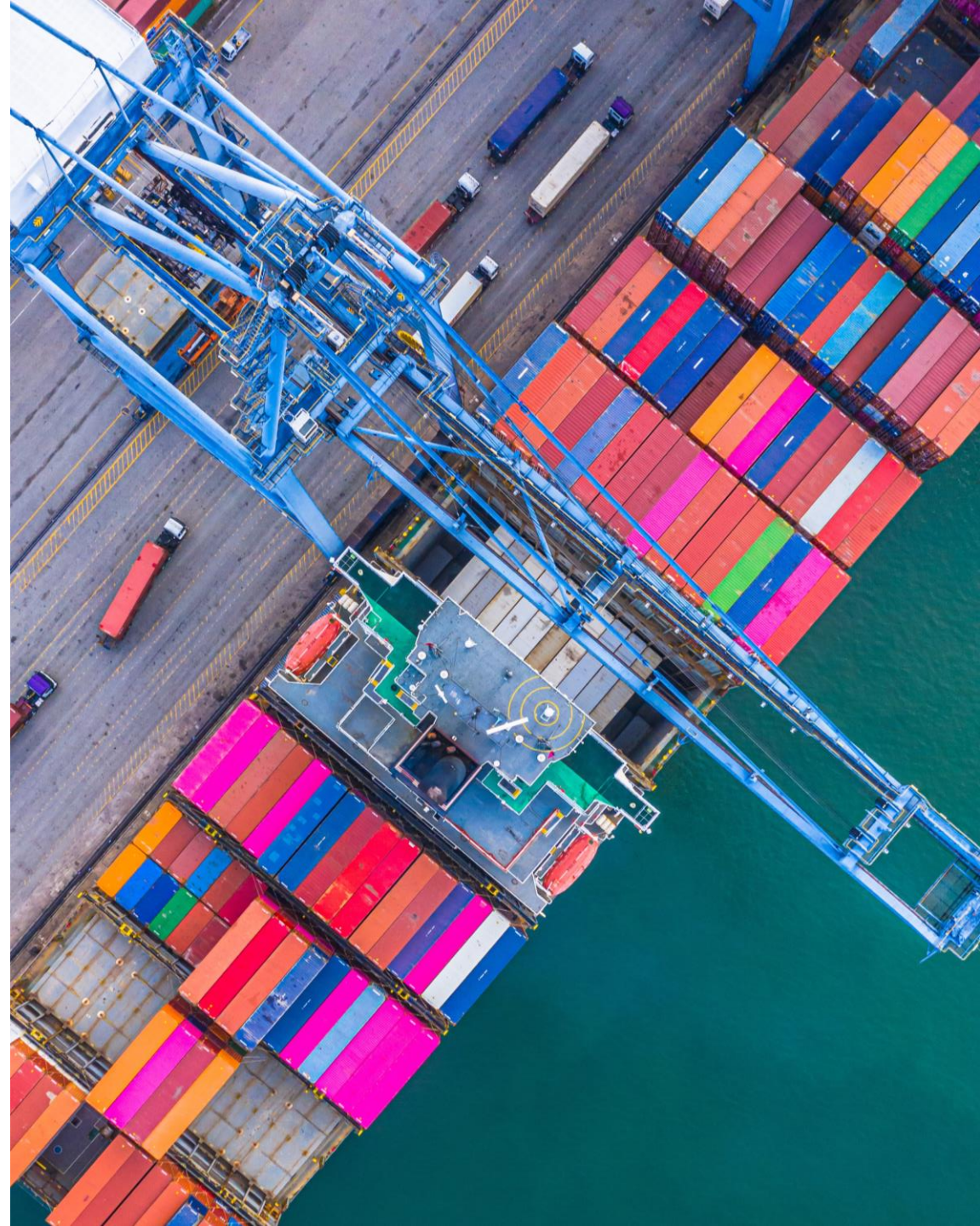


Greater Essex Devolution

Briefing to Partners

September 2023



There is a settled cross-party consensus for devolution

In the Levelling Up White Paper, published in February 2022, the UK government said:

“By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement.”

Devolution Deals are political agreements to transfer powers and resources to local leaders. The Levelling Up and Regeneration Bill makes changes to the legislation to make it easier to do this for county council areas and associated unitaries.

