RUSHMOOR BOROUGH COUNCIL RECORD OF EXECUTIVE DECISION



Decision taken by individual Cabinet member

(All sections must be completed (mark "N/A" as applicable))

DECISION MAKER (Name and designation)

Councillor Gareth Williams, Leader of the Council

DECISION AND THE REASON(S) FOR IT

The decision is to respond to the Government's consultation on the establishment of a Hampshire and Solent Combined Authority

On the 17 February, the Ministry of Housing, Communities & Local Government launched a consultation to seek views on the effect of establishing a Mayoral Combined County Authority (MCCA) to cover the areas of Hampshire, Portsmouth, Isle of Wight, and Southampton (Hampshire and Solent). This would be the Hampshire and Solent Combined County Authority.

The consultation responses will help Ministers decide whether establishing a MCCA is:

- Likely to improve the economic, social and environmental wellbeing of some or all of the people who live or work in the area.
- Appropriate, having regard to the need to secure effective and convenient local government;
 and reflect the identities and interests of local communities.

The full consultation document is available on <u>GOV.UK</u> and the Council's response is attached to this decision record.

DATE DECISION TAKEN

11 April 2025

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

(Those examined by officers and generated by consultation, etc)

The response has been prepared in consultation with Policy and Projects Advisory Board and Cabinet. All members were invited to provide feedback to the draft.

The only alternative option would be to not respond to the consultation. However, due to the significance of expected impacts on the council and residents, this is not considered an appropriate option.

ANY CONFLICTS OF INTERESTS DECLARED

(conflict of interests of any executive member who is consulted by the officer which relates to the decision. A note of dispensation should be attached).

N/A



CIIr Gareth Williams (Decision maker)

Designation: Leader of the Council

Consultation Response

Question 1: To what extent do you agree or disagree that establishing a Mayoral Combined County Authority over the proposed geography will deliver benefits to the area?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Explain your answer

Rushmoor Borough Council welcomes the establishment of a Mayoral Combined County Authority (MCCA) for Hampshire and the Solent. It strongly agrees with the devolution of powers, policymaking, funding, and delivery from central government to more local control and influence. This will support local leaders to:

- Build on local strengths and opportunities
- Tailor policy to local situations
- Coordinate activity across policy areas
- Involve the communities in decision making
- Trial innovative policy approaches and delivery methods

The example from existing mayoral combined authorities shows that this leads to better outcomes and more efficient use of resources.

To maximise the benefits that devolution offers Hampshire and the Solent area, it will be important for any future proposed Local Government Reorganisation to complement new Mayoral Combined County Authority. Analysis from the Institute for Government suggests that the new unitary authorities should reflect economic geographies wherever possible so that there can be a close and effective working relationship between local Councils and the future Strategic Authority. In line with the principles set out in its interim plan and at this stage of the process, the Council believes that both the sense of place and economic geography of the area favours a North Hampshire unitary council (comprising the areas of Rushmoor, Hart and Basingstoke and Deane).

The consultation notes that Hampshire is a polycentric area. The Council is concerned that with the economic and population centre of gravities for the MCCA being on the Solent coast, it would be easy for the North Hampshire area to be neglected. The MCCA should commit to an equitable distribution of attention, funding, and investment throughout the region. As is detailed later in our response, a common issue for North Hampshire is the substantial cross-border links into Berkshire, Surrey, and Greater London. This applies to the functional economic area, transport connections, the health system, local housing market, and environmental protection. Collaboration with the future combined authorities for the Thames Valley and Surrey will be vital to maximise the benefits of devolution in the north of region. The slower pace of devolution will constrain the medium-term benefit realisation and the Government should be mindful of this issue when considering the next phase of the devolution programme.

