



THE HEART OF HAMPSHIRE

Devolution Agreement
May 2016

We believe that the proposed deal with Government is a unique opportunity to achieve our ambition of significantly increasing the economic output of our area and raise local standards of living, whilst also protecting the unique character of this beautiful and prosperous area which is the Heart of Hampshire.

To achieve this and generate additional regional prosperity, we will give our people the education and skills they need to find good jobs and enable businesses to flourish; build high-quality homes that local people need and can afford; and fund the essential infrastructure that supports their lives and helps businesses to grow.

Our devolution proposal aims to bring services as close to communities as possible whilst maintaining the appropriate scope and level of accountability.

This will require long-term planning and investment and sustained local commitment that is not dependent on changing priorities – which is why we are asking to be entrusted by Government with a new level of freedom and responsibility.

The Rt. Honourable George Osborne
Chancellor of the Exchequer

The Rt. Honourable Greg Clark
Secretary of State for
Communities and Local
Government

Lord Jim O'Neill
Commercial Secretary to the
Treasury



Councillor Roy Perry
Hampshire County Council



Geoff French CBE
Enterprise M3 Local Enterprise Partnership



Councillor Clive Sanders
Basingstoke and Deane Borough Council



Councillor Stephen Parker
Hart District Council



Councillor Barry Rickman
New Forest District Council



Councillor Peter Moyle
Rushmoor Borough Council



Councillor Ian Carr
Test Valley Borough Council



Councillor Stephen Godfrey
Winchester City Council

Summary of the proposed devolution agreement between Government and the Heart of Hampshire Combined Authority (referred to as either the Heart of Hampshire or the combined authority hereafter).

The proposed Heart of Hampshire comprises the area covered by Basingstoke and Deane Borough Council, Hart District Council, New Forest District Council, Rushmoor Borough Council, Test Valley Borough Council and Winchester City Council within the county of Hampshire. Enterprise M3 Local Enterprise Partnership will be co-opted as an associate voting member.

A new directly elected Mayor will act as Chair to the Heart of Hampshire and will exercise the following powers and functions devolved from Government:

- Responsibility for a multiyear consolidated and devolved local transport budget.
- Powers over strategic planning and housing, including responsibility for creating a spatial planning framework for the Heart of Hampshire, supporting the duty to co-operate requirements, and to chair the Heart of Hampshire Joint Investment and Assets Board.
- The ability to franchise bus services, subject to necessary legislation and local consultation.

The Heart of Hampshire, working with the Mayor, will receive the following powers:

- Control of a new additional £30 million a year funding allocation over 30 years, to be invested to the Heart of Hampshire Single Investment Fund, to boost growth.
- Responsibility for developing a Strategic Infrastructure Delivery Plan which will identify the infrastructure needed to support the delivery of new homes and improve transport and broadband connectivity across the area.
- Responsibility for the 19+ Adult Education Budget, which will be devolved from academic year 2018/19.

In addition:

- Government will work towards closer cooperation with the Heart of Hampshire on export and investment services, including joint activities with UKTI.
- Government will work with the Heart of Hampshire to realise the economic potential of the Enterprise M3 multi-site Enterprise Zone, part of which lies within the Heart of Hampshire area and support the Growth Hub.
- Government will work with the Heart of Hampshire to agree specific funding flexibilities. The joint ambition will be to give the combined authority a Single Investment Fund to invest in its economic growth.

Further powers may be agreed over time and included in future legislation.