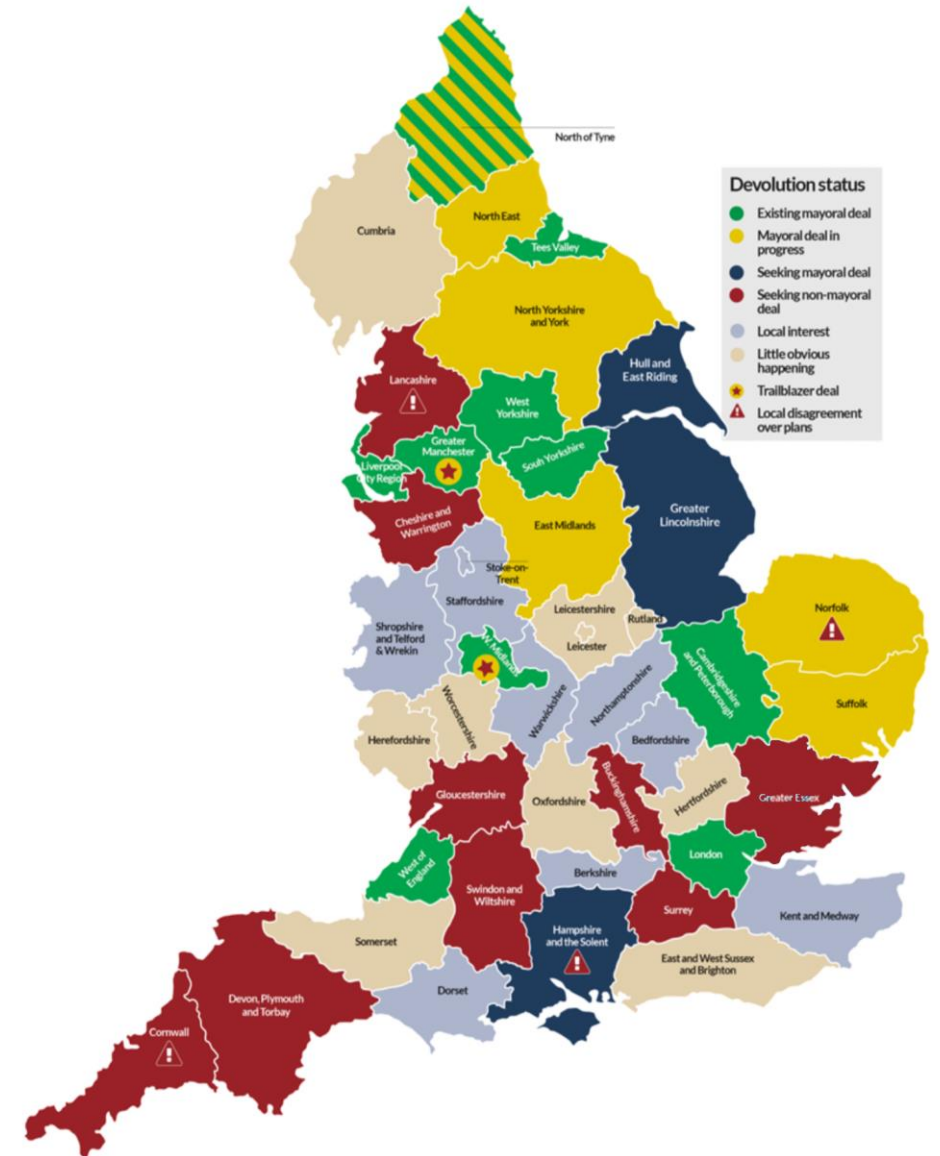
In December 2022, Sir Keir Starmer set out Labour’s position, backing devolving new economic powers that include control over taxation, planning, job development, transport, housing and culture to local and combined authorities.

And an accelerated pace of delivering devolution

As the map on the right shows, approximately 50% of the population in England - over 20 million people - are now covered by a devolution deal that is either in place or has been announced. In the last year, despite other pressures, the government has agreed devolution deals with:

York & North Yorkshire	1 st August
East Midlands	30 th August
Cornwall	2 nd December
Suffolk	8 th December
Norfolk	8 th December
North East	28 th December

In a Ministerial Statement on 8th December, government said that discussions with places to identify potential candidates for the next set of new devolution deals will start in early 2023.



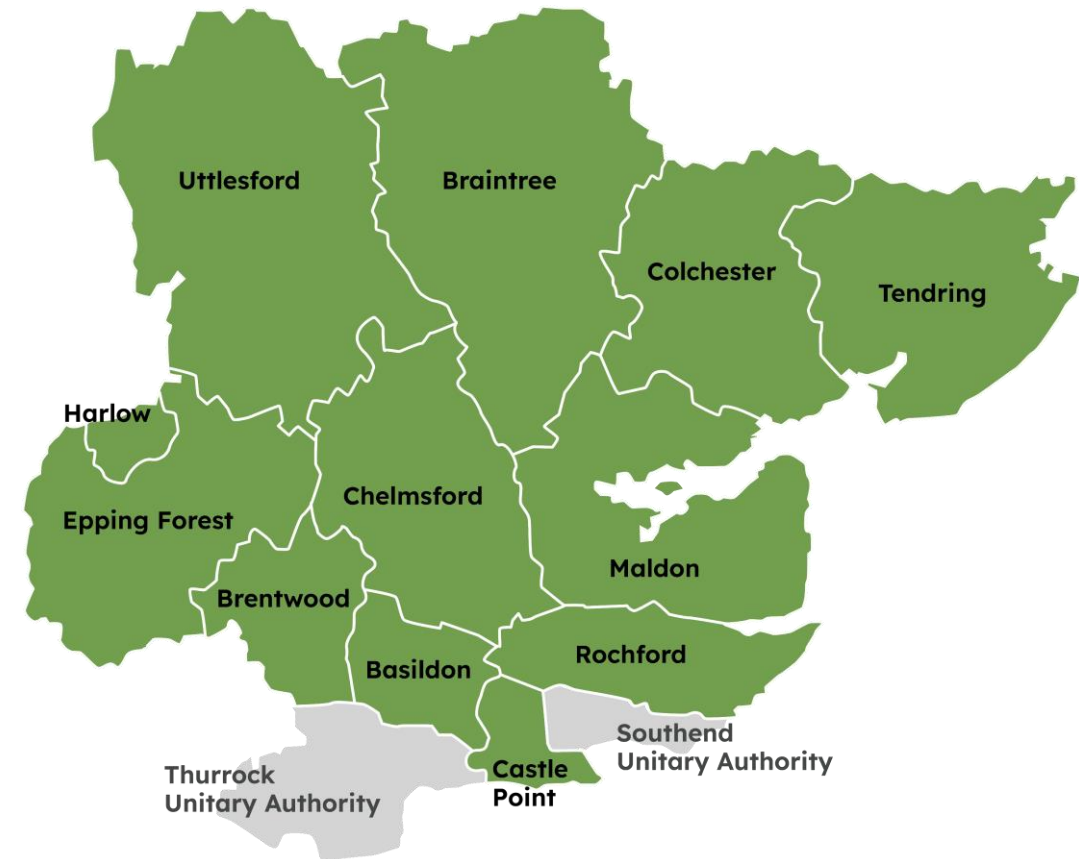
Source: Local Government Chronicle, 03 July 2023

What do we mean by devolution?