Hampshire and the Solent is a significant economic area, and the Council believes that the funding and greater flexibilities offered through devolution will support local economic growth. Rushmoor is a significant contributor to the economic success of the wider Hampshire and the Solent region. It is the most productive local authority in the country after the City of London with a cluster of businesses which are driving growth in the aerospace and defence sector and a talented workforce. The MCCA has the potential to boost economic growth in Rushmoor and provide

opportunities to meet local economic and social challenges whilst taking advantage of the enormous opportunities that Rushmoor's innovative businesses, skilled workforce and growing SMEs can provide.

It is important that newly created MCCAs have the technical and administrative resource to create well-designed policies and delivery plans to fully realise the benefits of devolution. The Council believes that the mayoral capacity fund and associated devolved funding from Government will need to be substantial to maximise the potential benefits of devolution in Hampshire. Aligned to this the Council is concerned that substantial mayoral precepts will lead to a significant increase to council tax bills. Any precept should provide visible and tangible benefits for residents proportionate to cost.

Question 2: To what extent do you agree or disagree with the proposed governance arrangements for the Mayoral Combined County Authority?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Explain your answer

The Hampshire and Solent region is experiencing a significant transition with the dual delivery of devolution with local government reorganisation. Any future proposed Local Government Reorganisation should complement the new Mayoral Combined Authority to maximise the benefits of devolution. The Council welcomes that the consultation document acknowledged that any new unitary councils would become constituent members of the MCCA. It suggests that this is included in the secondary legislation setting up the authority to ensure uninterrupted continuation of well-functioning governance.

The MCCA will have devolved funding for housing, regeneration, and local growth — all areas where district and boroughs have significant powers, capability, and capacity that would complement or exceed that of the county council. Especially given local government reorganisation, the Council believe it would be prudent for district and borough councils to be guaranteed representation as non-constituent members of combined authority. This would ensure that these councils can effectively contribute and coordinate our expertise and activity in these areas with the combined authority, leading to better outcomes and efficient use of resources.

The consultation notes that Hampshire is a polycentric area. The North Hampshire areas of Basingstoke, Hart, and Rushmoor share an economic geography with strong transport infrastructure and socio-economic links. The North Hampshire economy is as interconnected with Berkshire and Surrey and London as it is with the rest of Hampshire and Solent. To maximise the benefits to their communities of devolved funding for local transport, the combined authority must put in arrangements for cross-border collaboration with any future combined authorities for these areas.

The Council notes that the English Devolution White Paper committed to move MCCAs to simple majority voting. While it supports this change to increase the pace of decision making, it is important that this is complemented by prioritising community engagement and consultation with non-unanimous decisions as last resort rather than the

default. Under the new devolution framework, local councils are still the main delivery units for combined authority policies. It is important that their sovereignty is respected and that they are not regularly compelled to deliver activity despite their objections.

During the Local Government Reorganisation transition, the Council believes that district and borough non-constituent members should have voting rights on decisions that relate to their functions, namely planning, housing, regeneration, and economic development. This includes seats on function or place specific committees, and the overview and scrutiny committee.

The Council also believes that the maximum number of non-constituent and associate members should be increased to reflect the size, scale and complexity of the Hampshire and Solent area.

Question 3: To what extent do you agree or disagree that working across the proposed geography through the Mayoral Combined County Authority will support the economy of the area?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Explain your answer

Hampshire and the Solent is a significant economic area, and the Council believes that the funding and greater flexibilities offered through devolution will support local economic growth.

Rushmoor is a significant contributor to the economic success of the wider Hampshire and the Solent region. It is the most productive local authority in the country after the City of London with a cluster of businesses which are driving growth in the aerospace and defence sector and a talented workforce. The MCCA has the potential to boost economic growth in Rushmoor and provide opportunities to meet local economic and social challenges whilst taking advantage of the enormous opportunities that Rushmoor's innovative businesses, skilled workforce and growing SMEs can provide.

An MCCA could offer more opportunities for businesses to collaborate on initiatives like local supply chains and export strategies for the area's aerospace and defence sectors and support emerging local sectors like the digital and creative industries.

