

Report of:	To:	Date	Item No.
Cllr. Peter Gibson, Leader of the Council	Council	30 July 2015	9(a)

<b>Executive Report: Leader of the Council</b>
--

## 1. Purpose of report

- 1.1 To inform Council of progress on key objectives and the current position on a number of issues, as set out below.

## 2. Lancashire Leaders meeting

- 2.1 On the 13 July 2015 Lancashire Leaders met to discuss and debate a number of matters including the Lancashire Fairness Commission; Pupil Premium Data Matching (Free School Meals entitlement); Business Rates pooling, and on the rising of the Leaders meeting, we continued discussions on the principle of a Combined Authority for Lancashire.

### **Lancashire Fairness Commission:**

- 2.2 The paper highlights the inequalities in health and the paper is, in my opinion, guided by the principles behind the Marmot Review's 'Fair Society, Healthy Lives (2010)'.

- 2.3 The Marmot Review examined how to:

Give every child the best start in life  
 Enable all children, young people and adults to maximise their capabilities and have control over their lives;  
 Create fair employment and good work for all;  
 Ensure a healthy standard of living for all;  
 Create and develop healthy and sustainable places and communities;  
 Strengthen the role and impact of ill health prevention.

- 2.4 The paper also makes reference to 'Starting Well', 'Living Well', and 'Ageing Well' language adopted by the County that again emphasises the importance of health.

- 2.5 Members will be aware that one of our themes in our 4 year Business Plan is Healthier Wyre and whilst there is a good fit between our Business Plan and the Lancashire Fairness Commission Paper, the objective of our Business Plan is prevention and to improve the health and wellbeing of all our communities, not just those in greatest need.

## **Pupil Premium Data Matching (Free School Meals entitlement – data matching):**

- 2.6** There are a significant number of pupils in Lancashire potentially entitled to the pupil premium (free school meals). However, to support those families in greatest need, data needs to be shared with the County Council. In 2014/15 a total of 1664 pupils in Lancashire were identified as potentially entitled to the pupil premium. In order to comply with data protection rules, we amended our benefit claim forms and this, in combination with a proactive approach by our Visiting Officers, resulted in Wyre identifying 857 pupils out of a Lancashire total of 1664. Following further checks 78 pupils in Wyre were granted the premium out of a total of 351 across Lancashire. Unfortunately, not all Lancashire Districts were so proactive and I would like to take this opportunity to commend our Head of the Contact Centre, Peter Mason, and his staff for their proactive approach which has resulted in a significant number of Wyre families benefiting financially.

## **Business Rates pooling:**

- 2.7** At the Lancashire Chief Financial Officers meeting on 30 January 2015 it was agreed to carry out a piece of work to analyse the business rate retention position across Lancashire, to ascertain any likely financial benefit of forming a business rate pool. 2015/16 Business Rates estimates (NNDR1s) and levy calculations were submitted by all authorities, to enable this analysis to be carried out.
- 2.8** In terms of tariff and top ups, the County Council is a top up authority, whilst all the districts pay a tariff. The total of all Lancashire levy payments predicted to be paid over to the Government for 2015/16 is almost £5m.
- 2.9** All districts in Lancashire have levies of 50p in the £. For each £1 of growth above their baseline funding level (after allowing for their share of small business rate relief and other reliefs) a levy of 50p is payable to the Government. The benefit of a pool means that this calculation is performed not on an individual basis, but is calculated based on the aggregate baseline funding levels and business rates baselines of all the authorities involved in the pool. Each authority could continue to retain the growth in its business rates income that it would have retained as an individual authority outside of the pool.
- 2.10** However, it would no longer be required to pay any levy over to Central Government. Instead, this amount (currently £5m) would be retained within the pool. A condition of joining a pool is for each authority to forfeit the right to a safety net and be required to top up any shortfall on achieving their baseline. Authorities joining the pooling arrangement should do their own due diligence and be confident that they will essentially be able to achieve a surplus levy position at the end of the financial year, in order to take the financial advantages of the pool.