The Levelling Up White Paper is focused on the decentralisation of powers, decision making and funding away from Central Government to local democratically elected & accountable bodies elsewhere in England.

It is not about local government reform or reorganisation, or becoming a contracted delivery agency for the government.

Devolution from central government means that local authorities will have more power and funding locally to focus on tackling strategic priorities of sub-regional importance



The Levelling Up and Regeneration Bill

On the 11th of May 2022 the Government introduced the Levelling Up and Regeneration Bill, which provides the legislative context for the ambitions set out in the Levelling Up White Paper.

This includes provision for the creation of Combined County Authorities (CCA), a new model for combined authorities in two-tier areas.

The CCA must have an administrative area comprising of at least the whole of one two-tier county council area, plus at least one of the following

- a) another whole two tier county council area;
- b) a whole unitary county council area;
- c) a whole unitary district/borough/city council area



Key principles for a devolution deal

Any devolution deal will need to comply with the **four principles** that the government set out in the White Paper. They are:



Effective Leadership: Powers will be devolved to areas that have ‘the necessary structures and leadership for clear, strong local decision-making’. In practice this means some form of Combined Authority and, for the highest levels of devolution deal, a directly elected mayor.



Sensible Geography: Devolution deals should be based on geographies that cover functional economic areas; are ‘locally recognisable’ in terms of identity, place and community; and cover *at least* a whole county council area. Scale is also an important factor and new deals will need to support a population of at least 500,000.



Flexibility: The framework set out in the WP is not supposed to be prescriptive. The government expects deals to be tailored to the needs of local areas and to be built on and extended over time.



Appropriate Accountability: Local leaders and institutions must be transparent and accountable; work closely with local businesses; seek the best value for taxpayers’ money; and maintain strong ethical standards.

Levels of Deals on Offer

If a proposal comes forward that satisfies the 4 principles, there are 3 levels of deal on offer, which serve as the starting point for negotiations. The requirements of the levels are as follows, with Level 3 offering the greatest powers and funding:

1

Level 1: Local authorities working together across a 'Functional Economic Area' (FEA) or whole county area e.g. through a joint committee

2

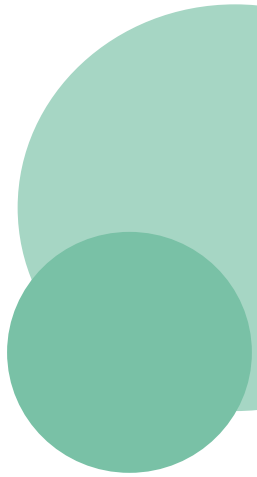
Level 2: A single institution or County Council without a Directly Elected Mayor (DEM), across a FEA or whole county area

3

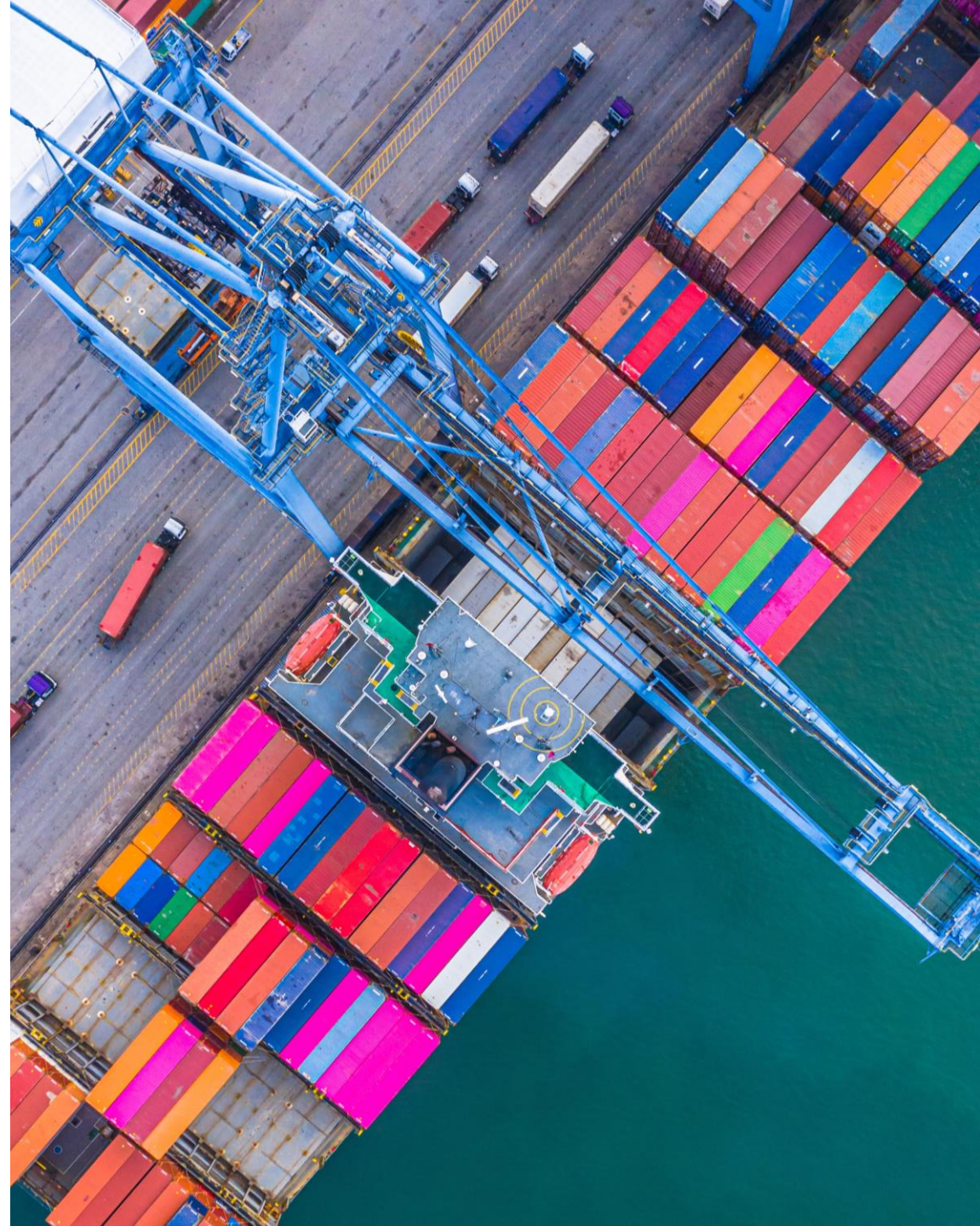
Level 3: A single institution or County Council with a Directly Elected Mayor, across a FEA or whole county area