Working across a broader geography could offer economies of scale for example, enabling the region to invest in large-scale infrastructure projects which suit local circumstances such as improvements to digital infrastructure, and investing in business hubs/ innovation clusters which suit thriving local sectors.

To further unlock economic growth, the MCCA should use its investment fund on infrastructure projects that enable regeneration and housing. It should also facilitate public and private investment to unleash regeneration activity, particularly in town centres.

With the right powers, responsibilities and funding the MCCA should have the ability to focus on local sector strengths and target economic development in certain areas. This is particularly relevant in skills and employment where programmes should reflect local needs and could be targeted to specific geographical areas e.g. areas of relative deprivation in our towns.

Skills are key to achieving the government's growth mission. Many employers are struggling to recruit people with the skills they need, with 36% of vacancies in 2022 reported to be due to skills shortages – more than double the rate in 2011. Important local sectors such as construction, engineering, digital technology and green industries are finding it a challenge to recruit talent, and all are all key to economic growth.

Rushmoor is likely to benefit from models developed in existing MCCAs and the council would be keen to see such initiatives across Hampshire and the Solent, for example; Liverpool City Region has set up an apprenticeship levy transfer scheme, which encourages and supports large employers to transfer up to 50% of their unused levy to other employers in the region. The scheme has led to the transfer of more than £7m and has been used to target specific sectors.

Hampshire and the Solent is a major gateway to European and global markets, benefitting from a direct road and rail links to London, as well as international connections through Southampton and Farnborough Airports and the ports of Southampton and Portsmouth. In this context it is important to recognise that Rushmoor's functional economic area stretches across North Hampshire, the wider county area and into neighbouring counties, namely Surrey and Berkshire as well as London. Businesses don't recognise local authority boundaries, functioning instead across labour and capital market flows. Mechanisms and arrangements need to be in place to ensure coordination and cooperation across MCCA areas.

The creative, cultural and heritage sectors have an important role to play in placemaking and in supporting local economic growth. The Council believes that funding to support arts and culture should be included within the scope of the devolution 'offer'. Rushmoor has been identified as a Priority Place by Arts Council England, recognising distinct challenges and opportunities. It would be helpful if this place-based approach aligned with the broader devolution package, with greater levels of local control and decision making applied to the way that ACE funding is prioritised.

Question 4: To what extent do you agree or disagree that working across the proposed geography through the Mayoral Combined County Authority will improve social outcomes in the area?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Explain your answer

The consultation notes that Hampshire is a polycentric area. The North Hampshire areas of Basingstoke, Hart, and Rushmoor share an economic geography with strong transport infrastructure and socio-economic links. The North Hampshire economy is as interconnected with Berkshire and Surrey as it is with the rest of Hampshire and Solent.

The Council supports the reform and joining up of public services with Mayors appointed to positions in the local integrated care systems. The Borough of Rushmoor, along with part of Hart district, forms part of NHS Frimley Integrated Care System (ICS) along with parts of Berkshire and Surrey. Meanwhile the rest of Hampshire and Solent form a separate ICS. It is vital that the proposed new duty for the MCCA to improve health and reduce health inequality is mindful of both health systems and that activity within NHS Frimley is not considered as an afterthought.

The collaborative role of the whole public sector is vital to reduce health inequalities. Unfortunately, Hampshire County Council continues to reduce spending on preventive services through its Future Services Programme. NHS Frimley have also reduced spending on place-based services. This combination exacerbates the difficulties of solving the root causes of health inequalities, as described in the Fair Society, Healthy Lives (The Marmot Review). The MCCA should bring together all partners across Hampshire to reinforce the positive impact of preventive services and investing in the future health of our residents.

Similar partnerships with Hampshire Constabulary, Hampshire & Isle of Wight Fire & Rescue Service, and local units of government agencies, like Jobcentre Plus, will be important to see through comprehensive public service reform.

