

POLICY DIGEST, March 2017

This digest presents a summary of the latest policy developments at a national and regional level of strategic relevance to Northumberland and highlights Government announcements of relevance to local government. This issue covers period from Monday 6 March to Friday 31 March. Previous and subsequent editions are available at www.northumberland.gov.uk/policy.

Policy Development	Action	Lead
PUBLIC SERVICE DELIVERY		
<p>The Budget (9 March 2017)</p> <p>Chancellor of the Exchequer Philip Hammond delivered his spring Budget to the House of Commons. The key announcements for local government by policy area were as follows:</p> <p><i>Social Care</i></p> <p>The government will provide an additional £2 billion to councils in England over the next 3 years to spend on adult social care services. £1 billion of this will be provided in 2017-18, ensuring councils can take immediate action to fund care packages for more people, support social care providers, and relieve pressure on the NHS locally. Building on the approach to the Better Care Fund, councils will need to work with their NHS colleagues to consider how the funding can be best spent. Overall, local government will be able to increase social care-specific resources in real terms in each of the remaining 3 years of the Parliament. The government will set out proposals in a green paper to put the system on a more secure and sustainable long term footing. Recognising the particular pressures in A&E, the government will provide an additional £100 million to the NHS in England in 2017-18 for capital investment in A&E departments. This will enable Trusts to invest in measures to help manage demand on A&E services and ensure that patients are able to access the most appropriate care as quickly as possible.</p> <p><i>Sustainability and Transformation Plans</i></p> <p>The government will invest £325 million over the next three years to support the local proposals for capital investment where there is the strongest case to deliver improvements for patients and to ensure a sustainable financial position for the health service. In the autumn, a further round of local proposals will be considered. Investment decisions will also</p>	For information	Alison Elsdon, Director of Corporate Resources

consider whether the local NHS area is playing its part in raising proceeds from unused land, to reinvest in the health service.

Business Rates

At Budget 2016 the government announced reductions in business rates worth almost £9 billion over the next 5 years. This included permanently doubling Small Business Rate Relief and extending the thresholds of the relief. The business rates revaluation takes effect in England from April 2017. In addition to the £3.6 billion transitional relief which was announced in November 2016, the government will provide £435 million of support for businesses facing significant increases in bills from the English business rates system. This includes:

- Support for small businesses losing Small Business Rate Relief to limit increases in their bills to £600 or the real terms transitional relief cap for small businesses each year.
- Providing English local authorities with funding to support £300 million of discretionary relief, to allow them to provide support to individual hard cases in their local area.
- The government will also introduce a £1,000 business rate discount for public houses with a rateable value of up to £100,000, subject to state aid limits for businesses with multiple properties, for one year from 1 April 2017.
- Local government will be fully compensated for the loss of income as a result of these measures. At Budget 2016 the government announced an aim to deliver more frequent revaluations of properties – at least every 3 years. The government will set out its preferred approach for delivering this aim at Autumn Budget 2017 and will consult ahead of the next revaluation in 2022.
- Rent-a-room relief - The government will consult on proposals to redesign rent-a-room relief, to ensure it is better targeted to support longer-term lettings. This will align the relief more closely with its intended purpose, to increase supply of affordable long-term lodgings.

Devolution

The government has agreed a Memorandum of Understanding on further devolution to London. The agreement with the Greater London Authority (GLA) and London Councils includes joint working to explore the benefits of, and scope for, locally-delivered criminal justice services; action to tackle congestion; and a taskforce to explore piloting a new approach to funding infrastructure. The agreement also commits to explore options for devolving greater powers and flexibilities over the administration of business rates and greater local influence over careers services and employment support services, as well as working with the GLA and London Councils to ensure that employers can take advantage of the opportunities offered by the apprenticeship levy. The government and London partners will agree a second Memorandum of Understanding on Health and Social Care.