Level 2 powers from the devolution framework

Policy area	Power the framework allows to be delegated
Giving adults the skills for the labour market	Devolution of Adult Education functions and the core Adult Education Budget
	Providing input into Local Skills Improvement Plans
Strategic role in delivering services	Host for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies
	Opportunity to pool services at a strategic level
	Opportunity to adopt innovative local proposals to deliver action on climate change and the UK's Net Zero targets
Supporting local businesses	LEP functions including leading strategic business engagement
Local control of sustainable transport	Control of appropriate local transport functions e.g. local transport plans
	Ability to introduce bus franchising
Investment spending	UKSPF planning and delivery at a strategic level
Local control of infrastructure decisions	Homes England compulsory purchase powers (held concurrently)
Keeping the public safe and healthy	Clearly defined role in local resilience



The Greater Essex approach to developing our proposals



The Greater Essex Approach

- June '22: Leaders and Chief Executives (ELCE) agree to explore case for devolution in Greater Essex and set up Leader/CEO led working groups to assess the potential benefits and impacts

	Economy, skills, and environment	Transport, infrastructure, and housing	Community safety, public services, communities, and finance
Leader	Essex County Council	Thurrock Council	Southend City Council
CEO	Scott Logan (Basildon) + Georgina Blakemore (Epping Forest)	Nick Eveleigh (Chelmsford)	Pam Donnelly (Colchester)

- August – November '22: Two rounds of workshops held for each workstream involving Members and officers from local authorities and also involving Police, Fire and Crime Commissioner
- December '22: ELCE reviewed progress and agreed to move to drafting up a devolution bid, which they will review in January and also discuss timing of when to open discussions with Government
- January – March '23: ELCE met to review the draft Expression of Interest (EOI) ahead of sharing publicly. Essex, Southend and Thurrock Cabinets formally agreed the EOI for submission to Government
- 24th March '23: EOI submitted to Government
- May – Present: Ongoing negotiation and discussion with Government

LEP and North and South Essex councils



The South East Local Enterprise Partnership (SELEP) is being abolished in March 2024 with functions returning to Greater Essex.



We need to reset our strategic relationship with businesses to drive growth. The Chambers of Commerce has already taken on lead for the Essex Local Skills Improvement Plan with our support.



The North and the South of Essex are very different – we will have federated arrangements of some sort.



Thinking about CA governance models

- The Governance Workstream has been led by Dan Gascoyne, CEO of Braintree District Council and Coordinated by the Policy Team at Southend City Council and Essex County Council.
- The workstream participants are made up of CEOs, Monitoring Officers and Policy leads from the 15 Greater Essex Local Authorities and the Essex Police, Fire and Crime Commissioner's (PFCC) Office.

Considerations



Membership: Essex, Southend, and Thurrock would appoint a number of representatives to the CA board, each with a vote. This could include a nominated “Lead Member” with special responsibility for certain types of decisions.



Balanced representation: Partners want to ensure balanced, proportionate representation on the board and are exploring how to achieve this, along with the possible role of partners.