The MCCA will need to give due regard to cross-border transport links given that the borough's public transport infrastructure is as connected to Surrey, Berkshire, and Greater London as it is with the rest of Hampshire. This is particularly important with local bus routes with substantially more out-of-county routes than within county routes. Given this, the MCCA should delegate North Hampshire bus infrastructure planning to any future unitary council to allow more local decision making. The Government should consider how the slower pace of devolution in the Thames Valley and Surrey may impact how Hampshire can maximise the benefits of devolution in the medium term.

The establishment of the MCCA will precede the implementation of any Local Government Reorganisation within the Hampshire and Solent area. LGR will likely bring significant changes for local government across Hampshire and potentially changes in service delivery in the years ahead. The MCCA will need to respond and react to these changes in an effective and coordinated way in order to be successful in improving social outcomes within the area.

The Government rightly highlights the crucial role the MCCA will have in intervening in regional housing markets to increase housing affordability. The MCCA should use its investment fund, alongside Homes England funding, to increase the development of social and affordable homes. It's interventions in the housing market should be mindful of local constraints. Rushmoor is less desirable area for housing development due to limited greenfield sites and the Thames Basin Heath Special Protection Area. These both increase housing costs in a way that is not prevalent in other areas of the county. The MCCA should consider a county-wide approach to housing need, through the Spatial Development Strategies to alleviate these more local constraints.

The work on housing supply should be complemented by work alongside district, borough, and unitary councils to address homelessness, income inequality, and rent affordability, through regional programmes like Housing First.

Question 5: To what extent do you agree or disagree that working across the proposed geography through a Mayoral Combined County Authority will improve local government services in the area?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Explain your answer

The establishment of the MCCA will precede the implementation of any Local Government Reorganisation within the Hampshire and Solent area. LGR will likely bring significant changes for local government across Hampshire and potentially changes in service delivery in the years ahead. The MCCA will need to respond and react to these changes in an effective and coordinated way to be successful in improving social outcomes within the area. Whilst Rushmoor performs well on some measures of economic success, the benefit of this is not always felt by those that live in the area. In places, the area has high levels of deprivation and more social housing stock when compared to other areas within the proposed MCCA. The ability for new structures, including the MCCA, to respond to the diversity of this large geographical area will determine how effectively the proposals can improve local government services in the area.

Whilst the MCCA will play a strategic role in setting relevant policy for the Hampshire and Solent area, local government services will be delivered by local Councils – initially within the existing structures in Hampshire the Solent and in the future by new unitary Councils. This reinforces the need for district and boroughs to have representation and voting rights on the combined authority to ensure the MCCA understands and considers district functions and challenges, specifically in housing, planning, regeneration, and economic development.

The MCCA should provide, support, and enable two-way secondments throughout the region's public sector organisations to promote collaboration, share knowledge, and improve productivity. It should explore ways to share staff between the local and combined authorities for specific short-term projects such as developing growth plans and spatial strategies.

Question 6: To what extent do you agree or disagree that working across the proposed geography through a Mayoral Combined County Authority will improve the local natural environment and overall national environment?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Explain your answer

The MCCA will provide increased economies of scale that should result in more efficient use of resources for climate change adaption and mitigation. It should ensure space and resources remain for smaller scale projects informed by local knowledge.

The MCCA should ensure coordination and cooperation across the Thames Basin Heaths Special Protection Area with Surrey and Berkshire continues post-devolution and work with the neighbouring combined authorities once they are established.

Question 7: To what extent do you agree or disagree that working across the proposed geography through the Mayoral Combined County Authority will support the interests and needs of local communities and reflect local identities?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

The Council is unsure how the MCCA will support the interests and needs of local communities and reflect local identities. The Mayor will need to carefully consider how to balance the needs across the many disparate community identities throughout the region. This could be enabled through a commitment to monthly mayoral question time, use of digital community engagement tools and embedding citizen participation methods into the policy making process.

The MCCA should reflect outcome of local government re-organisation and the unique demographics of Rushmoor – particularly the Nepali and the Armed Forces community.