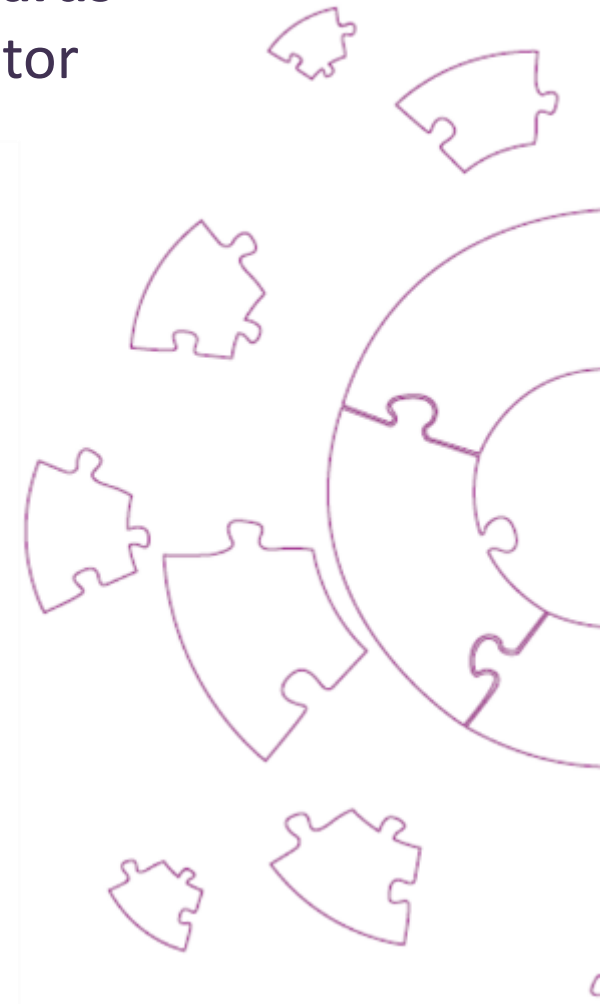


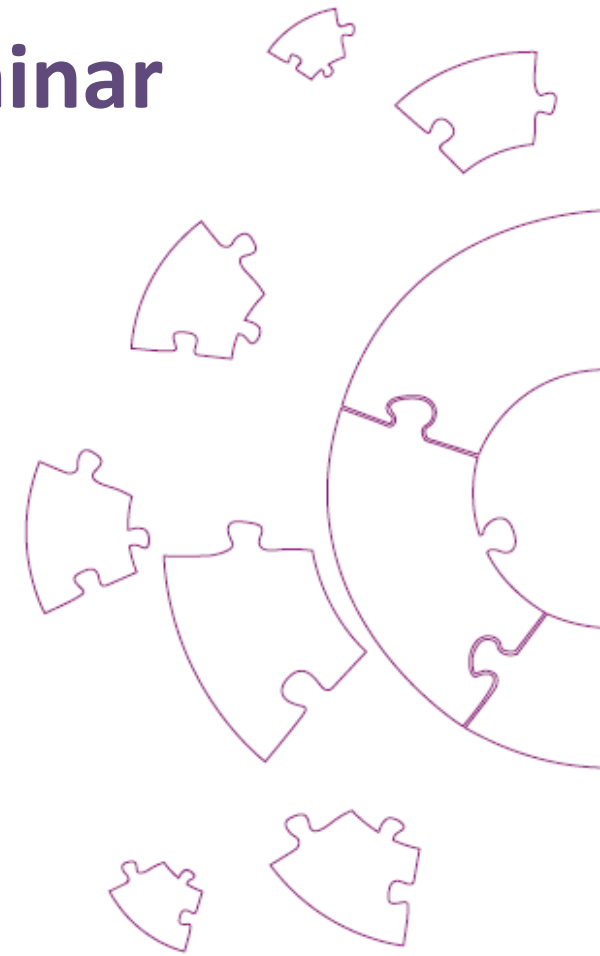
# Devolution

**Simon Edwards**  
CCN Director





# RSN Devolution Seminar



- CCN Devolution Report & Analysis
- National Landscape
- Devolution Deal Implementation
- Partnership Working and Governance
- Questions & Answers

# CCN Devolution Report



#CountyDevo  
**HEADLINES**  
Counties have the lowest levels of unemployment and people claiming out of work benefits, however...