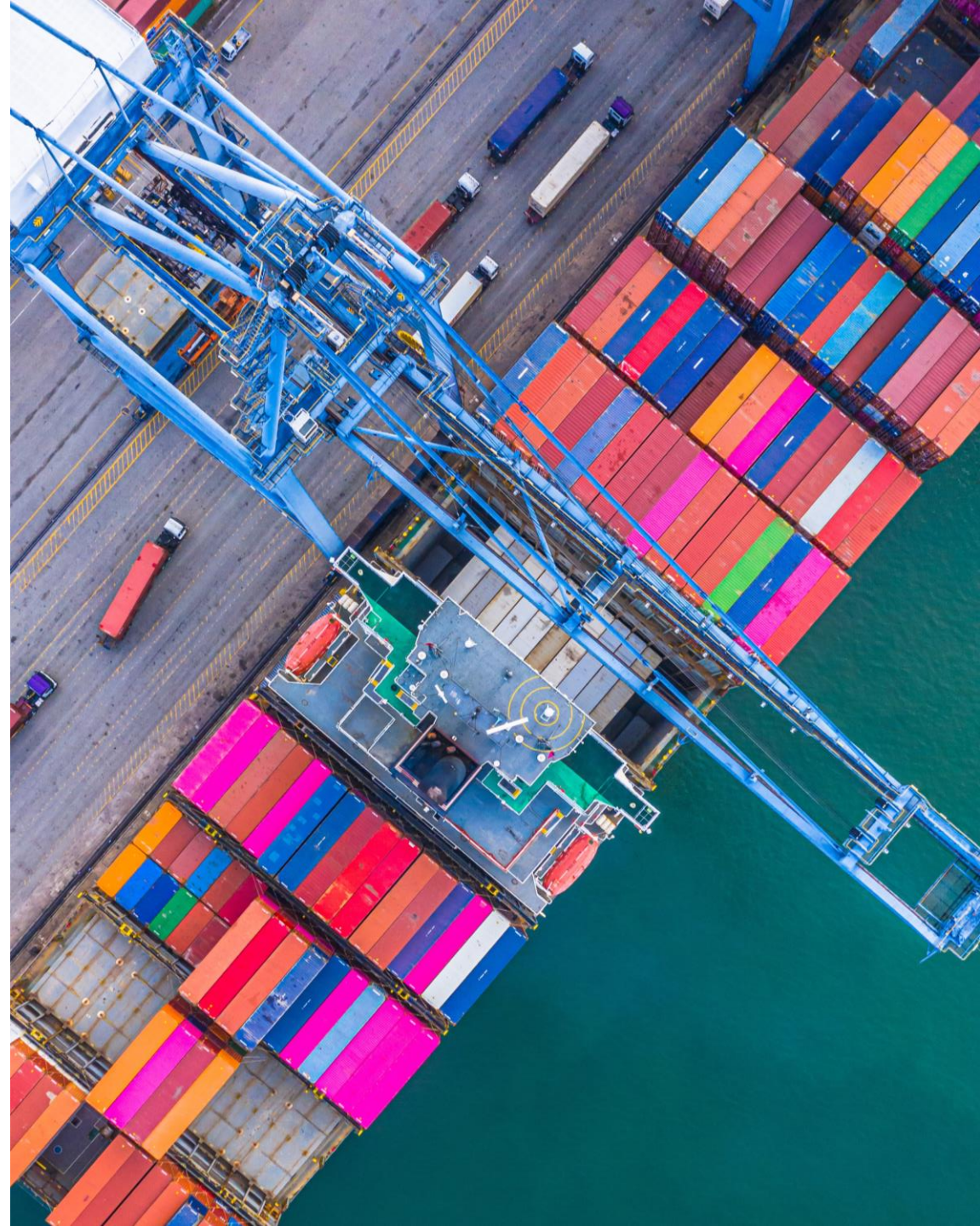


Voting Rights: Voting rights will provide controls over what decisions the CA can make. For example some issues could require higher thresholds for certain decisions, lead member's agreement on certain decisions such as budgets etc., and consent requirements (veto) on any decisions that disproportionately affect one constituent member over the others.

Myth busting: a combined authority for Greater Essex

1. This is not a merger between Essex, Southend and Thurrock – each authority remains independent. This is not local government reform.
2. The Combined Authority created is a separate legal entity, of which the three upper tier authorities act as the “shareholders”.
3. A Level 2 Combined Authority is different to the GLA model, in that the board appoints a chairperson (not a Mayor), who will be a member from one of the constituent authorities. The final operating model has to be agreed by central government, but we get to devise and propose it to them.
4. The combined authority will predominantly be leading strategic functions and will not duplicate existing roles or create new layers. However, upper tier authorities may choose to operate some shared services.
5. Our Level 2 deal is still in negotiation stage – a full public consultation with residents and businesses will take place before any final deal text is signed off.

Our ambitions for a Greater Essex deal



What has devolution achieved elsewhere?

Greater Manchester
Trailblazer status - 8 devolution deals

West Midlands
Trailblazer status – 3 devolution deals

Convening power on priorities including homelessness and inward investment

First CA to implement bus franchising – launch of the bee network

Commonwealth Games legacy – using underspend to host Sport Accord

Business and public support for a new technical education pathway – a 'Greater Manchester Baccalaureate'

An improved international brand identity for Birmingham attracting students and businesses

Strong voice to advocate for the region on important issues, e.g., pandemic restrictions, HS2

Record inward investment from India in advanced manufacturing and R&D



Why is devolution good for business and the drivers of economic growth?

1

Greater control of the strategic levers – economic development, transport and skills

2

Opportunity to blend public and private leadership

3

A more stable strategy and partnership, pooling resources where appropriate

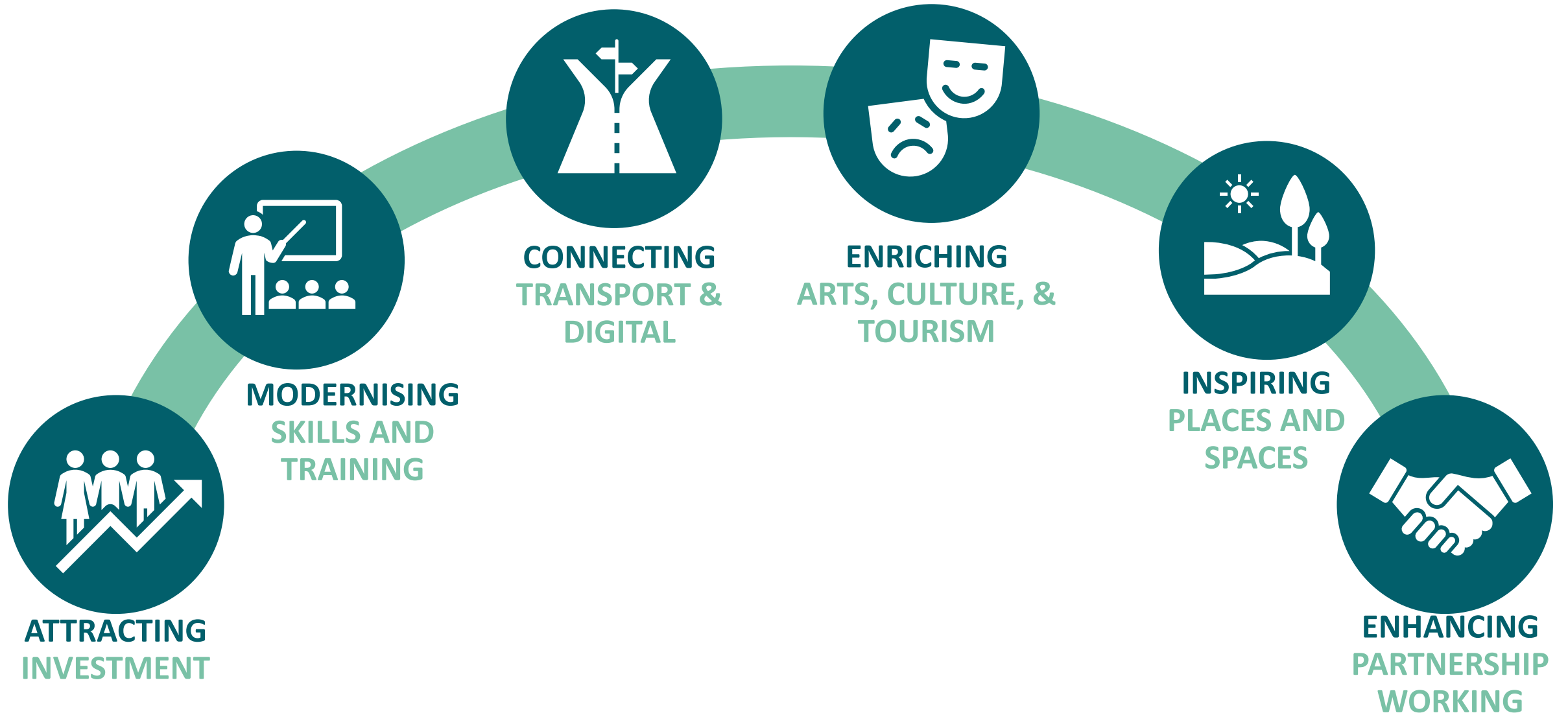
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A stronger voice, advocating for Greater Essex



