

SURREY COUNTY COUNCIL**LOCAL COMMITTEE**

DATE: 18 MARCH 2016

LEAD OFFICER: JASON RUSSELL – ASSISTANT DIRECTOR: HIGHWAYS AND TRANSPORT

SUBJECT: THE THREE SOUTHERN COUNTIES (3SC) DEVOLUTION PROPOSALS

DIVISION: ALL DIVISIONS IN WAVERLEY

SUMMARY OF ISSUE:

The report describes the background to the devolution proposals and provides an update on progress to date.

RECOMMENDATIONS:**The Local Committee is asked to:**

- (i) Note the update on the 3SC devolution proposals contained in the report and attached annex.

REASONS FOR RECOMMENDATIONS:

Members are asked to consider the implications of the proposals, with particular reference to Waverley.

1. INTRODUCTION AND BACKGROUND:

1.1 Last year Surrey commenced work with East and West Sussex on a devolution deal with Government. The 3SC case is based on the economic importance of the region, with a combined GVA of over £74bn (more than Wales or Greater Manchester), one of the highest employment rates in the country and a significant net contributor to the exchequer. The deal is based on the need for a coherent programme of planning and investment to ensure that the 3SC area has the infrastructure it requires to grow sustainably and that challenges such as housing and skills shortages are addressed. (See the presentation contained in the annex to this report.)

1.2 The goal of the 3SC deal is to secure sustained economic growth, realise the full economic potential of the area and deliver benefits for our residents. The key elements of the deal are:

- A long term shared infrastructure strategy

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- Accelerated house building
- Short and long term action on skills
- Smart specialisation in pioneer sectors such as 5G
- Public service transformation

2. DOUBLE DEVOLUTION

- 2.1 The 3SC work to date has identified double devolution as a key element of the 3SC approach. It has been agreed that this work should happen in parallel with the devolution negotiations and that it should happen at individual county level, recognising local differences and the need for a flexible approach.
- 2.2 Within Surrey, the Surrey Chief Executives agreed in December 2015 to the establishment of the Chief Executives subgroup to take forward the Surrey Double Devolution agenda. The Group is chaired by Frances Rutter, Chief Executive of Epsom and Ewell, with Trevor Pugh leading from Surrey County Council.
- 2.3 The subgroup has agreed that the aim of the work should be to achieve improved outcomes of our residents by optimising arrangements within a two-tier system. It is recognised that this might range from closer collaboration through to full devolution of powers and responsibilities.
- 2.4 The subgroup is working to the following broad principles to inform its work:
- One place-one budget: alignment rather than pooling of budgets
 - Local choice and local responsiveness
 - Value for money for the public purse: cost effectiveness of outcomes
 - Deliverability

The subgroup has recognised that there are already devolution discussion and activities under way with some boroughs and districts that should continue in parallel.

3. WORK PROGRAMME

- 3.1 Subject to Chief Executives' sign-off, the subgroup has identified two areas of activity for initial investigation, with the aim of exploring a range of options for how devolution might work in practice, using an evidence based approach. The two areas are:
1. The suite of services relating to local environment, highways services and public realm
 2. Flood risk management
- 3.2 These are areas where both tiers of local government have some service responsibilities. Work will commence following Chief Executives' sign-off to gather baseline data and start to develop options for further investigation using a number of key lines of enquiry.

4. FINANCIAL AND VALUE FOR MONEY IMPLICATIONS:

4.1 Covered in the report and annex.

5. EQUALITIES AND DIVERSITY IMPLICATIONS:

5.1 No specific implications.

6. LOCALISM:

6.1 Covered in the report and annex.

7. OTHER IMPLICATIONS

7.1 None

8. CONCLUSION AND RECOMMENDATIONS

8.1 The report is presented for information.

9. WHAT HAPPENS NEXT

9.1 Officers will note any observations made by the committee.

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Consulted:

N/A

Annexes:

Annex 1: presentation

Sources/background papers: None

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