Unemployment 5.1%  
Employment 78.0%

BELOW THE HEADLINES

CCN  
COUNTY COUNCILS NETWORK

**County Devolution SUMMARY REPORT**

Our Plan for Government  
2015-20

Generally counties have low levels of young people who are NEET, however...

Counties have the lowest poverty and workless households

14.8%  
children living in workless households

#CountyDevo  
March 2015  
www.countycouncilsnetwork.org.uk/county-devolution

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#CountyDevo

CCN presents the co-ordinators of a six month research project and detailed engagement with county council members and staff. They will be County Devolution.

The County Councils Network (CCN) has published its County Devolution Summary Report in May 2015. The study of County Devolution has been a significant transformation story taking place over the last few years to deliver the proposals within the County Councils Network.

County Devolution has been a key focus for the network in recent years, with being what specific fiscal resources, powers and budgets could be delivered as part of a long-term devolution plan to support economic growth, job creation, skills, education and health and social care. Delivering the proposals will require a significant level of coordination and support.

New research undertaken for the report presents a detailed Case for Devolution, showing the potential for counties to improve their economic performance and to be able to contribute to the UK's economic growth and job creation.

County Councils Network  
www.countycouncilsnetwork.org.uk

<http://www.countycouncilsnetwork.org.uk/county-devolution>



# CCN Economic and Fiscal Analysis

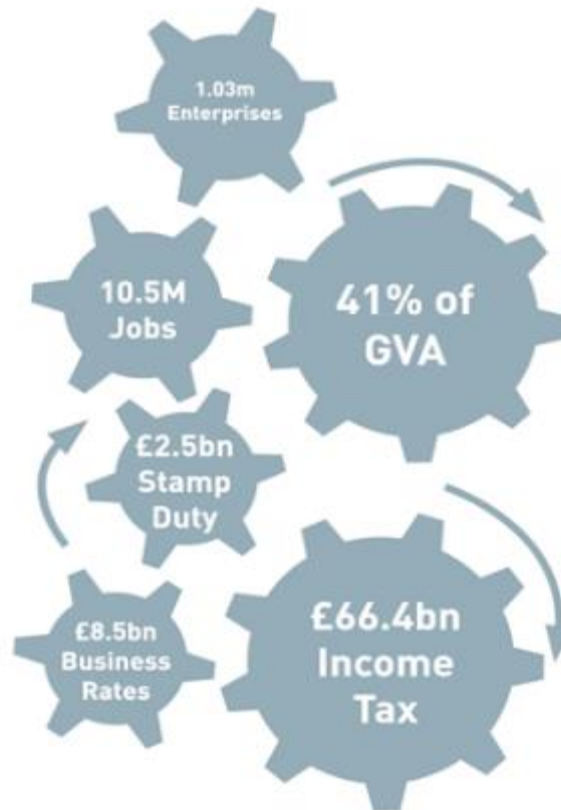
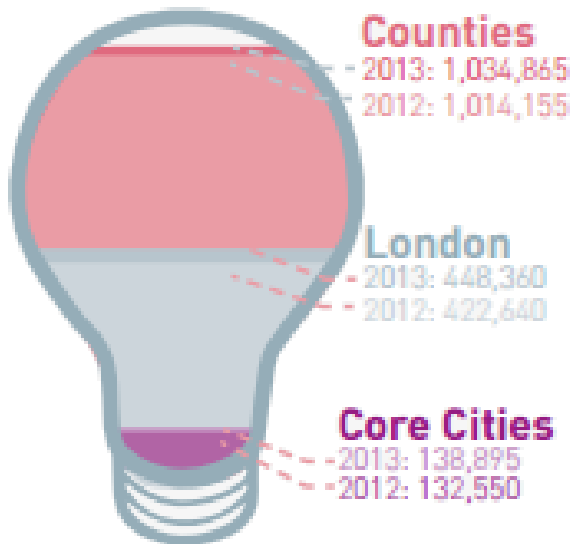
 **43% of Total Jobs**

