

**TEIGNBRIDGE DISTRICT COUNCIL**

**FULL COUNCIL**

**14 JANUARY 2020**

**PART I**

<b>Report Title</b>	Heart of the South West Joint Committee – Governance Review Report
<b>Purpose of Report</b>	To update Members on the Joint Committee’s governance arrangements and budgetary position for 2019/20.
<b>Recommendation(s)</b>	<b>RECOMMENDED that Council :</b>  <b>(1) Approve the proposed amendments to the Joint Committee’s list of functions attached at appendix A in emboldened text: and</b> <b>(2) Note the updated budget position for 2019/20.</b>
<b>Financial Implications</b>	Implications are referred to in Section 5.1 <a href="mailto:martin.flitcroft@teignbridge.gov.uk">martin.flitcroft@teignbridge.gov.uk</a>
<b>Legal Implications</b>	Implications are referred to in Section 5.2
<b>Risk Assessment</b>	Implications are referred to in Section 5.3 <a href="mailto:phil.shears@teignbridge.gov.uk">phil.shears@teignbridge.gov.uk</a>
<b>Environmental/ Climate Change Implications</b>	There are no direct carbon/environmental implications arising from the recommendation to this report. <a href="mailto:phil.shears@teignbridge.gov.uk">phil.shears@teignbridge.gov.uk</a>
<b>Report Author</b>	Managing Director <a href="mailto:phil.shears@teignbridge.gov.uk">phil.shears@teignbridge.gov.uk</a>
<b>Portfolio Holder</b>	The Leader – Councillor Gordon Hook
<b>Appendices / Background Papers</b>	Appendix A

## **1. BACKGROUND**

- 1.1 This report provides an update for the Constituent Authorities on the Heart of the South West (HOtSW) Joint Committee's governance arrangements and budgetary position for 2019/20. The report contains recommendations for amendments to the Committee's Arrangements document following a governance review.
- 1.2 The Committee became a formal body in March 2018. The Committee has twenty-one members:
- Devon County Council
  - Somerset County Council
  - Plymouth City Council
  - Torbay Council
  - All Devon and Somerset District Councils
  - Dartmoor and Exmoor National Park
  - Heart of the South West Local Enterprise Partnership
  - Devon and Somerset Clinical Commissioning Groups
- 1.3 The Committee acts as a single voice to Government on socio-economic and environmental issues and makes the case for additional powers and funding to be transferred to its individual members for the benefit of the people of Devon and Somerset

## **2. REVIEW OF THE ROLE AND FUNCTIONS OF THE JOINT COMMITTEE**

- 2.1 The Constituent Authorities have previously agreed one addition to the list of delegated functions by giving the Joint Committee the function of agreeing the local authorities' input into the development of the HoSW Local Industrial Strategy (LIS).
- 2.2 In addition to the above policy development, the need to review the governance arrangements arose from:
- Changes in Government policy away from large devolution 'deals' to a more targeted dialogue on key themes of relevance to the local authorities and partners, eg, housing. The Joint Committee's influencing role has become increasingly important as recognised by Ministers, local MPs and Government officials. The ambition remains to draw down additional functions, powers and funding from Government.
  - The evolution of the Joint Committee's role from agreeing policy (the HotSW Productivity Strategy) to overseeing delivery of the Strategy alongside the LEP.
  - The developing relationships with other key local partnerships to ensure that there are appropriate reporting lines, ie, HotSW LEP Joint Scrutiny Committee, Peninsula Transport Board, Great South West, HotSW Local Transport Board.

2.3 Accordingly, the Committee has refined its focus into the following areas:

- Strategic policy development
- Influencing Government / key agencies to achieve direct intervention, support, funding and powers
- Designing and delivering strategic HotSW responses to 'Government' offers
- Designing and delivering public sector reform where this will deliver improved productivity, eg in health and education
- Delivering at scale –(beyond what individual councils can achieve)
- Oversight of the Delivery Plan – working with the HotSW LEP to ensure delivery of the HotSW Productivity Strategy.

These refinements to the focus of the Committee have been reflected in amendments to the list of functions contained in the Joint Committee's 'Arrangements' document – see **emboldened text** at Appendix A attached. It is not proposed at this stage to request the delegation of further functions from the Constituent Authorities to the Joint Committee.