Transport

Allocating £690 million to local authorities to get local transport networks moving. This includes, NPIF allocations have already been made for 2017-18, supporting local projects like improvements in Blackpool town centre, improving the A483 corridor in Cheshire, major maintenance of the Leicester Outer Ring Road, and a new roundabout at Hales in

<p>Norfolk. £690 million more will be competitively allocated to local authorities, with £490 million made available by early autumn 2017.</p> <p><i>Skills</i></p> <ul style="list-style-type: none"> • T-levels: 16-19 Technical education - The government will increase the number of programme hours of training for 16-19 year olds on technical routes by more than 50%, to over 900 hours a year on average, including the completion of a high quality industry work placement during the programme. To ensure the routes are well-designed and colleges properly prepared, they will be introduced from 2019-20, increasing funding in line with this roll out, with over £500 million of additional funding invested per year once routes are fully implemented. • Further Education maintenance loans - From 2019-20, the government will provide maintenance loans, like those available to university students, to students on technical education courses at levels 4 to 6 in National Colleges and Institutes of Technology. This will also support adults to retrain at these institutions. <p><i>Schools</i></p> <ul style="list-style-type: none"> • Schools investment - The government will extend the free schools programme with investment of £320 million in this Parliament to help fund up to 140 schools, including independent-led, faith, selective, university-led and specialist maths schools. • School maintenance - To improve the condition of the school estate, the Budget provides a further £216 million investment in school maintenance, taking total investment in school condition to well over £10 billion over this Parliament. • School transport - The government is expanding the current 'extended rights' entitlement for children aged 11 to 16, who receive free school meals or whose parents claim Maximum Working Tax Credit. They will now get free transport to attend the nearest selective school in their area, 19 bringing it in line with free transport provision for those travelling to their nearest school on faith or belief grounds. <p><i>Domestic Violence</i></p> <p>The government will provide an additional £20 million over the Parliament to support organisations working to combat domestic violence and abuse, and to support victims. This builds on the government's commitment to bring forward a Domestic Violence and Abuse Act, and increases the total funding for implementing the government's Ending Violence Against Women and Girls Strategy to £100 million over the Parliament.</p> <p>https://www.gov.uk/government/topical-events/spring-budget-2017</p>		
<p>Consultation on proposals on the design and implementation of the locally administered Business Rates Relief Scheme (9 March 2017)</p> <p>At the Spring Budget, the Chancellor announced that the Government would make available a discretionary fund of £300m to support those businesses most affected by the revaluation. This will be available over four years. This consultation paper seeks views on: the allocation of resources to local authorities; arrangements for local authorities compensation; and the operation and conditions of discretionary relief scheme. It states that this will be administered</p>	<p>Officers to consider feeding comments into the consultation</p>	<p>Alison Elsdon, Director of Corporate Resources</p>

through billing authorities' discretionary relief powers under s.47 LGA 1988. The Government believes that local authorities are best placed to judge the particular circumstances of local ratepayers and direct the funding where it is most needed to support local economies. The Government will allocate the available funding to each billing authority area based on assumptions about how authorities will target their relief scheme – see the spreadsheet setting out the local authority distribution of £300m discretionary pot under this proposed formula. The consultation closes on 7 April 2017. https://www.gov.uk/government/consultations/discretionary-business-rates-relief-scheme		
Crowdfunding for local authorities This practical guide from the Local Government Information Unit is designed to help officers and councillors unpick the different types of crowdfunding, their uses within and outside local government, and contains practical tips for those who wish to give crowdfunding a try. It looks at donations-based crowdfunding, equity crowdfunding, and peer-to-peer (P2P) lending. There are many questions about what exactly crowdfunding is, how it can be used in a local government context and how to weigh its risks and benefits. This report aims to shed some light on this area so that people working in local government can make informed choices about if and how to get started. http://www.lgiu.org.uk/report/guide-to-crowdfunding-for-local-authorities/	For information	

PLACE SHAPING		
£220 million to help motorists beat congestion (10 March 2017) Traffic hotspots across England have been identified by Transport Secretary Chris Grayling to receive millions of pounds for junction upgrades, roundabout improvements and better traffic signalling. The schemes, worth about £110 million, will cut congestion and journey times for motorists and improve safety. They will be completed by spring 2020. This includes 2 larger projects, worth £30 million, which will create an unbroken stretch of dual carriageway on the A69 between Hexham and Newcastle. A further £14 million will go towards creating a new junction on the M11 to provide another route into Harlow, cutting journey times as well as unlocking housing developments. A further £110 million will be invested on improving more roads, with details revealed at a later date. https://www.gov.uk/government/news/220-million-to-help-motorists-beat-congestion	For information	Geoff Paul, Director of Planning and Economy
Future investment in England's motorways and major roads (16 March 2017) The creation of Highways England in 2015 changed the way road investment happens for England's motorways and major roads. Funding is now determined every five years via a Road Investment Strategy (RIS), which is set by the Secretary of State for Transport. Stable investment for 5 year periods allows Highways England and the Department for Transport to plan for the long-term, strategic challenges of the road network such as: population shifts; climate change; and technological advances. Highways England is currently delivering the improvements outlined in the first RIS, making wide-ranging improvements to our road network. The second Road Investment Strategy (RIS2) will be	For information	Geoff Paul, Director of Planning and Economy