What do we want to achieve for Greater Essex?

Our ambitious devolution deal will unleash growth and transform lives. We aim to be the fastest growing economy outside of London by 2040 and make Greater Essex once again one of the most competitive places in Europe.



Agreeing a deal for Greater Essex



Cllr Kevin Bentley, Leader of Essex County Council, said:

"This is a game-changer for Greater Essex, will serve to further strengthen the Essex economy and improve public services for the benefit of residents and businesses across Essex, Southend and Thurrock. "There is a way to go before the deal is finalised and we will be working hard over the coming weeks to ensure we achieve the best possible outcome for Greater Essex ahead of the Autumn Budget Statement. We will be pushing for the best deal possible for Greater Essex."

Cllr Andrew Jefferies, Leader of Thurrock Council, said:

"We are keen to explore the opportunities and can see the potential of devolution. We'll be entering negotiations with a focus on making sure any deals brings benefits for all in the county and be good for our residents in Thurrock."

Cllr Tony Cox, Leader of Southend-on-Sea City Council, said:

"This marks a significant milestone for devolution locally. We look forward to taking part in further negotiations with the Government on their proposed level 2 deal and then talking to our local communities about these proposals via public consultation."

Support from Businesses and Institutions

Since January, partner councils have been engaging with Business Groups across the county to share our emerging proposals and seek their views on the outcomes that they would like a devolution deal to help deliver for the county. We have also received letters in support of a deal from a number of key local businesses and employers including:

Metal Culture

Signals Media Arts Centre

Essex Cultural Diversity Project

Mercury Theatre

Confederation of British Industry (CBI)

