

# **Cabinet**

Date: **Tuesday 17 January 2023** 

Time: 2pm or on the rise of Council, whichever is the

later

Venue: Council Chamber, County Hall, Martineau

Lane, Norwich NR1 2DH

#### Membership

Cabinet Member: Responsibility:

Cllr Andrew Proctor Chair. Leader and Cabinet Member for Strategy &

Governance.

Cllr Graham Plant Vice-Chair. Deputy Leader and Cabinet Member for

Highways, Infrastructure & Transport

Cllr Bill Borrett Cabinet Member for Adult Social Care, Public Health &

Prevention

Cllr Margaret Dewsbury
Cllr Fabian Eagle
Cabinet Member for Communities & Partnerships
Cabinet Member for Growing the Economy

Cllr John Fisher Cabinet Member for Children's Services

Cllr Tom FitzPatrick Cabinet Member for Innovation, Transformation &

Performance

Cllr Andrew Jamieson Cabinet Member for Finance

Cllr Greg Peck Cabinet Member for Commercial Services & Asset

Management

Cllr Eric Vardy Cabinet Member for Environment & Waste

#### Advice for members of the public:

This meeting will be held in public and in person.

It will be live streamed on YouTube and, members of the public may watch remotely by clicking on the following link: Norfolk County Council YouTube

However, if you wish to attend in person it would be helpful if, you could indicate in advance that it is your intention to do so as public seating will be limited. This can be done by emailing <a href="mailto:committees@norfolk.gov.uk">committees@norfolk.gov.uk</a>.

The Government has removed all COVID 19 restrictions and moved towards living with COVID-19, just as we live with other respiratory infections. However, to ensure that the meeting is safe we are asking everyone attending to practice good public health and safety behaviours (practising good hand and respiratory hygiene, including wearing face coverings in busy areas at times of high prevalence) and to stay at home when they need to (if they have tested positive for COVID 19; if they have symptoms of a respiratory

infection; if they are a close contact of a positive COVID 19 case). This will help make the event safe for all those attending and limit the transmission of respiratory infections including COVID-19

# Agenda

1 To receive any apologies.

#### 2 Members to Declare any Interests

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is on your Register of Interests you must not speak or vote on the matter.

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is not on your Register of Interests you must declare that interest at the meeting and not speak or vote on the matter

In either case you may remain in the room where the meeting is taking place. If you consider that it would be inappropriate in the circumstances to remain in the room, you may leave the room while the matter is dealt with.

If you do not have a Disclosable Pecuniary Interest you may nevertheless have an **Other Interest** in a matter to be discussed if it affects, to a greater extent than others in your division

- Your wellbeing or financial position, or
- that of your family or close friends
- Any body -
  - Exercising functions of a public nature.
  - o Directed to charitable purposes; or
  - One of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union);

Of which you are in a position of general control or management.

If that is the case then you must declare such an interest but can speak and vote on the matter.

- 3 Matters referred to Cabinet by the Scrutiny Committee, Select Committees or by full Council.
- 4 Updates from the Chairman/Cabinet Members

#### 5 Public Question Time

Fifteen minutes for questions from members of the public of which due notice has been given. Please note that all questions must be received by the Committee Team (<a href="mailto:committees@norfolk.gov.uk">committees@norfolk.gov.uk</a>) by 5pm on Wednesday 11 January 2023. For guidance on submitting a public question, please follow this link: <a href="mailto:Ask a question to a committee">Ask a question to a committee</a>
- Norfolk County Council

Any public questions received by the deadline and the responses will be published on the website from 13.30pm on the day of the meeting and can be viewed by clicking this link once uploaded: Click here to view public questions and responses

#### 6 Local Member Issues/Questions

Fifteen minutes for local member to raise issues of concern of which due notice has been given. Please note that all questions must be received by the Committee Team (<a href="mailto:committees@norfolk.gov.uk">committees@norfolk.gov.uk</a>) by 5pm on Wednesday 11 January 2023.