<p>delivered between 2020 and 25. We are working in close partnership with the Department for Transport, the Office of Road and Rail and Transport Focus to gather the best evidence possible, assess value for money and get ready to start work. The detail of how funding will be allocated will be in the RIS2 document due to be published in 2019. In addition, a suite of Route Strategies and Strategic studies have been produced to collate evidence and feedback covering the whole of our network.</p> <p>https://www.gov.uk/guidance/future-investment-in-englands-motorways-and-major-roads</p>		
<p>Rural proofing; practical guidance to assess impacts of policies on rural areas (16 March 2017)</p> <p>This document helps policy makers and analysts in government to assess the effects of their policies on rural areas. This rural proofing is important because rural communities are an important part of the economy. Rural areas are home to one-fifth of England's population and a quarter of all registered businesses; they contribute over 16 per cent of England's economy each year. However, rural areas face particular challenges around distance, sparsity and demography. That is why government policies are required to take these into account at all stages of development. This guidance sets out a four-stage process to achieve this objective.</p> <p>https://www.gov.uk/government/publications/rural-proofing</p>	For information	Geoff Paul, Director of Planning and Economy
ECONOMIC PROSPERITY		
<p>Inclusive Growth Commission: Making our economy work for everyone</p> <p>This RSA report sets out our framework and recommendations for achieving inclusive growth. These are addressed equally to central government and to councils and UK city regions, many of which are on the threshold of important metro mayoral elections. The Commission proposes four key sets of recommendations for putting inclusive growth at the heart of public policy and finance: place-based industrial strategies that deliver business-led productivity and quality jobs; a fundamental reset of the relationship between Whitehall and the town hall, underwritten in new social contracts; inclusive growth at the heart of public investment; and making inclusive growth our working definition of economic success.</p> <p>https://www.thersa.org/discover/publications-and-articles/reports/final-report-of-the-inclusive-growth-commission</p>	For information	Geoff Paul, Director of Planning and Economy
<p>The Making of an Industrial Strategy</p> <p>This Localis report makes the case for a locally-led industrial strategy. It argues that to turn a national industrial strategy into local economic renewal, places and their leaders should be provided the space and powers by government to lead from the front. In short places should take control of their local industrial strategy, with greater influence over the effects of globalisation in their area and augmented powers to encourage greater economic prosperity. The prime minister has signalled an ambition to set a new economic direction with the new industrial strategy aimed at "helping to deliver a stronger economy and a fairer society – where wealth and opportunity are spread across every community in our United Kingdom, not just the most prosperous places in London and the South</p>	For information	Geoff Paul, Director of Planning and Economy

