

REPORT OF MAYOR AND CABINET MEMBER FOR HEALTH, SOCIAL CARE & DEVOLUTION		
Executive response to Governance & Resources Scrutiny Commission Scrutiny Review into Devolution – the Prospect for Hackney	Classification Public	Enclosures
	Ward(s) affected All	
Cabinet: September 2017 Council: October 2017		

1. INTRODUCTION

- 1.1 Over the last 2 years there have been protracted discussions about a ‘Devolution Deal’ for London. These discussions between London and national government have been complex and slow and have explored areas such as financial and health devolution. London Government has found the slow progress frustrating and there is still a lack of clarity about the contents of any devolution offer. Progress has been further stalled by the General Election and changes in political leadership within government.
- 1.2 The scrutiny report highlights some of the challenges being faced with this agenda and covers the main areas where devolution is either proposed or is being asked for. There has been much debate about the subject of devolution with this review drawing on the expertise of a number of national bodies and think tanks.
- 1.3 The report proposes that the Council lays out a set of principles and a plan which will provide a framework for the discussion across devolution areas. The report also recommends that careful thought is given to engagement with the various stakeholders, where appropriate, to help shape service provision.
- 1.4 I welcome the scrutiny committee’s report, and set out overleaf the Executive response to their recommendations.
- 1.5 I commend this report to Cabinet.

2. RECOMMENDATION

- 2.1 Cabinet are asked to approve the content of this response.

3. EXECUTIVE RESPONSE TO SCRUTINY COMMISSION RECOMMENDATIONS

Recommendation	Response
<p><u>Recommendation One</u></p> <p>The Commission believes the Government has not provided clarity about the services and areas that will be devolved and recognises that discussions about devolution for London are very fluid and that the Council will need to be agile in its approach. In spite of these very practical challenges Hackney Council could not explain its approach to devolution across the board or the key principles by which it will enter into discussions to influence and shape proposals. The review highlighted the absence of a coherent approach and detailed plan.</p> <p>The Commission wishes to see the Council’s plan for devolution that will guide its response to devolution discussions and its priorities for advanced areas of devolution like health and skills.</p>	<p>A plan for devolution will be developed by the end of November 2017 which will reflect the latest position on devolution. Such a plan will need to be dynamic as the area of devolution is constantly changing and developing not only in terms of its scope but the timescales are regularly changing with the third iteration of a devolution memorandum of understanding between the GLA, London Councils and the Government perhaps being signed by the end of 2017.</p>
<p><u>Recommendation Two</u></p> <p>The Commission understands the lack of clarity from Government is hindering the progress of devolution. The Commission recognises the Council needs to respond in an agile way due to: the fluidity of discussion, variable geographies and proposals being agreed ad-hoc. However, it is important for the Council to have a holistic plan with a set of principles that provided a framework whilst still enabling the Council to respond as required. The Commission is of the view the principles should cover areas such as influence; protection from financial burden; taking proposals out for public debate at the earliest opportunity; accessible and simple structures for the public to navigate; openness to variable geographies, and finding the most appropriate partner.</p> <p>The Commission recommends the Council develops a set of key principles that sits alongside its plan, in order to provide a framework for devolution discussions across devolution areas.</p>	<p>The development of a set of principles is a welcome recommendation, and will help to frame any conversations for both Members and Officers. The suggestions set out in paragraph 5.9.2 of the scrutiny report will be taken into account as part of this work.</p> <p>The principles will be developed together with the devolution plan, but they will also need to adapt as the devolution landscape develops.</p>

<p><u>Recommendation Three</u></p> <p>The Commission was of the view that taking the proposals out for debate would create person-centred services that could be co-produced with local residents. The way to achieve this would be engaging with the voluntary and community sector in devolution discussions at a local level. This would enable devolution to be seen as less technocratic and more accessible to the people, ensuring public accountability through effective community engagement.</p> <p>The Commission recommends the Council when practically possible takes the devolution proposals or proposed changes out for public engagement to enable the local citizens to shape the service provision.</p>	<p>Where this is practical this will be done. In some areas, such as the devolution of business rates, this is unlikely to be practical. Health devolution is, however, an area where public engagement is already strong with many events occurring over the past 18 months and more planned over the following months. This includes, for some areas, co-production principles being adopted as it is important to ensure that patient views are taken on board as part of service re-design and improvement.</p> <p>We can also explore this in more detail in the wider plan for devolution being developed by November 2017.</p>
<p><u>Recommendation Four</u></p> <p>The Commission has identified that as powers are devolved it is not clear which accountability structures will be used and how Hackney residents would be able to hold relevant people, departments and organisations to account.</p> <p>For governance and accountability, the Commission recommends the Council explores with devolution partners the possibility of setting-up of a local public account committee or equivalent accountability structure of devolution of local services.</p>	<p>This recommendation is not agreed. The accountability structures will need to be appropriate for each area of devolution and should be discharged through those structures.</p> <p>The integrated commissioning of health services will be discharged through the Integrated Commissioning Boards which have been created through the decision making processes of the parties involved.</p> <p>Those decision making processes can then be held to account through existing committees and commissions within each partner organisation.</p> <p>Similarly the devolution of business rates will require some form of pan-London decision making involving London Councils and the GLA to determine any distribution mechanism which could not be based locally. The Council would then, through its normal budget setting processes, need to decide how the resources are distributed to deliver services including any additional responsibilities that may be attached to the devolution of business rates.</p>

Lead Member(s): Mayor Philip Glanville and Cllr Jonathan McShane, Cabinet member for Health, Social Care & Devolution

Lead Officer: Tim Shields, Chief Executive

Appendix 1	Governance & Resources Scrutiny Commission report into Devolution – the Prospect for Hackney
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