



Derbyshire Partnership Forum

Friday 29 January 2016



Welcome:

Setting the Scene

Councillor Anne Western
Leader - Derbyshire County Council



Comprehensive Spending Review and Financial Pressures

Ian Stephenson
Chief Executive Derbyshire County Council

Public Sector Finances

- Pressures on all public sector finances
- Entering the seventh year of austerity
- Local Government Finance Settlement
– National Picture
- Local Government Financial Settlement
– Impact on DCC
- *Discussion – What does this mean for your organisation?*

Local Government Finance Settlement – National Picture

- Reduction in Revenue Support Grant (RSG) 24.5% nationally
- New methodology to allocate RSG
- 2% Council Tax referendum principle
- 2% Adult Social Care precept
- Consultation on the New Homes Bonus
- Four year funding offer to local authorities

Local Government Finance Settlement – Impact on DCC 2016-17

- 30.9% reduction in RSG
- Reduction other grant streams such as Education Support Grant
- Restrictions on use of Direct Schools Grant
- Council Tax 3.98%
- Service pressures of £23m including one-offs e.g. demographics and living wage
- Budget cuts - £42m in 2016-17



Discussion



North Midlands (D2N2) Combined Authority

Ian Stephenson
Chief Executive Derbyshire County Council

Why a North Midlands CA for Derbyshire and Nottinghamshire?

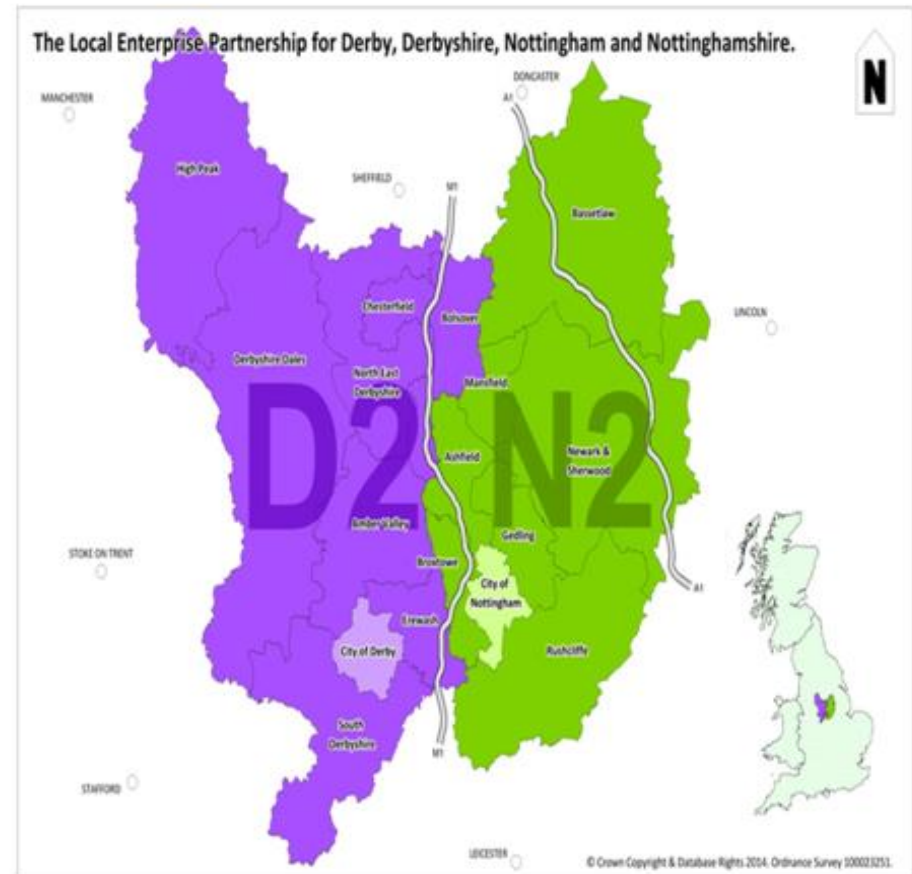


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Key issues for North Midlands CA

Context:

- Location, location, location
- Strong sense of functioning economic geography – and LEP geography
- Shared history – former heavy industry, rural, city...
- Shared economic base – planes, trains, automobiles, rural...
- Latent potential for growth: and the gap is widening in key areas (skills)
- Shared understanding of issues – geographical disparities



The Journey...



Two Economic Prosperity Committees (D2 and N2) established – late 2013.

Development of a **two Combined Authority** approach for Derbyshire and Nottinghamshire. Submitted April 2015.

One Combined Authority proposals for the whole LEP area. Developed from early 2015 to present.

Progressing Our Thinking...

- Collaborative delivery models for D2 and N2
- Resolved to have two separate CAs
- CA is an accountable body in its own right but does not replace existing local authorities. It:
 - Holds powers in relation to economic development, regeneration and transport – *to determine what the job is...*
 - Holds funding – *can spend funding on approved priorities – to get the job done...*
 - Attracts freedoms and flexibilities to do things at a local level – *to the job done quicker, smarter, better...*
- Submitted 2 CA schemes to Government in March 2015

Shifting Sands...

But then other things happened:

- Emerging Government agenda
- Devolution – more powers, freedoms and flexibilities on offer to local regions
- Core cities encouraged to take larger scale devolution – in exchange for a mayor
- Use new CAs to become ‘mayoral combined authorities’ – attracts additional functions and powers
- For us...ability to reinvest locally generated money and funding from key Government budgets (e.g. for skills, and transport) - *to do an even better job*

CA: Current Position...

To attract greater devolution:

- Progress a single CA for the D2N2 area
- Accept a mayor

Progress:

- Undertaking a review for a single CA and developing proposals
- Ongoing discussion with Government
- Ongoing dialogue with all 19 local authorities
- May or may not be linked to the Devolution Deal
- Public consultation
- Submission of single scheme to Government
- Enactment of single CA

Devo: Current Position...

North Midlands Devolution Deal:

- All 19 Councils agreed to publish the draft agreement
- Based on months of positive discussion with Government...discussion continue
- A single CA for Derbyshire and Nottinghamshire with a single elected mayor

Proposed devolved powers:

- Skills, apprenticeships and employment
- Housing and Planning
- Transport

Devo: Current Position...

The key benefits are:

- 55,000 new private sector jobs
- 77,000 extra homes
- An Investment Fund over 30 years to provide infrastructure
- Adult skills provision to better meets the needs of businesses
- Joint transport fund to spend on key transport improvements
- Better co-ordinated public transport system
- More responsive and co-ordinated business support for growth
- Creation of substantially more apprenticeship opportunities
- More people entering employment through better targeted local programmes
- Journey times to London of less than 90 minutes by train

The Journey Continues...

- It's not easy and straightforward
- Ours is the first two tier proposal
- It's a team effort
- Discussions and negotiations continue
- There are challenges still to overcome
- But it will be worth it

Any Questions?