**2.11** Due to the complexities surrounding Business Rate Pooling the Deputy Leader, Cllr Alan Vincent, and Corporate Director of Resources, Philippa Davies, will prepare and present a detailed report at the next meeting of full Council, which will allow Members sufficient time to debate this matter in full, prior to the decision deadline of 30 September 2015.

### **Combined Authority for Lancashire**

**2.12** Following the Leaders meeting we continued discussions on the potential of a Combined Authority for Lancashire. A Combined Authority for Lancashire would mean closer working between the County, Unitary and District Councils, which could result in supporting growth and securing more jobs for Lancashire. It would not result in the creation of a 'super council', replace or merge councils. The focus of the Combined Authority would be on strategic decisions around economic development, regeneration, housing and transport. It would use this joint influence to draw-down powers and resources from Central Government for local use.

**2.13** A Combined Authority provides Government with the strong and accountable leadership required to devolve powers to enable policies to be implemented over a spatial scale, which matches the economic footprint of that area. Although in the past Government has, in some instances, struggled to devolve powers where it has not been clear who to devolve to, Combined Authorities help overcome this. To support economic growth most effectively, Lancashire needs additional powers so we can develop policies which respond to our unique circumstances. To be most effective, these policies need to be implemented at a spatial scale that matches Lancashire's economic footprint, which covers more than one local authority.

**2.14** The benefits of a combined authority would be:

- Recognised by Central Government as the highest form of governance with the ability to last in the long term.
- Attract additional functions and powers in its own right and Ministers have consistently stated that they would prefer to devolve powers to combined authorities because the types of powers that can be devolved would affect whole regions and across Council boundaries.
- Have full decision making powers that are given to it through an Order from the Secretary of State.
- Enable effective spatial planning integrating strategic transport and local plans. This integrated approach would reduce delays caused by the current fragmented two tier approach and better align local growth and transport agendas.

**2.15** In simple terms a Combined Authority provides a formal mechanism through which the constituent councils in Lancashire will have greater flexibility and influence than each council working independently would have. Whilst I fully understand and appreciate the potential strategic benefits that could arise from a Combined Authority, those benefits are still to be fleshed out. But, Leaders did agree to progress the option of a

Lancashire Combined Authority with their own authorities, prior to a further meeting in September to look in detail at the governance scheme and, that each Authority would formally consider the matter at a meeting convenient to that Authority.

- 2.16** In order for Members to have a better understanding of what a Combined Authority for Lancashire could mean for Wyre the Chief Executive, Garry Payne, and the Head of Transformation, Marianne Hesketh, will hold a briefing session for Members at 6pm on 10 September (before the next full Council) and we will formally consider the matter later this year.

### **3. Local Government Boundary Commission: Electoral Review of Lancashire**

- 3.1** Our 8 Lancashire County Councillors will be aware that the Boundary Commission is carrying out a review of Lancashire County Council in order to deliver electoral equality for voters. At this present time some County Councillors represent many more or many few electors than their colleagues elsewhere in the County. The purpose of the review is to correct those imbalances.

- 3.2** The ten week public consultation commenced on 23 June 2015 and will close on 31 August 2015, with a first draft anticipated in November. Following further consultation, final recommendations will be published in April 2016. There are currently 84 Councillors elected to Lancashire County Council and the Commission are minded to recommend no change to the number of Councillors, but in order to ensure electoral equality where each County Councillor represents roughly the same number of electors, it is highly likely that changes to ward boundaries will be required.

- 3.3** Members will recall that in 2012 we were subject of a review by the Boundary Commission, which resulted in the number of Councillors being reduced from 55 to 50 and as part of the process we established an Electoral Review Working Group which led on this matter. In view of the limited time we have to make comments, I suggest that an Electoral Review Working Group be established again and be given the remit to submit comments on our behalf directly to the Commission. I suggest that the Electoral Review Working Group be led by the Deputy Leader, Cllr Alan Vincent, (as was the case in 2012) and that the Group is politically balanced with the numbers of the Group limited to 7 (5 Conservative Members and 2 Labour Members).

### **4. Comments and Questions**

- 4.1** In accordance with procedure rule 11.3 any member of Council will be able to ask me a question or make a comment on the contents of my report or on any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with Procedure Rule 11.5.