

Leader's Statement to Full Council – Wednesday 29 June 2016

Outcome of EU Referendum, implications for Swale:

The result of the referendum is now clear. I am well aware that there are Members all around the Chamber who voted in differing ways, and indeed in many cases were actively involved in one or the other campaign. The voting patterns expose significant divisions in the country, both geographically and demographically. At a national level we are seeing turbulence of both major parliamentary parties.

Many council functions and services from waste collection to regeneration in Swale, as elsewhere, are subject to some level of influence and control from laws and policies originating from Brussels. Local authorities across the country will now expect and must be given a significant role in determining how these laws and policies are replaced.

Cabinet Members and senior officers will of course be working together over the coming months to assess and manage the implications of these developments for the Council, the Borough, and of course our residents, and will be keeping all Members fully informed.

Devolution update:

I last updated members in January on the devolution discussions that have been taking place in Kent, so now seems an appropriate moment for a further update.

Members will know that the Government has been pursuing a devolution agenda, led through the work of the Greater Manchester authorities, and now as part of the 'Northern Powerhouse' including other combined areas such as the Liverpool and Sheffield City combined authorities. Other deals have been struck in places as far apart as Cornwall and Lincolnshire, and negotiations are ongoing in other parts of the country – we anticipate some further announcements now that the pre-Referendum 'purdah' period is over.

However, the going nationally has not been all rosy, and several deals have run into the sand, whether because of unnatural geographies being asked to work together, or reluctance to entertain the idea of an elected mayor. This is particularly the case in two-tier county areas, where the 'metro-mayor' model does not translate easily.

Within Kent there have been several developments. In January I mentioned that one issue being considered was whether Maidstone would join the north Kent cluster, and this was indeed subsequently agreed by the Leaders. This has helped to bring further critical mass and indeed opportunity to the north Kent position. The north Kent opportunity has been further enhanced by the Chancellor's March Budget announcement of a Thames Gateway Growth Commission, to be chaired by Lord Michael Heseltine. The Commission's work is already underway and Swale Borough Council have within the last few days been invited to attend two meetings with representatives of the Commission, both to be held in mid-July. We look forward to this engagement to help in articulating a compelling vision for the future of the Gateway.

North Kent has continued to work on what our asks of and offer to Government would be of any devolution deal, focussing specifically on growth and regeneration, so that we might engage with central Government ourselves were there a lack of progress on a wider Kent devolution bid. At the Kent leaders meeting held on 17 May the Leaders of the Kent authorities, including all districts, Medway Unitary, and of course the County Council, agreed that we would together develop a proposal to be submitted before the Parliamentary Summer Recess to start the negotiation process for a devolution deal for Kent and Medway. A draft prospectus, developed by officers from Kent CC and representatives from each of the three Kent clusters, was circulated on 22 June for discussion at the Kent Leaders meeting scheduled for 27 June.

However, given the events referred to in my first update above, at that meeting there was unanimous agreement that Kent and Medway would now not seek to submit a devolution bid to the Government as originally planned. The result of the EU referendum and the subsequent political and financial uncertainty following the Prime Minister's resignation, a potential early General Election, and the urgent need for the Government to focus on exit negotiations with the EU and stabilising the financial markets, means that devolution policy is unlikely to be either clear, or a Government priority in short-medium term.

Kent Council Leaders will reconsider their position once the position of a new Government on English devolution becomes clear. In the meantime, it was unanimously agreed that:

- Leaders will continue to build on the joint working and trusted relationships that have developed whilst working on the devolution agenda. In particular, joint working between all councils at cluster levels around East, West and North Kent will continue without any formal devolution agreement from central Government, with a particular focus on improving the efficiency and effectiveness of existing services, reducing duplication and overlap between Kent CC and the District and Borough Council services in Kent, and innovation;
- Leaders will continue to collectively protect the interests of Kent and Medway residents by strongly arguing that any further cuts to council budgets in Kent and Medway would be unfair given the significant savings all councils in Kent and Medway have already delivered over the last six years, and would prove counterproductive to promoting continued economic growth;
- Leaders will continue to support major national infrastructure projects in Kent and Medway, such as the Lower Third Thames Crossing and the 'Operation Stack' Lorry Park. These major infrastructure projects are vital to improving both the quality of life for Kent and Medway residents, but also to support economic growth at a national level. Any reductions in infrastructure spending would be short-sighted and counterproductive to the national and local interest; and
- Kent CC will continue its work on health and social care integration through engagement and support to the development of the NHS Sustainability and Transformation Plan (STP) for Kent and Medway. The successful delivery of a transformational STP is essential to the continued sustainability of both health and social care services in Kent and Medway against increasing demographic demand.

Given this agreement, it is clear that work will continue both within and across the three Kent clusters, and I will continue to ensure that I remain engaged in not only the work in north Kent, but also the east Kent discussions so as to ensure that the interests of the east of our own Borough are protected.

As I said in my previous update, this is a fast moving area, and I will continue to keep members updated as discussions progress. Depending on progress there may come a time when it is appropriate to have a full scale debate on the options and opportunities.

Cllr Andrew Bowles
Council Leader