1 Background

- 1.1 This document sets out a proposed agreement between Government and the Heart of Hampshire to devolve a range of powers and responsibilities to the new combined authority and directly elected combined authority Mayor.
- 1.2 This deal builds upon the Growth Deals, agreed with Enterprise M3 Local Enterprise Partnership and Government in July 2014 and January 2015, marks the next step in the transfer of resources and powers from Government to the Heart of Hampshire.
- 1.3 In return, the constituent councils and Local Enterprise Partnership will work together with wider partners to deliver a joined-up approach to economic growth, delivering the housing, business support, employment, training and infrastructure needed to build on the area's successful local economy, increase its contribution to the national economy and increase the prosperity of local residents.
- 1.4 The Heart of Hampshire is home to 779,400 people and generates roughly £22.2bn in GVA, just under £28,500 per head of population, £2,000 above the South East average¹. This highly productive area benefits from both high performing urban centres and a strong rural economy and is home to many digital technological businesses that are driving innovation, productivity and competitiveness across the area.
- 1.5 This agreement will enable the Heart of Hampshire to maintain and enhance our economic success. By increasing investment in infrastructure and improving both digital and physical connectivity the area will benefit from high-value, sustainable growth. In particular, the Heart of Hampshire will invest in broadband infrastructure, making substantial progress towards closing the gap to 100% superfast broadband coverage.
- 1.6 **This agreement is subject to ratification from all constituent councils within the Heart of Hampshire and the board of the Enterprise M3 Local Enterprise Partnership. The deal also requires parliamentary approval of the secondary legislation implementing the provisions of this agreement.**
- 1.7 This deal is the first step towards greater local control over funding and investment by the Heart of Hampshire. It paves the way for further devolution over time and for closer collaboration between partners to enhance the delivery of public services.
- 1.8 The Heart of Hampshire will work with other partners including Government and the Solent Local Enterprise Partnership, businesses and local communities to explore further opportunities for powers to be devolved such that there will be a positive impact on the lives of residents, on skills and employment and on boosting economic growth.

¹ Source: ONS regional gross value added 2014 and a mixture of ONS regional gross value added and local calculations

2 Fiscal

- 2.1 The Heart of Hampshire commits to creating and investing in a Single Investment Fund which will be used by the combined authority to invest in economic growth, ensuring housing delivery and job creation.
- 2.2 The Government will work with the Heart of Hampshire to agree specific funding flexibilities which will be pooled into the Single Investment Fund. This will comprise a flexible, multi-year settlement to the combined authority annually in advance.
- 2.3 The Government agrees to allocate an additional £30 million per annum, which will form part of the Heart of Hampshire Single Investment Fund.
- 2.4 The fund will be subject to gateway assessments every five years to confirm that it has contributed to national growth. The agreement of this deal shall not in any way limit or prevent the proposed Heart of Hampshire from bidding for future allocations of national funding.
- 2.5 In addition to the Single Investment Fund for the Heart of Hampshire, additional work sponsored by Department for Communities and Local Government (DCLG) and managed by Basingstoke and Deane Borough Council, Hampshire County Council and Enterprise M3 Local Enterprise Partnership is likely to be undertaken to identify specific business cases for future public/private sector investment to enhance the core infrastructure in the Basingstoke area.
- 2.6 This would support the development of around 10,000 new homes based on 'garden city' principles over two local plan periods (a proportion of these housing figures are included in the housing delivery numbers for the period to 2026 in paragraph 5.3 of this document).
- 2.7 It is acknowledged by DCLG and other Government departments that there may be some elements of the future enhancements to core infrastructure in and around Basingstoke which might have additional wider sub-regional benefits for the North Hampshire area (for example, strategic highways, rail and further education).
- 2.8 The Heart of Hampshire will look to build on this successful model of joint working with Government for future major projects on a similar scale.

3 Economic growth

- 3.1 The Heart of Hampshire has a vision for growth, innovation and exporting that seeks to build on its key sectors; exploit the reputation of local higher education institutions for establishing industry-led partnerships; and capitalise on the potential of its Sci:Tech Corridor to lead the world in areas such as aerospace and defence, ICT and digital media, professional and business services and pharmaceuticals².

Growth Hub and business support

- 3.2 The Heart of Hampshire will simplify and strengthen the support available for business growth, innovation and global exporting and investment in order to increase productivity.
- 3.3 The combined authority commit to greater alignment of economic development resources to maximise the impact of support for priority sectors and businesses and ensuring the most efficient and effective use of public funding. This will include agreeing joint objectives to support the delivery of the Strategic Economic Plan.
- 3.4 The Heart of Hampshire will work with Government to continue to deliver strong Growth Hubs across its area. It will ensure that they join-up and co-ordinate public, private, national and local support so that businesses get the help they need to boost their productivity and grow. Government will provide funding to help embed the Growth Hubs in 2016/17 and 2017/18.
- 3.5 The Heart of Hampshire will agree with partners, including Government, a collaborative approach to help Growth Hubs become sustainable; collaborate on innovative business support evaluation projects which develop robust evidence about what works; and share best practice widely to deliver better outcomes for the country as a whole.