<p>East". Allied to this new approach is the view that our understanding of economic success must be deeper than measures such as national GDP and should now include a greater focus on the local impact. Building on the ambitions set out in the government's industrial strategy green paper, this report is a road map for turning the prime minister's stated aims into practice.</p> <p>http://www.localis.org.uk/research/the-making-of-an-industrial-strategy/</p>		
<p>After Brexit: 10 key questions for rural policy</p> <p>Policymakers must look beyond agriculture if the rural economy is to contribute fully to the future of post-Brexit Britain, say experts at Newcastle University. Newcastle University's Centre for Rural Economy is urging the UK Government to consider the wider opportunities for economic growth offered by rural communities. They argue that, while predominantly rural areas in England alone contribute at least £237 billion a year to the UK economy, policymaking often fails to make the most of their potential and communities risk being left behind. However, leaving the EU offers the possibility of a new approach. As such, they have identified 10 issues that they believe will need priority attention during and after the Brexit process. Leaving the European Union means withdrawing from the Common Agricultural Policy, with opportunities for reconsidering how best to encourage economic growth and healthy rural communities, and rethinking the most effective means of protecting the whole range of vital services provided by our environment, including food, water, carbon storage and clean air. Brexit also means the end of schemes like LEADER that supported community development via Local Action Groups and policymakers have to take decisions on whether and how this might be replaced.</p> <p>http://www.ncl.ac.uk/press/news/2017/04/creafterbrexit/</p>	For information	Geoff Paul, Director of Planning and Economy
<p>Certainty and stability for UK businesses as negotiations begin on new relationship with Europe (30 March 2017)</p> <p>The Great Repeal Bill White Paper sets out how to ensure a functioning statute book once we have left the EU. Giving maximum legal certainty for businesses, workers and investors as the UK leaves the European Union is at the heart of Government plans. The day after the Prime Minister triggered Article 50 — starting the formal process of leaving the bloc — a White Paper on the Great Repeal Bill sets out the Government's approach to converting existing EU law into domestic law on the day we leave the EU. The paper sets out how the Great Repeal Bill will deliver a smooth and orderly exit from the EU, by: repealing the European Communities Act 1972 — returning power to UK elected representatives and institutions; converting EU law into domestic law at the point of departure — giving certainty and allowing any changes to be made in a sensible, timely and considered fashion; and correcting EU law that will not function as it is converted into UK law — ensuring the statute book operates effectively. This process will ensure that the same rules and laws will apply after we leave the EU as they did before, from the moment we leave. After the UK has left the EU and sovereignty has returned to the UK Parliament, it will be able to decide which elements of law to keep, change or repeal.</p>	For information	

https://www.gov.uk/government/news/certainty-and-stability-for-uk-businesses-as-negotiations-begin-on-new-relations-hip-with-europe		
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STRONGER COMMUNITIES		
<p>Enabling social action: guidance</p> <p>From November 2015 to August 2016 government collaborated with the New Economics Foundation to develop resources for commissioners and other public sector leaders to help them embed social action in commissioning. Social action is about people coming together to help improve their lives and solve important problems in their communities. When the public sector works with communities – listening to citizens, growing their capacity to act, and working with them as equals – social action can become a powerful way of meeting people’s needs. These publications provide resources, ideas and case studies on how to embed social action into existing services, develop new programmes and create the conditions for social action.</p> <p>https://www.gov.uk/government/publications/enabling-social-action-guidance</p>	For information	
<p>£2 billion boost set to transform charity and voluntary sector funding (3 March 2017)</p> <p>Experts find vast sums lying unclaimed in dormant assets such as stocks and shares, Minister for Civil Society Rob Wilson has announced. The huge sum has the potential to further transform the charity sector, helping to improve communities and change lives. It was identified by the independent Dormant Assets Commission, which found untapped assets in products such as unclaimed insurance policies and pensions. They include: £715 million from investments and wealth management; £550 million from the pensions and insurance sectors; £150 million from securities; and £140 million from banks and building societies. It’s expected these estimates could increase once the scheme is operational. The Independent Dormant Assets Commission was set up in December 2015 to look at whether the current dormant asset scheme, which includes funds in banks and building societies, could be extended to other financial services. These include insurance products, stocks and shares, and pensions that have been classed as dormant. The current scheme has already distributed £360 million from accounts to go towards supporting good causes. Extending it could deliver lasting change to the way voluntary and charity sectors are funded. Ministers will now consider the report’s findings in detail.</p> <p>https://www.gov.uk/government/news/2-billion-boost-set-to-transform-charity-and-voluntary-sector-funding</p>	For information	
<p>Facing Forward</p> <p>Government, funders and large charities must take urgent action if small charities are to survive turbulent times ahead according to new analysis published by Lloyds Bank Foundation for England & Wales. The report presents a candid analysis of the ten-upcoming political, economic, social and technological changes which will dramatically affect the</p>	For information	

<p>operating landscape for the 65,000 small and medium charities working at the heart of communities across England and Wales. With the impact of Brexit, economic uncertainty and growing pressures on local government adding unprecedented uncertainty for their futures, the analysis offers small charities a robust framework of how they can take action and adapt by diversifying their income, developing collaborations and sustaining their staff, before it's too late. The report also calls for clear and decisive action from other stakeholders whose actions influence the survival of small charities.</p> <p>https://www.lloydsbankfoundation.org.uk/news/news/2017/03/22/small-charities-need-support-to-survive-turbulent-times-ahead/</p>		
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Northumberland County Council

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