
Responsibilities Working Group 21 July 2016

For Information.

1. On 5 July the Government published its consultation on Business rates retention – “Self-sufficient local government”. The consultation can be viewed on the DCLG website ([here](#)). The LGA produced an on the day briefing ([here](#)). The consultation includes significant sections on new responsibilities and the purpose of this paper is to highlight and these for the group.
2. The relevant section of the consultation is chapter 3 “Devolution of responsibilities”, pages 15 to 22. A few highlights are as follows (these have all been considered by earlier meetings of the working group)
3. Para 3.7 lists the criteria for possible candidates for devolution. These are grouped under the following headings
 - Devolution of a responsibility should build on the strengths of local government
 - Devolution of a responsibility should support the drive for economic growth
 - Devolution of a responsibility should support improved outcomes for service users or local people
 - Devolution of responsibilities should be made with consideration for the medium-term financial impact on local government
4. The following grants and responsibilities have been identified as a possible fit against the criteria for being funded through business rates:
 - Revenue Support Grant
 - Rural Services Delivery Grant
 - Greater London Authority (GLA) Transport Grant
 - Public Health Grant
 - Improved Better Care Fund
 - Independent Living Fund
 - Early Years
 - Youth Justice
 - Local Council Tax Support Administration Subsidy and Housing Benefit Pensioner Administration Subsidy
 - Support for older people with care needs – including people who, under the current system, would be supported through Attendance Allowance
5. The consultation highlights that existing devolution deals include the devolution of a range of functions and associated budgets, and that these might be treated differently. These include the following functions and grant funding:
 - Investment funds for devolution deals
 - Adult Education Budgets
 - Transport Capital Grants
 - Local Growth fund
6. The questions asked on devolution of responsibilities are

Question 1: Which of these identified grants / responsibilities do you think are the best candidates to be funded from retained business rates?

Question 2: Are there other grants / responsibilities that you consider should be devolved instead of or alongside those identified above?

Question 3: Do you have any views on the range of associated budgets that could be pooled at the Combined Authority level?

Question 4: Do you have views on whether some or all of the commitments in existing and future deals could be funded through retained business rates?

Question 5: Do you agree that we should continue with the new burdens doctrine post- 2020?

Over the summer the views of the working group will feed into the sector's response to the consultation on these questions.