Enterprise Zone

- 3.6 The Heart of Hampshire will work collaboratively with neighbouring areas, including other combined authorities, to ensure the successful delivery of the Enterprise M3 multi-site Enterprise Zones covering the three sites of Basing View in Basingstoke, Longcross in Runnymede and Whitehill and Bordon in East Hampshire.
- 3.7 The Heart of Hampshire Combined Authority will build on this experience and seek to deliver further Enterprise Zones across the area.

² Enterprise M3 Strategic Economic Plan – Key sectors. Niche sectors also include 5G communications, satellite technologies, cyber security, advanced aerospace/automotive manufacturing, animal health, computer games and entertainment technologies.

Export and investment

- 3.8 The combined authority commit to working with UKTI; strengthening joint working to increase inward investment and exporting. Local partners will invest in a concerted campaign to help more businesses, particularly smaller companies, export.
- 3.9 The Heart of Hampshire will work with UKTI and neighbouring areas to develop a co-ordinated approach to inward investment, including Foreign Direct Investment (FDI). This will lever the existing capacity of existing FDI based partnerships with neighbouring areas.
- 3.10 The Government will help to establish the scope for aligning future marketing activity with Visit England, Visit Britain and the Department for Culture, Media and Sport's five point plan to support tourism growth in the Heart of Hampshire.

Innovation

- 3.11 The Government will offer the Heart of Hampshire expert advice and support through the Smart Specialisation Advisory Hub, and associated workshops, to reinforce activities that build on the area's strengths. This will include a proposal for a Science and Innovation Audit, developed by a consortium of universities and research intuitions and research intensive companies, to help identify where support should be directed and how the future European Regional Development Fund and Local Growth Fund should be utilised.
- 3.12 The Heart of Hampshire will develop and build on flagship initiatives such as the 5G Innovation Centre based at the University of Surrey and expand 5G links to innovation centres in key towns. This will build on the approach to link the Basingstoke Innovation Centre to the 5G centre at the University of Surrey and support the invention of new products and services ready for next-generation mobile.
- 3.13 The Heart of Hampshire will also build on Government's 10-point plan for rural productivity to support innovation and sustainable growth within the rural economy.

4 Adult education, skills and employment

- 4.1 The Heart of Hampshire recognises the need for a highly skilled workforce and the impact this has on future productivity, economic growth and investment. Drawing on the skills and expertise of the Enterprise M3 Local Enterprise Partnership will be central to delivering the workforce the area needs.

Adult education

- 4.2 The combined authority will continue to work with partners to reshape the local post-16 education and training sector, and take full control of the 19+ Adult Education Budget, building on work already underway, including through the existing Enterprise M3 Global Competitiveness Through People Board, sharing best practice and aligning resources on projects of common interest.
- 4.3 Following the completion of the Area Review of post 16 education and training, currently scheduled to begin in May 2016, the Government would expect the Regional Schools Commissioner to continue to engage with the Heart of Hampshire to ensure local links and workings are maintained.
- 4.4 The Heart of Hampshire will work with colleges and sixth form colleges to take forward the recommendations from the reviews, and will explore how local funds including the Local Growth Fund can be used to support college development.
- 4.5 Government will enable local commissioning of the 19+ adult education budget starting in academic year 2017/18 and will fully devolve budgets to the Heart of Hampshire from academic year 2018/19 (subject to readiness conditions). These arrangements will not cover apprenticeships.
- 4.6 Devolution will proceed in three stages, across the next three academic years:
- Starting now, the Heart of Hampshire will begin to prepare for local commissioning.
 - For the 2017/18 academic year and following the Area Review, Government will work with the Heart of Hampshire to vary the block grant allocations made to providers, within an agreed framework.
 - From 2018/19 there will be full devolution of funding. The Heart of Hampshire will be responsible for allocations to providers and the outcomes achieved, consistent with statutory entitlements. Government will not seek to second guess these decisions, but it will set proportionate requirements about outcome information to be collected in order to allow students to make informed choices. A funding formula for calculating the size of the grant to local and combined authorities will need to take into account a range of demographic, educational and labour market factors. It will also need to take account of costs of implementing devolution and continuing operational expenditure.

