

Subject: Devolution Update

Report to: Full Council 12 April 2016

Report by: Interim Chief Executive

SUBJECT MATTER

To provide an update to Members regarding the Devolution agenda.

1. Introduction

- 1.1. As Members will be aware, since the autumn of last year Norfolk and Suffolk have been working collectively on a devolution proposal which culminated in a draft submission to government in November 2015. The Leader of the Council was authorised by this Council to work collaboratively on a devolution submission. This formed the basis of subsequent negotiations although no formal feedback was received from central government.
- 1.2. The geography of the devolution discussion then changed following a meeting between Leaders, the Secretary of State and Lord Heseltine on Monday 15th February 2016. An outcome of this meeting was that Cambridge, Norfolk, Peterborough and Suffolk were encouraged to develop their collective 'big and ambitious asks' of Government for one combined devolution deal.
- 1.3. In the subsequent weeks a number of meetings were held between Treasury Officials and Chief Executives as well as Leaders meeting with the Commercial Secretary to the Treasury on 8 March with a final submission deadline for a Norfolk, Suffolk, Cambridgeshire and Peterborough proposal of 10 March 2016.

2. Background - current national picture of development

- 2.1. Following introduction of the Bill in May 2015, local areas were invited to submit proposals for devolution as part of central government's consultation on the Spending Review (that closed on 4 September 2015). Government received 38 responses from local government areas on devolution that varied from detailed to high-level expressions of interest.
- 2.2. Since the announcement of the Greater Manchester Combined Authority devolution deal in the 2014 Autumn Statement, Government has announced completion of six additional deals, which are:
 - Cornwall (16 July 2015)
 - Sheffield City Region (2 October 2015)

- North East Combined Authority (23 October 2015)
 - Tees Valley (23 October 2015)
 - West Midlands (17 November 2015)
 - Liverpool City Region (17 November 2015)
- 2.3. The announced deals were subject to the Cities and Local Government Devolution Bill gaining Royal Assent, which it did in March 2016. They are similar in content, with a focus on economic growth. Cornwall is currently the only non-metropolitan area to have a deal announced.
- 2.4. The budget announcement on March 23rd saw further deal announcements for the following areas:
- East Anglia
 - West of England
 - Greater Lincolnshire
- 2.5. These announcements are subject to further work and agreement of individual Councils. The East Anglia Devolution Agreement is available to view at [East Anglia Devolution Agreement](#) but each of the 22 Councils forming part of the deal must now decide as to whether it wishes to be part of the Combined Authority by the end of June 2016.
- 2.6. The introduction to the devolution document explains that this is an enabling document for a proposed agreement between Government, the 22 local authorities covering Cambridgeshire, Peterborough, Norfolk and Suffolk and the New Anglia Local Enterprise Partnership to devolve a range of funding, powers and responsibilities. Building on but separate to the Greater Ipswich City Deal, Greater Norwich City Deals agreed in 2013 and the Greater Cambridge City Deal agreed in 2014 and the New Anglia and Greater Cambridge Greater Peterborough Growth Deals agreed in 2014 and 2015.
- 2.7. The Devolution Agreement sets out the transfer of resources, powers and accountability from central Government to local partners; but requires each Leader to take this proposal to their Council for full debate and consultation with relevant local stakeholders.
- 2.8. In preparing the secondary legislation, to which all Councils to which it applies must consent, and through which the deal will be implemented, the Government will have regard both to the agreement and to any resolutions the Councils concerned may pass when considering the agreement. In return for this level of devolution and local control Cambridgeshire, Peterborough, Norfolk and Suffolk will establish a Combined Authority, with a directly Elected Mayor in place by 2017 with interim arrangements in place in 2016/17.
- 3.0 What powers, responsibilities and freedoms are Norfolk ,Suffolk, Peterborough and Cambridgeshire asking for through their devolution deal and what is the ambition for the region?**

- 3.1 The purpose of the agreement is to accelerate growth in the local and national economy whilst improving the life chances and quality of life for every resident in each of the three counties of Norfolk, Suffolk and Cambridgeshire and Peterborough Unitary. Collectively these areas represent East Anglia, a geography that is known locally, nationally and abroad by business, residents & visitors alike. It is a diverse and dynamic area including cities, rural and coastal communities with a globally significant economic offer.
- 3.2 A summary of the proposed devolution agreement is provided on page 10 of the document and is replicated below.