The subject matter focus for the Joint Committee will fall into the following areas of the Delivery Plan:

- Housing – including bid(s) for strategic housing deal(s) designed, submitted and agreed resulting in additional investment into HotSW
- Major Route Corridor Study agreed and completed
- Agreed HotSW LIS which meets our transformational objectives
- Successful engagement plan with MPs / Ministers
- Successful operational phase of the Brexit work in collaboration with Government
- Preparation for / response to offers of public sector reform to improve productivity
- Agreement and submission of Coastal Communities proposal to Government seeking additional Government support for our coastal communities
- Development of the JC's investment framework required to deliver the Productivity Strategy within a new national funding environment.
- Enable the partners to prepare for and respond to opportunities arising from the Comprehensive Spending Review and the Shared Prosperity Fund.

### **3. APPOINTMENT OF ADMINISTERING AUTHORITY**

3.1 At the time of the establishment of the Joint Committee, the Constituent Authorities agreed to appoint Somerset County Council as the Administering Authority for the Joint Committee for a two-year period from 22 January 2018. With this appointment coming to an end early in the new year the HotSW Chief Executives' Executive Group has considered an appointment for the next two-year period.

- 3.2 The view of the HotSW Chief Executives' Executive Group is that Somerset County Council has done an excellent job of supporting the Committee and their recommendation is to reappoint the County Council to the Administering Authority role for a further two-year period from 23 January 2020 to 22 January 2022. The Joint Committee approved this recommendation at its meeting on the 27th September 2019.

#### **4. JOINT COMMITTEE MANAGEMENT SUPPORT ARRANGEMENTS**

- 4.1 Comprehensive management support arrangements have been in place to support the partnership (and latterly the Joint Committee) since 2015. These have been recently reviewed and refined. To minimise direct support costs impacting on the Committee's budget, most of the officer resource is provided by the Constituent Authorities on an 'in-kind' voluntary basis. Other direct budget contributions towards the Committee support costs have been allocated to refund those Constituent Authorities who have provided officer resources for project management capacity and administrative support to the Brexit Resilience and Opportunities Group.

#### **5. IMPLICATIONS, RISK MANAGEMENT & CLIMATE CHANGE IMPACT**

##### **5.1 Financial**

The Joint Committee remains completely reliant on the Constituent Authorities for its budget and there are no obvious sources of additional funding to support running costs or delivery of its work programme.

The Committee agreed earlier this year that a larger annual budget was likely to be required to fund work programme priorities in future years and approved 'in principle' to seek the agreement of the Constituent Authorities to double the 2018/19 core contributions as a one-year arrangement so giving maximum contributions in 2019/20 of:

County Council - £21,000

Unitary Council - £8,000

District Council / National Park Authorities – £2,800

For 2019/20 all Members contribution have been reduced by 50%, this was because of the need to take stock of the direction of the Committee's work programme following the recent elections and delays in progressing discussions with Government as a result of unknown aspect of the work programme in the preparations for Brexit and the budget impacts of any work which the Committee may wish to commission. This will be kept under review in the coming months as the position becomes clearer.

Further discussions are planned as to how to establish a financially stable Joint Committee budget for future years as a pre-requisite to preparing a budget proposal for 2020/21 for submission to the Constituent Authorities.

## 5.2 Legal

The review of the role and functions of the Joint Committee have taken account of the legal framework within which the Joint Committee operates.

## 5.3 Risks

The key risk to the Constituent Authorities is a Committee without a clear role and functions and with unsustainable support arrangements which threaten the security and operation of the model. If the Committee cannot be sustained into the future then the momentum already achieved with Government will be at risk and the opportunity to realise additional funds, powers and responsibilities from Government for the benefit of the HotSW will be severely compromised. This in turn would compromise the ability to deliver the Productivity Strategy.

## 5.4 Environmental/Climate Change Impact

This proposal does not have an impact on carbon emissions. The Committee could undertake joint work to respond to the Climate Change Emergency. The impact of this will be evaluated in any future proposal.

## 6. CONCLUSION

In recent months the Joint Committee has reviewed and updated its governance arrangements in the light of experience since its establishment in early 2018 and in response to changing Government policy and local circumstances. Some changes are required to the Committee's Arrangements document as a result and these need to be formally agreed by the Constituent Authorities. It is essential that the Joint Committee remains: fit for purpose, represents a sustainable way of working into the future; and delivers value for the resources committed to it by the Constituent Authorities.