 **Manufacturing 53%**

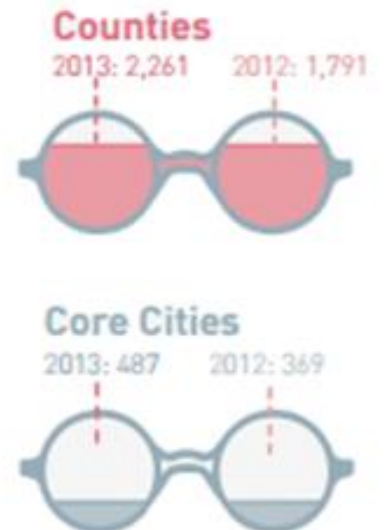
 **Construction 52%**

 **Motor Trades 52%**

## Number of Active Enterprise



## New Business Registration Per 10,000 Population



# Economic growth



Address the skills misalignment & deliver:



 **GVA + £8.2bn**  **Jobs + 698,425**

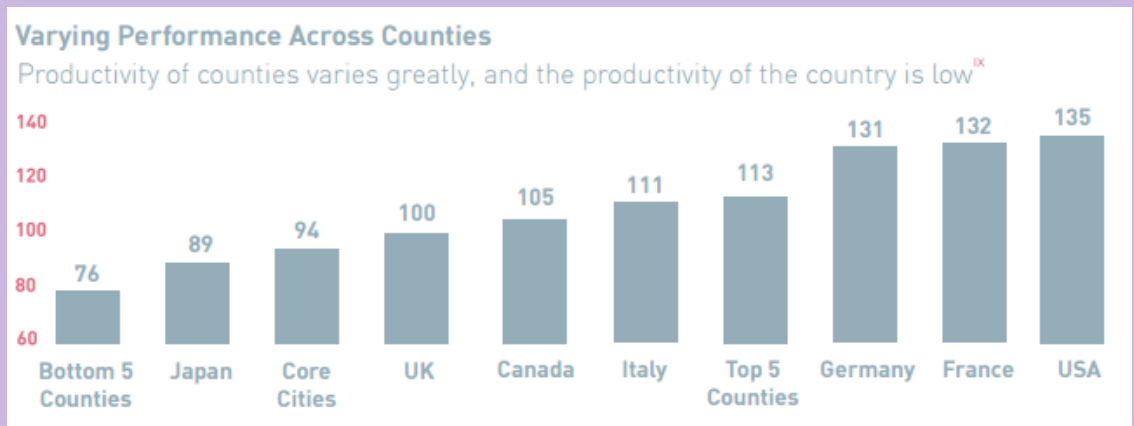
**County Skills Gap**

 Skills gap: Hair and Beauty: around **44,000** people training, for around **4,200** vacancies, a ratio of over **10** people training per job.

 Skills gap: Building Services and Engineers: around **17,000** people training for around **27,000** vacancies, over **one third** of these high value jobs are not being trained for.

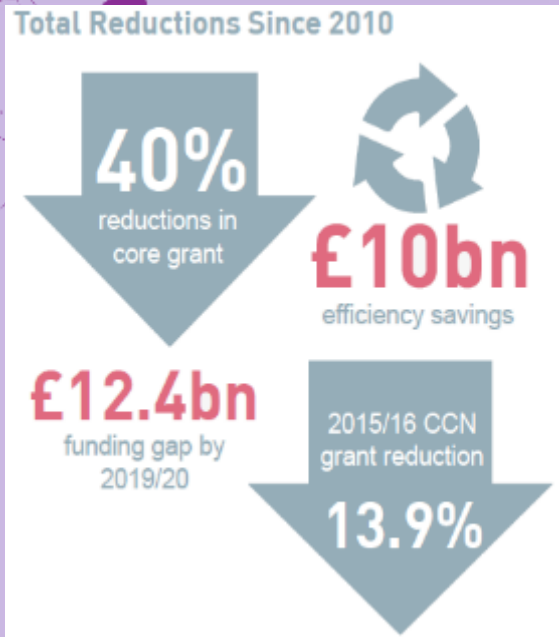
Raise county and national productivity:

