

Leader's Statement to Full Council – 21 October 2015

Syrian Refugee update

A pan-Kent Partnership to oversee the Syrian Refugee support scheme has been formed with Districts, Housing, Health, and Social Care partners, looking at what will need to be put in place in order for Local Housing Authorities to house and support these families.

Once the funding arrangements have been agreed with government it is anticipated that specialist organisations that KCC already commission to carry out vital homelessness work, including at times with refugee groups, will be able to extend their contracts and offer support to the incoming Syrians.

All districts within Kent are supportive of the scheme in principle. We are aware that Ashford has confirmed that it will be one of the early participants in the expanded scheme, and they have committed to taking 50 people (about 10 families) per year for the next five years. Dover has indicated it will take about three families per year, and Shepway about two per year. All other districts, including Swale, continue to be supportive without as yet committing to numbers.

This is because regardless of where they are placed, it is vital that both the appropriate funding is guaranteed and in place before families arrive, and that all partners - particularly health and mental health - are fully engaged with the scheme from the start, and resourced to the necessary capacity.

I will continue to keep members apprised of the situation as it develops.

Local Enterprise Partnership

Last week there was a meeting of the Kent and Medway Economic Partnership Board (KMEP), which is effectively the devolved Kent sub-section of the larger LEP board, which members will remember covers Kent, Essex, and East Sussex. The Secretary of State (Greg Clark) has recently confirmed that there will be no change to the geographical boundaries of the Local Enterprise Partnership. Having argued strongly to get all District Leaders appointed as full voting members of the KMEP board it was slightly disappointing that only four were present: Paul Watkins from Dover, John Cubitt from Gravesham, Peter Fleming from Sevenoaks, and myself.

Ron Moys, the Head of International affairs at Kent County Council, and Shane Convey, the External Investment Officer at Medway Council, gave a joint presentation on the availability of finance from European Structural and Investment Funds. As an example, one of the bids for funding which has been approved at the outline stage, and is now in the process of submitting a full phase 2 application bid, is one from Kent Science Park which seeks to increase the creation of enterprises by students, including through youth entrepreneurship.

Other items on the agenda included an update on the next stage of consultation for a lower Thames crossing, the development of the Kent Growth Hub for business advice, planning for the third round of applications to the Local Growth Fund, and minor updates to our terms of reference.

Devolution/Combined Authorities

I don't know about other Members but I cannot recall, for example at election time, ever having been asked on the doorstep questions about the structure of Local Government. Despite this, most joint meetings of local authorities seem of late to have been spending an inordinate amount of time on this subject, and most Government Ministers seem to wish to discuss it.

As a member of the District Councils' Network (DCN) Executive on 8 October I attended a joint workshop/summit together with members of the County Councils' Network Executive on this very subject. We heard presentations from council leaders, chief executives, and policy officers in some of those areas that have already submitted bids, including the joint Derbyshire-Nottinghamshire bid, and the bid from Suffolk County Council and its relevant districts. Not surprisingly, when I attended a recent meeting of Kent District Leaders where we were joined by DCLG Minister Greg Clark this was also a subject of discussion, as it was at the DCN AGM held on 14 October.

As I suspect Members will know, Kent is one of the larger parts of the country not to have formally submitted any bid prior to the deadline in early September. Government has since clarified that whilst the deadline was set for any bids that wanted the opportunity for negotiations to be concluded by or prior to the Comprehensive Spending Review on 25 November, further bids will be accepted though negotiations on these are unlikely to be concluded during this calendar year. Indeed, at the recent KMEP Meeting (see above) the Leader of KCC Paul Carter stated that he hopes to submit a bid in the spring based around the Health and Welfare agendas. Although this was something of an open secret, it was the first time it had been spelled out in the presence of District Leaders, who were somewhat belatedly invited to participate.

At the DCN AGM we were addressed by Marcus Jones MP, the Parliamentary Under Secretary of State (Minister for Local Government) within DCLG. This Minister was present because the Secretary of State was steering the Cities and Local Government Devolution Bill through its second reading in the Commons that very morning so could not be present in person.

We also had an address from John Healey MP, the Shadow Housing Minister. Members may like to access the Housing Policy document which is coming out from the Opposition, available via the Smith Institute. I did feel it was a pity that what he is saying now about involving Local Government he was not saying when he was Minister in the last Labour Government. It is amazing how all national politicians of all political parties seem to become localists when they are in opposition, a stance they promptly lose when achieving government office.

Changes to the financing of local government

The third major speech to the AGM was from Gary Porter, soon to be Lord Porter, the Chairman of the LGA and also District Council Leader, and indeed the former Chairman of the District Councils Network. Gary's message was uniformly bleak although probably realistic. Amongst the more unpalatable messages he delivered was that there is absolutely zero chance of maintaining the current 80/20% split of New Homes Bonus between Districts and Counties respectively. In his opinion, if Districts choose to make this a 'die in the ditch' issue that is exactly what we will do.

It should be remembered that when Kent's Paul Carter assumed the Chairmanship of the County Council Network he made the redistribution of these monies his number one priority.

Members will also have noted the announcement by the Chancellor of the Exchequer at the Conservative Party Conference on 5 October, regarding the full localisation of business rates. In short the proposal is that by the end of the Parliament, local government will be able to retain 100% of local taxes – including all £26 billion of revenue from business rates. Local authorities will also be given the power to cut business rates to boost economic activity in their areas, and to raise the rate in areas that have directly elected mayors – once they have support of local business leaders.

The retention of full business rates will mean that the core Revenue Support Grant from Whitehall will be phased out, and local government will be expected to take on new responsibilities – it is not yet clear what these will be, but they are likely to include the funding of public health, council tax freeze grants, and whatever the New Homes Bonus scheme becomes.

The changes are planned to take place by the end of the current Parliament, ie by 2019/20, in order to give the government scope to complete the review of business rates (announcement due in Budget 2016), finish the 2017 revaluation process (which was already delayed from 2015), and make at least three years' worth of funding reductions from local government (which could be significantly more difficult if 100% of business rates was localised prior to 2019/20). It will also give time for the new system to be fully designed, and I know that the Local Government Association is already gearing up to support the DCLG in making a success of the new regime.

As an area and a Council that believes in and is investing in driving economic growth, we give a cautious welcome to the proposals, though as ever the devil will be in the detail of the design. Again, I am happy to keep members updated as we hear more about how the new system is expected to work, and whether this will be to our benefit.

Cllr Andrew Bowles
Council Leader