4.7 The readiness conditions for full devolution are that:

- Parliament has legislated to enable transfer to local authorities of the current statutory duties on the Secretary of State to secure appropriate facilities for further education for adults from this budget and for provision to be free in certain circumstances.
- Completion of an Area Review process leading to a sustainable provider base.
- After the Area Reviews are complete, agreed arrangements are in place between Government and the combined authority to ensure that devolved funding decisions take account of the need to maintain a sustainable and financially viable 16+ provider base.
- Clear principles and arrangements have been agreed between Government and the combined authority for sharing financial risk and managing failure of 16+ providers, reflecting the balance of devolved and national interest and protecting the taxpayer from unnecessary expenditure and liabilities.
- Learner protection and minimum standards arrangements are agreed.
- Funding and provider management arrangements, including securing financial assurance, are agreed in a way that minimises costs and maximises consistency and transparency.

4.8 To ensure continued local collaboration following the Area Review, the Heart of Hampshire will work with local colleges and providers to publish a new local skills plan, which will build upon the existing Enterprise M3 Skills Strategy and Strategic Economic Plan. This will help ensure that post-16 providers are delivering the skills that local employers require. It is expected that the combined authority will then collaborate with colleges and providers, with appropriate support from EFA, to work towards that plan.

4.9 Government will work with the Heart of Hampshire to ensure that local priorities are fed into the provision of careers advice, such that it is employer-led, integrated and meets local needs.

4.10 In particular, the Heart of Hampshire will ensure that local priorities are fed into provision through direct involvement and collaboration with Government in the design of local careers and enterprise provision for all ages, including collaboration on the work of the Careers and Enterprise Company and the National Careers Service.

Apprenticeships

4.11 The Heart of Hampshire will assume responsibility from Government for the Apprenticeship Grant for Employers (AGE). The AGE funding must be used alongside mainstream apprenticeship participation funding to incentivise employers to offer apprenticeships. The Heart of Hampshire is free to vary the criteria associated with the grant (for example, size and sector of business) to

meet local needs and will work with the Skills Funding Agency to identify an appropriate share.

4.12 The Heart of Hampshire and Government commit to working together to maximise the opportunities presented by the introduction of the apprenticeship reforms (including the levy). This will include:

- Working with employers to recognise the value of apprenticeships in driving productivity;
- Putting in place appropriate high quality careers education, information, advice and guidance so that apprenticeships are seen as an equally valuable progression route for all individuals leaving school or college; and,
- Specific work around public services including health to generate high quality apprenticeships to drive demand and support public service reform.

4.13 The Heart of Hampshire will develop a business case for an innovative programme to support the development of a digital skills programme that will support those who are hardest to help. The business case will set out the evidence to support the programme and enable the proposal to be taken forward as part of the delivery of this agreement, subject to Ministerial approval.

5 Housing and environment

5.1 Working with Government we are committed to housing delivery that will provide the homes that people need, consistent with the sustainable growth agenda. Individual local authorities will continue to be responsible for their own Local Plans, which remain sovereign.

5.2 The combined authority will work with partner organisations, including the Homes and Communities Agency and the private sector, and use devolved powers and funding to ensure delivery against Local Plan targets, and will report annually on progress.

5.3 The Heart of Hampshire will bring forward, by December 2016, detailed proposals for achieving this. The combined authority intends to work with developers to deliver 41,200 homes by 2026.

5.4 The Mayor will exercise strategic planning powers to support and deliver these ambitions which will include:

- The responsibility for creating a non-statutory spatial planning framework, which will act as the framework across the Heart of Hampshire area, and the foundation for future Local Plans. The spatial framework will need to be approved by unanimous vote of the members appointed by constituent councils of the mayoral combined authority.