 **UK Average: 100**  **London: 122**  **Core Cities: 94**  **Counties: 91**

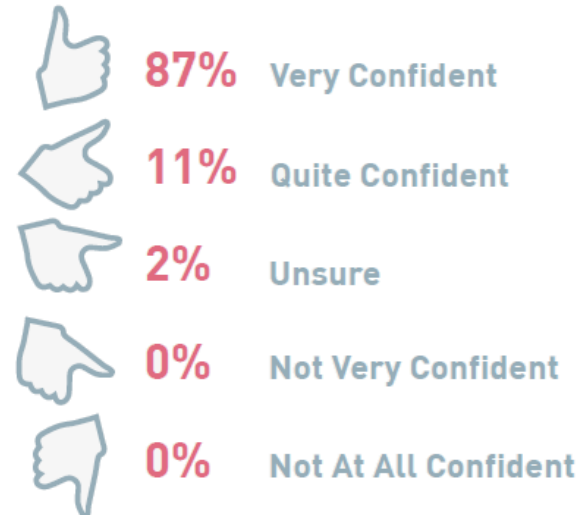


Date	CCN member areas	England	% CCN member areas
2009	10,477,000	24,068,100	43.5%
2010	10,418,600	23,982,000	43.4%
2011	10,402,200	24,062,600	43.2%
2012	10,377,300	24,208,200	42.9%
2013	10,480,300	24,552,400	42.7%
<b>Change 2009-2013</b>	<b>0.0%</b>	<b>2.0%</b>	<b>---</b>

# Public Sector Reform



How confident are you that county areas could make significant savings and improvements to outcomes if the appropriate powers and budgets were devolved to a local level?





# National Landscape

Real opportunities



## The Cities and *Local Government* Devolution Bill



'Devolution will stretch from Cornwall, to Cumbria, to Northumberland'.



## Rt Hon Greg Clark, new Secretary of State for Communities and Local Government

'We all agree that local government has the ability to transform the prospects not just of our cities, towns, counties and districts, but for the whole country'

'Your superior knowledge of local needs is beyond argument'

'The glories of this nation don't just reside in our cities, but also in our counties, towns and villages ... these urban, suburban and rural communities provide the stuff not only of our heritage but of our future prosperity too'

# Implementation of Deals



- No indication that central government will clarify or formalise terms of devolution deals – as want to take an **individual and iterative approach**
- BUT central government are working to some criteria, **‘unity, business, ambition’** and improved **efficiency and efficacy**
- Deals will be agreed between public sector partners within an area and the Secretary of State for DCLG – HM Treasury will have a strong role. **Negotiation between local and central**
- Deals will need to be reviewed and approved by both Houses of Parliament – will bring **some transparency and clarity**
- Questions about the capacity of government
- CCN are engaging with civil service including Andrew Campbell now seconded to the LGA to consider **implementation process**
- 4 September Devo deadline – artificial and unhelpful – attempt to flush out cities **but**
- Expect at least 2 ‘County’ deals around SR in November
- Government seem cautious about fiscal devolution, BUT the Chancellor recently said **‘now is the time to think whether we could go further with fiscal devolution’**





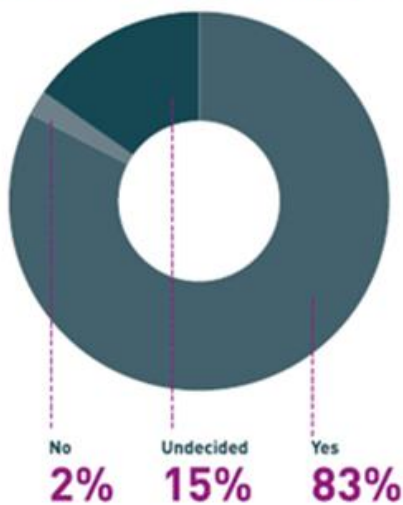


# Governance &



- Greg Clark's first criteria of devolution is **'unity', partners effected by devolution proposals need to be fully signed up** – county, districts, health, business etc.
- The second criteria is **'business involvement'**, Greg Clark said recently 'I would not expect to approve any deal that did not have **a clear role role the LEP'**
- New legislation **expands the remit of Combined Authorities** to allow them to take on any public sector function through devolution deals

Are you willing to be flexible with your governance arrangements to take on devolved powers?

