

# The Solent Deal

Greater powers for South Hampshire & the Isle of Wight



Isle of Wight

| Portsmouth

| Solent LEP

| Southampton

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Isle of Wight Council

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Leader  
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## Agenda:

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- Welcome and introductions
- What is devolution all about?
- The governance review
- Questions, debate and discussion
- Final thoughts.

## Please note:

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Opinions expressed will be treated in confidence. The reason for this discussion is to establish views on the proposal for a Solent Mayoral Combined Authority. All responses will remain anonymous.

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## Purpose of a Devolution Deal:

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- An agreement between central and local government
- Devolves a range of powers to be managed locally
- Gives local areas power to:
  - shape delivery of services
  - meet local needs
  - improve productivity and drive economic growth.

# The Solent Deal Area:

## Constituent Councils:

- Isle of Wight Unitary Authority
- Southampton City Council
- Portsmouth City Council

## Non-Constituent Member:

- Solent Local Enterprise Partnership (Solent LEP)

## Potential Associate Members:

- Fareham Borough Council
- East Hants Borough Council
- Eastleigh Borough Council
- Gosport Borough Council
- Hampshire County Council
- Havant Borough Council
- New Forest District Council
- Test Valley Borough Council
- Winchester City Council.

## Vision for the Solent Deal Area:

Our ambition is to create more skilled and better paid jobs, bring investment into the area, reduce the region's welfare bill, and reform public services.

Focusing on:

- business support and innovation
- learning, skills and employment
- housing and planning
- transport and infrastructure.

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# Why the Solent area?

The Solent area has lower productivity and higher than average unemployment/deprivation.

Working more closely across the region we can build on our many collective strengths.

- 580,000+ people live in the Solent area
- 30,000+ businesses are located within the boundaries of the three councils
- around 95 per cent of the UK's imports and exports travel by sea; our maritime sector is vital to the UK economy!

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# What is a Combined Authority?

It is a formal body to support and improve cooperative decision making between the members on a shared programme to deliver:

- economic growth
- regeneration
- transport reform
- public sector reform.



# Alternatives to a Combined Authority:

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- Maintain the Status Quo – continue as we are.

Create a:

- Joint Committee
- Economic Prosperity Board
- Integrated Transport Authority.

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# The Solent Deal: Government's Offer



# Business Support and Innovation:

## Proposed:

- £30m a year for 30 years to invest in economic growth and housing.
- Increase productivity; create more and better jobs by simplifying support for business growth, innovation and global trade.

## Possible Impact for IoW:

- Ability to unlock and deliver key regeneration schemes; creating jobs/economic growth:
  - Newport Harbour
  - Medina Valley
  - Ryde
  - The Bay
- Local support for local businesses.



# Learning, Skills and Employment:

## Proposed:

- Control of budget for adult education and training in the area.
- Development of a new programme to help and support the 'hardest to help' claimants back into work.

## Possible Impact for IoW:

- Focus on developing the skills needed by local businesses, helping both the individual and the business to prosper.

# Housing and Planning:

## Proposed:

- Powers over strategic planning, such as future spatial plans.
- Delivering 52,000 homes in the area by 2026.

## Possible Impact for IoW:

- Influence plans across the area to reduce competition for inward investment activity
- Recognition of the Island's unique environmental characteristics
- Deliver an additional 80 homes a year above current target.

# Transport:

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## Proposed:

- Control of a dedicated transport budget, franchised bus services and a key network of local authority roads

## Possible Impact for IoW:

- Influence over strategic routes to the key mainland ports.

# Fiscal Responsibilities for the Solent Deal Area:

## Proposed:

- Retention of all business rates generated in the area.
- Cessation of the current system of funding local government.

## Possible Impact for IoW:

- Ability to share in business growth across the area to support local service delivery.
- Co-design a new local scheme for business rates redistribution based on need (as an alternative to the developing national scheme).

# Public Service Reform:

## Proposed:

- Work on developing innovative and integrated approaches to public service reform, including health.

## Possible Impact for IoW:

- Acceleration of health-based integration agenda with work of the My Life a Full Life Project (person at the centre).
- Development of a 'one public estate' approach to using *all* assets in public ownership, to drive growth and prosperity.



# The Solent Deal: Government's Ask

VENTURE QUAYS



A Combined Authority led by a directly elected Mayor (MCA)

# The Solent Deal – Governance Review and Scheme:

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A governance review must:

- demonstrate that a combined authority offers a better way for its proposed local authority members to exercise their statutory functions in relation to economic development, regeneration and transport.

This must then be consulted on...which is what we are doing here today!

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# The Solent Deal – Governance Proposals:

- **Functions:** responsible for the powers and functions transferred from government to the combined authority and any that the constituent members choose to pass to it.
  - *It does not replace the member councils.*
- **Membership:** a mayor, one representative from each constituent local authority, plus one representative from the Solent LEP: creating a board of five.
- **Decision making:** by consensus or otherwise majority vote (except for a number of reserved matters that require a unanimous vote of the members present).



# Unanimous Decisions:

- Scheme for the redistribution of pooled business rates.
- Adoption of key plans and strategies including spatial strategy.
- Adoption of an annual budget and medium term financial plan.
- Approval of borrowing limits, treasury management and investment strategies.
- Establishment of companies.
- Setting of any transport levy.
- Co-option of additional voting/non-voting members.
- Amendments to the governance scheme and constitution.
- Approval to receive new powers and responsibilities from central government.

# Bureaucracy:

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## Directly Elected Mayor:

- Elected every four years by residents of the member local authority areas.
- The only new political post to be created
- First election likely to be 2018 or 2019.

## Statutory Officers (to be filled by officers from within the member authorities):

- Head of Paid Service
- Section 151 Officer (financial manager)
- Monitoring Officer (legal manager).

# The Isle of Wight Council's position (in summary):

- The final devolution deal must ensure the financial security of Isle of Wight and availability of public services to its communities be confirmed.
- The fullest possible consultation with the Isle of Wight community, including consideration of a referendum on any devolution deal document that the council is considering accepting be agreed.
- The views of Full Council on devolution, the proposed Solent Combined Authority and the outcomes of the consultation process be sought which will inform the Executive's substantive decisions in respect of the governance review and scheme of governance in connection with a Solent Combined Authority

## Next Steps:

- Consultation ends on **18 September 2016**
- Full Council meets to discuss The Solent Deal: **19 October 2016**
- Portsmouth and Southampton City Councils' consider consultation responses: **October 2016**
- If approved; Secretary of State will lay an Order before Parliament to create the Solent Mayoral Combined Authority: **beginning early 2017**
- Elections for directly elected : **either 2018 or 2019.**
- **Interim period:** constituent members would elect an interim Mayor to chair the Solent Mayoral Combined Authority (would not have the same powers as the directly elected mayor, would gain access to the additional funding).

## Areas for Debate/Discussion:

1. Risks / benefits of Solent area receiving devolved powers and funding?
2. Risks / benefits of the proposed combined authority?
3. Areas of focus of the devolution deal?  
*business support & innovation | learning skills & employment | housing & planning | transport & infrastructure | finance | public service reform*
4. Other alternatives for securing economic growth and prosperity for the Isle of Wight and financial sustainability of its public services?
5. The risks and benefits in the governance scheme and acceptability of a directly elected mayor in the context of the deal?
6. Would a referendum add any value to this process?



# Further Information and Feedback:

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