- 5.5 All planning authorities in the Heart of Hampshire Combined Authority commit to having adopted or published Local Plans by 2017 which reflect local assessments of housing need.
- 5.6 The Heart of Hampshire will also produce (and then maintain) a Strategic Infrastructure Delivery Plan by the end of 2017. This plan will identify the infrastructure needed to support the delivery of new homes and facilitate economic growth. The plan will also outline how this strategic infrastructure delivery will be funded through devolved infrastructure funds, national programmes and local funding.
- 5.7 To support delivery of new homes the Heart of Hampshire and Government will:
- Establish a Joint Investment and Assets Board, chaired by the mayor of the combined authority to agree a programme for the review and release for development of land and property (including surplus land and property) held by the public sector (including local authority holdings and land held by central Government departments, the NHS and the MoD) building on the One Public Estate programme managed by Hampshire County Council.
 - Streamline planning delivery by building on Government's agenda to modernise the way that planning services are delivered. This will include exploring greater local flexibility in the way fees are set and the level of those fees. The combined authority will focus on proposals which can streamline the process for applicants and accelerate decision making.
 - Create stronger partnership arrangements with the HCA to finance and support the delivery of housing in the Heart of Hampshire, in particular for the delivery of large sites, and for delivery of affordable rural housing and support for an expanded HARAH programme.
 - Work in partnership to support those authorities developing new settlements.
 - Develop measures to ensure the rural character of our local communities is protected, without inhibiting development. This will build on the model of Green Belt planning powers.
 - Develop a strategic approach to co-investment in infrastructure to support new homes, and to unlock barriers to growth.
 - Explore with the Government and Registered Providers ways of providing greater flexibility in the operation of Right To Buy provisions to facilitate the delivery of rural affordable homes.

6 Infrastructure and transport

- 6.1 Making sure adequate infrastructure, for example roads, schools, doctors' surgeries, community centres, local green space and broadband connectivity is provided is vital to creating places where people want to live and gaining support for new development. Transport is a particularly important component of connecting people with jobs and enabling a better standard of living; growth across the Heart of Hampshire area will not succeed without an integrated transport system and early delivery of the required infrastructure.
- 6.2 In order to identify and support the need and timing for infrastructure across the authorities, the Heart of Hampshire will produce a strategic infrastructure delivery plan which will help to prioritise spending.

Transport

- 6.3 In establishing the Heart of Hampshire, responsibility for an area-wide local transport plan and public transport functions will be transferred to the combined authority and exercised by the Mayor.
- 6.4 The combined authority, in its capacity as the new area-wide transport body responsible for determining, managing and delivering the Mayor's transport plans, will work in partnership with the existing transport agencies and undertakings currently operating in the area.
- 6.5 This will take account of the mixed urban and rural nature and social, economic and demographic context of the area, to enable the achievement of a wide range of policy objectives across economic development, health and wellbeing, reducing isolation and barriers to employment and addressing congestion and journey time reliability problems.
- 6.6 The ambition is to deliver better value for the public purse through an inclusive area wide approach creating efficiency whilst enabling connectivity for multi-modal journeys and contributing to reduced congestion at peak times.
- 6.7 The Heart of Hampshire will achieve this by enabling travel choice and expanding door to door journey options. There will be a cohesive area wide approach to meeting travel demand for businesses, residents and visitors, which addresses accessibility, congestion and journey time reliability, as well as rural isolation and barriers to employment.
- 6.8 A key component of this would be an integrated passenger transport network, including a possible 'Basingstoke Urban Rapid Transit' system that considers and addresses travel demand in congested main urban centres, on rail services, on primary routes on the strategic and local road networks, and addresses accessibility issues for rural communities across the area.

Transport infrastructure

- 6.9 Transport infrastructure is critical to delivering economic growth across the Heart of Hampshire area.
- 6.10 In order to support delivery of transport infrastructure, the Heart of Hampshire are asking Government to pool and devolve relevant funding for local transport and provide a multi-year transport settlement, as part of the Single Investment Fund to be devolved to the Heart of Hampshire.
- 6.11 The new, directly elected Mayor will:
- Take responsibility for a devolved and consolidated, multi-year local transport budget for the area of the combined authority. Functions will be devolved to the Heart of Hampshire accordingly, to be exercised by the Mayor within the combined authority's constitution and associated procedures.
 - Have the ability to franchise bus services in the combined authority area, subject to necessary legislation and local consultation. This will be enabled through a specific Buses Bill, which will provide for the necessary functions to be devolved. The Buses Bill will also provide an alternative "Enhanced Partnership" model for local bus services in the combined authority area.
- 6.12 In addition and as part of this deal:
- To support better integration between local and national networks, Government and the Heart of Hampshire will enter into joint working arrangements with Highways England and Network Rail on operations, maintenance and local investment through a new Memorandum of Understanding;
 - Local planning authorities will work together with the Mayor and the Highway Authority to ensure that the transport needs and impacts of new development are properly assessed and provision made to maintain adequate transport capacity and traffic movement in the wider area, supported by the development of a comprehensive transport evidence base;
 - The Heart of Hampshire will work with neighbouring Highway and Transport Authorities, Transport for London and with the Mayor to ensure strategic and joined up planning across roads and public transport across the wider sub region, including addressing the transport implications and securing mitigation of the transports impacts of the London Plan.