Essex Chambers of Commerce

C2C

Thames Estuary Growth Board

Teledyne UK Ltd

Ford

Freeport East

London Stansted Airport

London Southend Airport

Port of Tilbury

Thames Freeport

Anglia Ruskin University

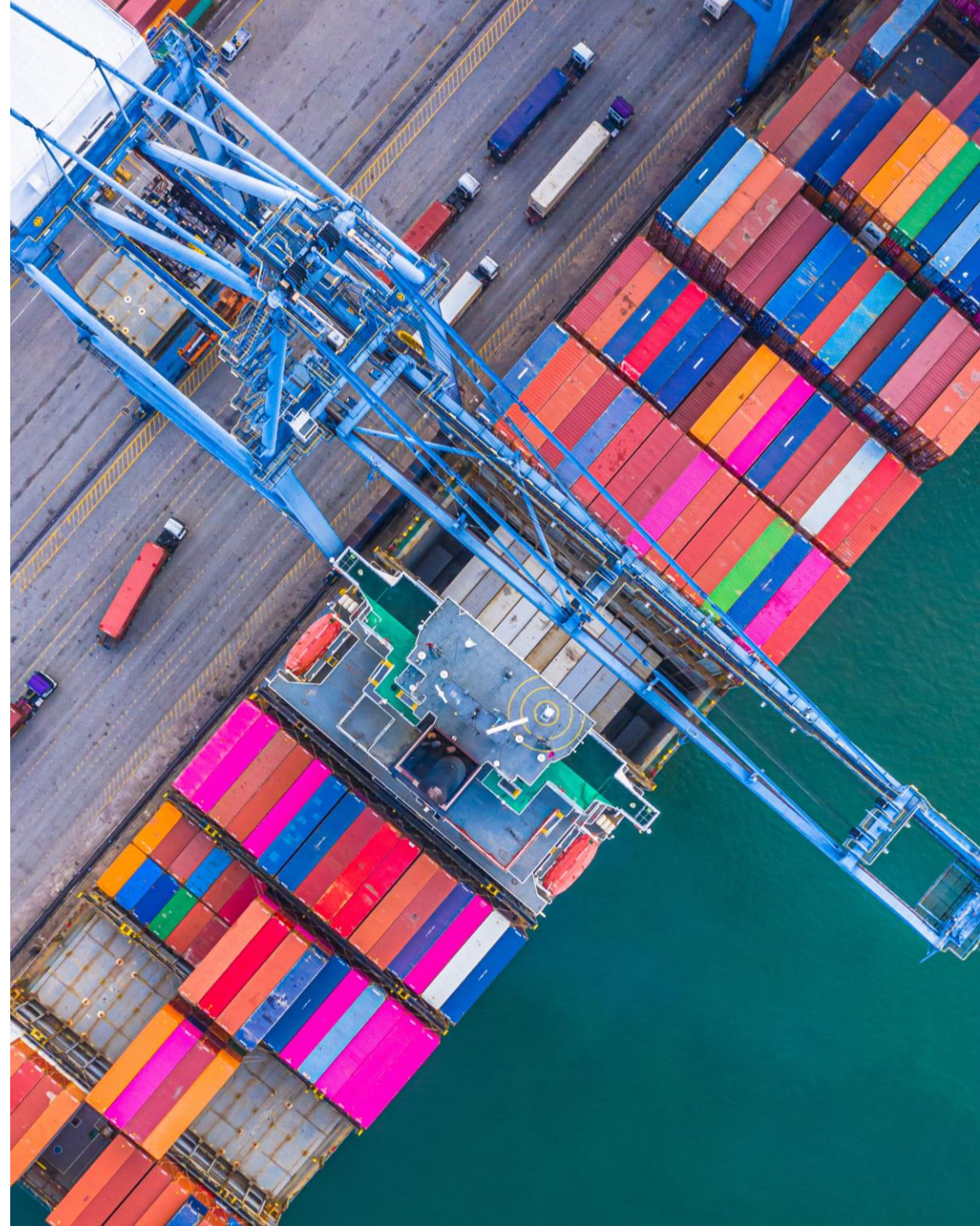
Writtle College

University of Essex

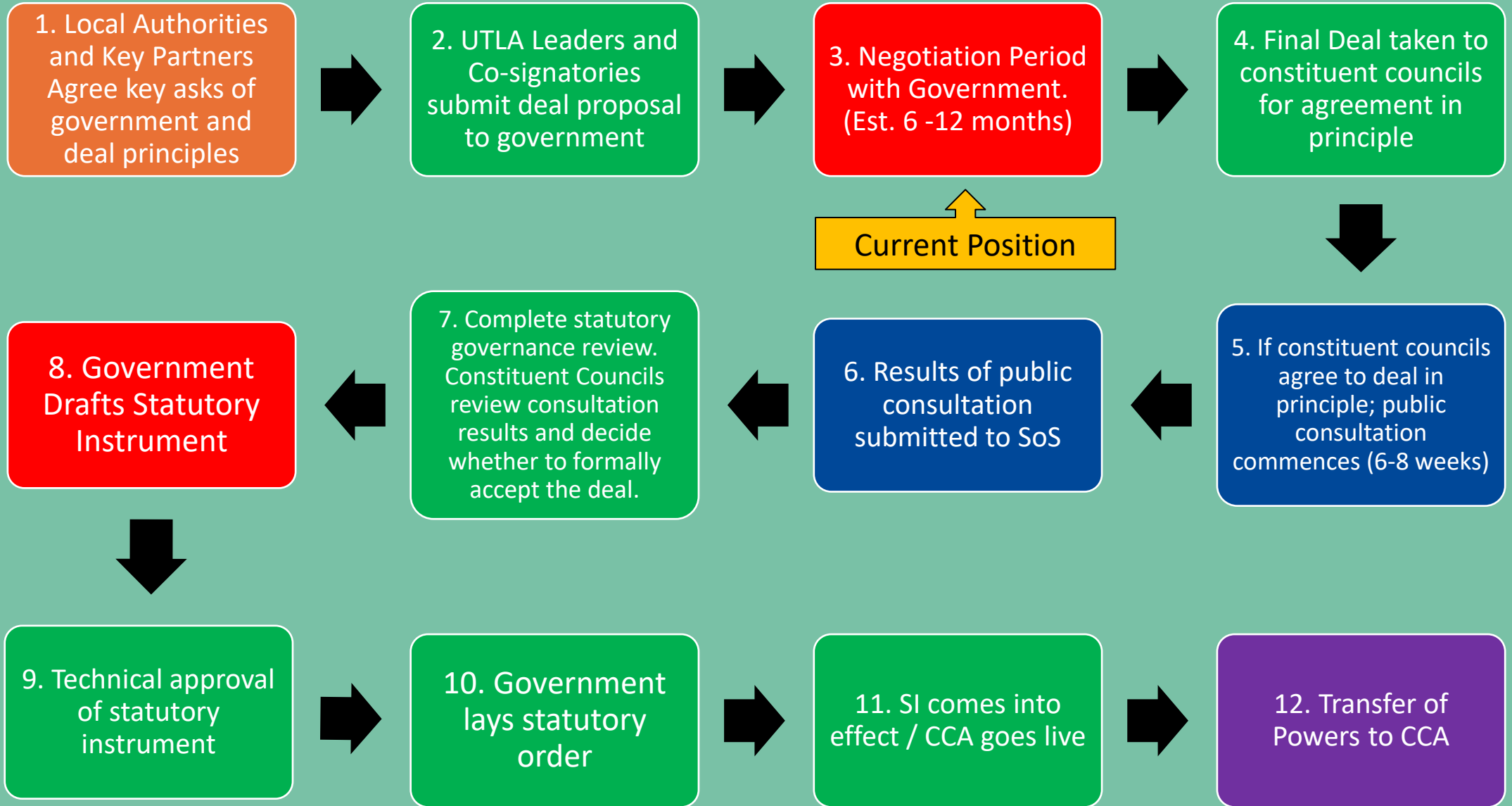
Mid and South Essex Integrated Care Board