A new, directly elected Mayor will act as Chair to The East Anglia Combined Authority and will exercise the following powers and functions devolved from central Government:

- Responsibility for a multi-year, consolidated and, devolved local transport budget
- Responsibility for a new Key Route Network of local authority roads that will be managed and maintained by the Combined Authority on behalf of the Mayor
- Powers over strategic planning and housing, including £175m (out to 20/21) ringfenced funding to deliver an ambitious target of new homes, the responsibility to create a non-statutory spatial framework for East Anglia and to develop with government a Land Commission and to chair The East Anglia Joint Assets Board for economic assets

The new East Combined Authority, 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 East Anglia Single Investment Fund, to boost growth
- Responsibility for chairing an area-based review of 16+ skills provision, the outcomes of which will be taken forward in line with the principles of the devolved arrangements, and devolved 19+ adult skills funding from 2018/19.
- Joint responsibility with the government to co-design the new National Work and Health Programme designed to focus on those with a health condition or disability and the very long term unemployed.

- 3.3 Further powers may be agreed over time and included in future legislation.
- 3.4 In summary, the deal represents an invitation to local Councils and Business to come together and set out a compelling Business Plan of Connected Growth for how this programme can be implemented and identify further reforms and mechanisms for unlocking new avenues of investment. A comprehensive business plan for East Anglia is to be drawn up over the next six months. It is intended that this business plan would also form the basis of a second devolution proposal from East Anglia in the Autumn.

4.0 Next steps

4.1 The Deal document is non-binding and requires full debate and consultation with local stakeholders before a final decision can be taken by each individual Council including Great Yarmouth Borough Council. Therefore, despite a commitment to work on a second devolution proposal, the timetable to agree the current document is as follows:

- March – June – undertake governance review with stakeholder engagement
- June – July – agreement of participating authorities
- Early July – publish scheme for consultation
- Beginning Sept – publish consultation summary
- Sept – draft order shared with participating Authorities
- October – approval process for draft Order and final decision

4.2 In addition there are a number of workstreams which need to be fully developed to inform a decision, of which the most important relates to the governance of the Combined Authority and the role of a Directly Elected Mayor. Each Council needs to be able to input to the shaping of the governance and constitutional arrangements of a Combined Authority.

4.3 This Council is therefore not currently being asked to agree to the devolution proposal, but rather to agree that there should be full consultation with stakeholders as part of a sound democratic process. This will be a two step process with some awareness raising between now and the end of June and then the second stage following June requires us, as a minimum, to consult with statutory partners (ie Police, Health) and others who the Council defines as key stakeholders, such as businesses, voluntary sector, parishes and the general public. Only after this has taken place is the Council asked to come to a view as to whether this deal is in the best interests of the residents of the Borough of Great Yarmouth. The governance work is also critical to understanding whether this Council wishes to form part of the Combined Authority. There are further legal questions which also require clarifying in relation to the joining of a Combined Authority and the withdrawal from such a body.

5.0 Conclusion

5.1 Due to the timeframe within which this has been taken forward it has not been possible to bring a report to Council ahead of the signing of the document. However it was made clear by this Council its dissatisfaction with the process and timeframes. Council is being updated as to the current position and it is recommended that it continues to input to the work being progressed to allow a full and proper debate to take place in June prior to any formal consultation.

Dept Reference:

Date:

Background Papers:

Does this report raise any legal, financial, sustainability, equality, Crime and Disorder or Human Rights issues and, if so, have they been considered?	Issues	
	Legal	
	Financial	
	Sustainability	
	Equality	
	Crime and Disorder	
	Human Rights	