Broadband

- 6.13 The Government agrees to continue to develop and deliver, in collaboration with the Heart of Hampshire, a joint programme to drive commercial rollout of superfast broadband.
- 6.14 The Heart of Hampshire strategic infrastructure delivery plan will identify where further investment is needed in broadband infrastructure, with a focus on reaching the final 5% of properties not covered by the existing commercial rollout of superfast broadband and building on existing pilot schemes to explore innovative delivery models.
- 6.15 The Heart of Hampshire will also investigate ways of increasing the take-up of broadband services, including through business support initiatives.

Other infrastructure

- 6.16 The provision of other forms of infrastructure can also create issues in the delivery of sites and securing these via Community Infrastructure Levy or Section 106 financial contributions is difficult to achieve in some instances and particularly in relation to the cumulative impact of small sites.
- 6.17 This applies for example to the funding and provision of off-site mitigation or compensation habitat to meet HRA requirements, a significant constraint on development in relation to the Thames Basin Heaths and New Forest SPAs. We will therefore seek to discuss local proposals with Government to address the need for funding local infrastructure.

7 Involving local communities

- 7.1 The Heart of Hampshire recognises the importance of bringing decision-making closer to communities and service users and deepening the benefits of devolution, making sure they are felt locally as well as across the whole area.
- 7.2 The Heart of Hampshire will engage residents and users in the co-design and co-production of locality based services to improve the responsiveness of services to local need, increase early support and build community resilience.
- 7.3 Opportunities for deeper devolution appropriate to the place and the issue being addressed will be explored in line with the devolution deal.

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8 Governance

- 8.1 This agreement is subject to the formal ratification of the constituent councils of: Hampshire County Council, Basingstoke and Deane Borough Council, Hart District Council, New Forest District Council, Rushmoor Borough Council, Test Valley Borough Council, Winchester City Council and also the Enterprise M3 Local Enterprise Partnership.
- 8.2 This agreement is also subject to the statutory requirements including parliamentary approval of the secondary legislation implementing the provisions of this agreement. This agreement protects the integrity of the seven existing Heart of Hampshire local authorities.
- 8.3 Strengthened governance is an essential pre-requisite to any further devolution of powers to any local area. Through this deal the Heart of Hampshire will establish a formal body known as the combined authority and introduce a directly elected Mayor over the combined authority's area, with the first elections in May 2017.
- 8.4 This deal takes the next step in transferring resources and powers from central Government to the Heart of Hampshire. There is no intention for the combined authority to take existing powers from local authorities or existing city deal governance structures or funding without agreement.
- 8.5 The local authorities of the Heart of Hampshire recognise and have agreed that the principle of subsidiarity should apply to the discharge of functions by the Mayor and combined authority and governance of this devolution deal.
- 8.6 Government and the Heart of Hampshire agree to work on a model of devolution that aligns the regional strategic ambition expressed by the Mayor and combined authority with local accountability and incentives for delivery at a local level based on functional economic geographies.
- 8.7 The directly elected Mayor for the Heart of Hampshire will autonomously exercise new powers, specified within this document, and any other new powers as provided for in secondary legislation to which the constituent councils consent.
- 8.8 The Mayor will chair the combined authority, the members of which will serve as the Mayor's Cabinet (unless determined otherwise as part of the constitution).
- 8.9 Members will be able to nominate standing deputies. The Mayor and the combined authority will be scrutinised and held to account by the Overview and Scrutiny committee(s), which will be politically balanced in accordance with sections 15 to 17 of, and Schedule 1 to, the Local Government and Housing Act 1989.
- 8.10 The Mayor will also be required to consult the combined authority on their strategies and spending plans, which it may reject if two thirds vote to do so. The nature of voting arrangements for particular decisions within the 2/3 majority will be determined unanimously through the authority's constitution.