Suffolk and North East Essex Integrated Care Board

**What does
the deal
process look
like?**

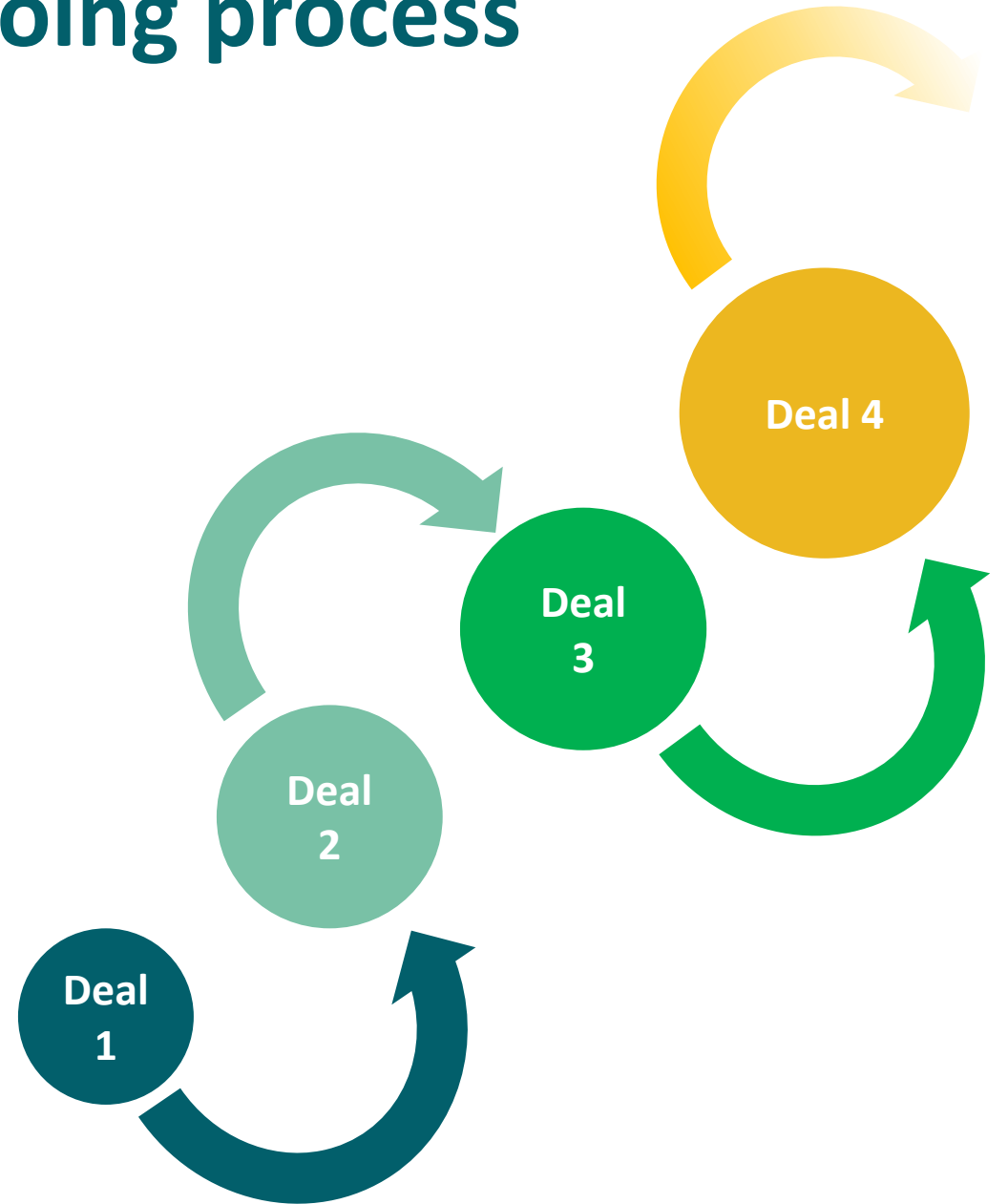


Typical 1st Devolution Deal Process



Devolution Deals are an ongoing process

- Devolution deals are designed to be a long term process that areas continue to develop and evolve over time.
- Initial deals typically lay the foundations for further deals in the future once the initial local governance has been established.
- These future deals can include additional the powers and funding being devolved from the government as part of the standard devolution framework, and more ambitious bespoke “trailblazer” deals for areas with the highest levels of local governance and accountability.
- Existing deal areas have already negotiated multiple deals since their initial agreement with the Government, for example:
 - Greater Manchester - 7th Deal since 2009
 - The West Midlands - 3rd Deal since 2015
 - Liverpool City Region – 2nd Deal Since 2015



Closing takeaways...



Devolution will signal that Greater Essex is open for business and will give us greater control of key levers such as adult skills, transport, housing, planning and regeneration so we can optimise these to help existing businesses to grow and attract new businesses and investment



Devolution will give us control of a £30m adult education budget, which means we can allocate funding so that our HE/FE colleges can thrive by offering courses that meet the needs of businesses and give residents the skills they will need to get well paid jobs



Devolution will enable us to create a modern and integrated transport system, by giving us greater control over the local road and bus networks



Devolution will enable us to capitalise on the amazing cultural and artistic assets we have across Greater Essex for the benefit of our residents and the tourism economy



Devolution will provide us with the means and mechanisms to look after our land and seize the advantage of a decarbonising economy



Q&A

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Greater Essex

– untapped potential

A population of 1.9m increasing to 2m by 2034. Development of 200,000 new homes by 2040 and 50,000 new jobs by 2030 in key future sectors.

A gateway to trade and investment: two international airports & two Freeports; 350 miles of coastline which serves as a key business gateway to Europe and the world; and local universities producing world-class research.

Our economy

- 47bn - total value of local economic output (GVA) and net contributor to the exchequer
- Huge Opportunity – productivity at the SE average would mean an economy 17% bigger
- 700,000 strong workforce and 81,000 businesses operating in Greater Essex
- Employment Rate of 79.1% (3%> than national average)