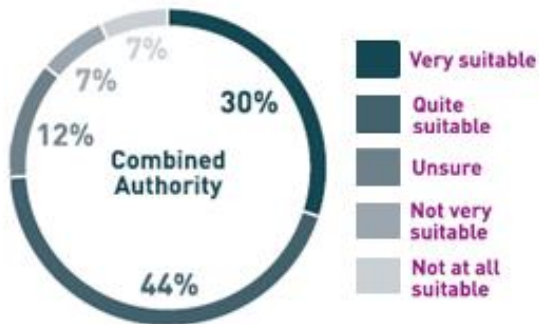


- Central government recognise that **two-tier governance is complicated** but they just don't care!!
- CCN research for our County Devolution Report found that the majority of counties are **willing to change their governance** arrangements to take on devolved powers
- CCN now working with IPPR to consider appropriate county governance models
- If tiers of local government can develop strong partnership arrangements and shared vision then **transformative devolution deals are achievable**



# Governance & Partnership

- The third criteria for devolution deals is **'ambition'**
- Flexibilities set out in the *Cities and Local Government Devolution Bill* and increased focus on opportunities for counties means **ambition can now see results**
- Expectation that deals will find innovative, ambitious and improved ways of **furthering economic growth** and **public sector reform**

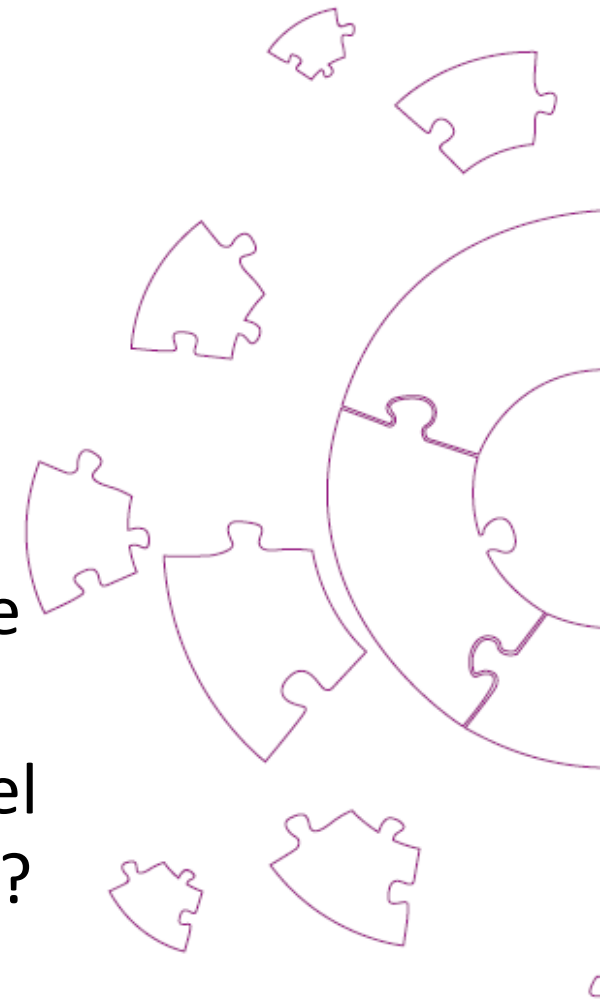


- The Chancellor said recently 'I'm not interested in any more half-way house deals. We will transfer major powers only to those cities who choose to have a directly elected metro-wide mayor'
- Heseltine said **'Manchester did not want a mayor, but it did a deal. The prize is worth it'**
- County areas uncertain about mayoral model
- **Still debate over what is expected of county areas – sliding scale where scale of devolution is calibrated to governance model?** Mayors needed for 'full' Greater Manchester style deals?



# Governance

- Sliding scale of Devolution linked to Governance
- CCN working with IPPR to demonstrate ambitious and rigorous Governance
- But Treasury wedded to Mayoral model
- Will we get ‘Substantial’ deals without?
- Will we eventually have to accept Mayors?
- How could this work in/across counties?





# Questions & Answers