- 8.11 The Mayor will be required to consult the Heart of Hampshire on his/her transport plan, which it may reject if two thirds vote to do so, subject to that majority including the vote of Hampshire County Council.
- 8.12 Proposals for decision by the combined authority may be put forward by the Mayor or any Cabinet Member. The Mayor will have one vote as will other voting members.
- 8.13 Any items to be decided by the combined authority are to be decided by a majority of the members present and voting, subject to that majority including the vote of the Mayor, unless otherwise set out in legislation, or specifically delegated through the combined authority's constitution.
- 8.14 Any transfer to the combined authority or Mayor of existing powers or resources currently held by the constituent authorities must be by agreement of all constituent members.
- 8.15 The Mayor and the other members of the combined authority will be required to work closely together. Specifically:
- The Mayor will provide overall leadership and chair combined authority meetings;
 - The Cabinet Model, where the leaders have a clear portfolio of responsibilities, will act as a supporting and advisory function to the Mayor and combined authority in respective policy areas; and
 - The Mayor will also be a member of Enterprise M3 Local Enterprise Partnership, alongside the other members of the combined authority. It is also the intention of the Heart of Hampshire to invite the Chair of the Enterprise M3 Local Enterprise Partnership to be a full voting member of the combined authority, recognising the importance of the Enterprise M3 Local Enterprise Partnership's role and the private sector in any growth strategies or delivery.
 - Leaders of the South Downs National Park Authority and New Forest National Park Authority will be invited to be non-constituent (associate) members of the combined authority.
- 8.16 The Heart of Hampshire commits to a review of Local Enterprise Partnership boundaries, with the aim of better aligning these with other administrative boundaries.

9 Under this geography

- 9.1 The Heart of Hampshire will exercise the powers and responsibilities described in this document in relation to its area, in essence, the area of the constituent councils of the Heart of Hampshire Combined Authority.
- 9.2 Additional funding or budgets that are devolved as a result of this agreement will go to the Heart of Hampshire, to be exercised by the combined authority as set out in this document.

10 The Heart of Hampshire commitments

- 10.1 The Heart of Hampshire is accountable to local people for the successful implementation of the devolution deal; consequently, the Government expects the Heart of Hampshire to monitor and evaluate their deal in order to demonstrate and report on progress.
- 10.2 The Cities and Local Growth Unit will work with the Heart of Hampshire to agree a monitoring and evaluation framework that meets local needs and helps to support future learning.
- 10.3 The Heart of Hampshire will be required to evaluate the additional £30 million per annum of funding for 30 years, which will form part of and capitalise the Heart of Hampshire Single Investment Fund. The £30 million per annum fund will be subject to:
- Gateway assessments for the £30 million per annum scheme. The Heart of Hampshire and Government will jointly commission an independent assessment of the economic benefits and economic impact of the investments made under the scheme, including whether the projects have been delivered on time and to budget. This assessment will be funded by the Heart of Hampshire, but agreed at the outset with Government, and will take place every five years. The next five year tranche of funding will be unlocked if the Government is satisfied that the independent assessment shows the investment to have met the objectives and contributed to national growth.
 - The gateway assessment should be consistent with the HM Treasury Green Book, which sets out the framework for evaluation of all policies and programmes, and where relevant with the more detailed transport cost-benefit analysis guidance issued by the Department for Transport (DfT). The assessment should also take into account the latest developments in economic evaluation methodology.
 - Government would expect the assessment to show the activity funded through the scheme represents better value for money than comparable projects, defined in terms of a benefit to cost ratio.
- 10.4 The Heart of Hampshire will work with Government to develop a full implementation plan, covering each policy agreed in this deal, to be completed ahead of implementation. This plan will include the timing and proposed approach for monitoring and evaluation of each policy and should be approved by the DCLG Accounting Officer.
- 10.5 The Heart of Hampshire will agree overall borrowing limits and capitalisation limits with Government and have formal agreement to engage in forecasting.
- 10.6 The Heart of Hampshire will also provide information, explanation and assistance to the Office for Budget Responsibility where such information would assist in meeting their duty to produce economic and fiscal forecasts for the UK economy. This commitment does not affect existing local authority borrowing and spending responsibilities.

- 10.7 The Heart of Hampshire will agree a process to manage local financial risk relevant to these proposals and will jointly develop written agreements with Government on every devolved power or fund to agree accountability between local and national bodies on the basis of the principles set out in this document.
- 10.8 The Heart of Hampshire will continue to adhere to their public sector equality duties, for both existing and newly devolved responsibilities.

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