#### 7 A Devolution Deal for Norfolk

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Report by the Executive Director of Strategy and Transformation

# 8 Reports of the Cabinet Member and Officer Delegated Decisions made since the last Cabinet meeting:

To note the delegated decisions made since the last Cabinet meeting: **None** 

Tom McCabe

Head of Paid Service Norfolk County Council County Hall Martineau Lane Norwich NR1 2DH

Date Agenda Published: 9 January 2023



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# Cabinet

Item No: 7

**Report Title: A Devolution Deal for Norfolk** 

Date of Meeting: 17 January 2023

Responsible Cabinet Member: Cllr Andrew Proctor (Leader and

Cabinet Member for Strategy & Governance)

Responsible Director: Paul Cracknell, Executive Director for Strategy and Transformation

Is this a Key Decision? Yes

If this is a Key Decision, date added to the Forward Plan of Key Decisions: 14 November 2022

#### **Introduction from Cabinet Member**

Devolution offers a generational opportunity to unlock significant long-term funding and gain greater freedom to decide how best to meet local needs and create new opportunities for the people who live and work in Norfolk. Some decisions and funding previously controlled in Westminster will now be decided by Norfolk, for Norfolk.

If the devolution deal is agreed, it will provide Norfolk with new powers, devolved funding and additional investment of £612.9m over the next 30 years to help us to boost our economy through jobs, training and development, improve our transport network and support our environment.

A Deal for Norfolk will mean that, from 2024 onwards, we can:

- target funding and resources to Norfolk's own priorities, with a new investment fund of £20m per year for 30 years
- unlock housing and employment sites with an injection of £12.9m capital funding in this Spending Review period and new powers to drive regeneration, housing and development priorities
- invest in the skills we know we need, with devolution of the adult education budget and input into the new Local Skills Improvement Plans
- invest in local transport planning and consolidate transport budgets to direct funding to better meet our local needs and priorities

- strengthen the local business voice to inform local decision making and strategic economic planning through the future integration of New Anglia Local Enterprise Partnership
- have a council leader who is directly elected by the public, with the first election in May 2024
- raise our influence regionally and nationally, enabling our voice to be better heard by Government to shape future policies and funding decisions for the benefit of our County

Both the Government and Norfolk County Council recognise that devolution is a journey, not a one-off event. This agreement would be the first step in a process of further devolution and will pave the way for future conversations as part of an ongoing dialogue; with the experience from other devolution areas showing that initial deals can open the door to receiving further powers, funding and influence.

#### **Recommendations:**

#### Cabinet is recommended to:

- 1) ratify the "in-principle" devolution deal for Norfolk
- 2) agree to proceed with the process, as summarised in this report, to:
  - a) undertake a full consultation exercise (as set out in section 4)
  - b) develop implementation planning and assurance processes (as set out in section 5)
  - c) prepare for a County Council resolution to change the current leader and cabinet executive governance model to a 'directly elected leader and cabinet' governance model in December 2023 (as set out in section 3)
- 3) agree that a report on the outcome of the consultation is brought to Cabinet
- 4) agree that further progress reports are presented to the Cabinet as appropriate

# 1. Introduction and Purpose

- 1.1 'County Deals' are part of the Government's levelling up agenda (as set out in the 2022 <u>Levelling Up White Paper</u>) "to spread opportunity equally across the UK" through greater devolution of powers and funding.
- 1.2 The Government set a mission that, by 2030, every part of England, that wants a devolution deal, will have a devolution deal offering powers and funding over issues like transport, skills and economic support and with a strong emphasis on the importance of high profile, directly elected local leadership.
- 1.3 Norfolk, as one of the nine authorities announced by the Government, was invited to begin devolution negotiations for a County Deal in February 2022. So far County Deals have been agreed in North Yorkshire and York, Derby, Derbyshire, Nottingham and Nottinghamshire, Cornwall and Suffolk.

- 1.4 On 8 December 2022 the Secretary of State for Levelling Up, Housing and Communities announced that the Government was "minded to" enter into a County Deal with Norfolk under which the County would benefit from £612.9m of new Government investment, including £20m per year over the next 30 years and an additional £12.9m during the current Spending Review period, to spend on local priorities to produce growth, together with a range of devolved powers and funding. The Government will also provide Norfolk County Council with an additional £1.632m capacity funding over 2023/24 and 2024/25 to support implementation.
- 1.5 The implementation of the Deal will require consultation with other public sector partners including district, borough and city councils, as well as local communities and business, on the proposals. Implementation is also subject to the Secretary of State for the Department for Levelling Up, Housing and Communities being satisfied that the required statutory requirements have been met, the consent of the Council and parliamentary approval of the required secondary legislation. A timetable for the implementation of the Deal is included as **Appendix A** to this report.
- 1.6 This report provides details of the Deal and the steps to be taken following the announcement of the "minded to" County Deal for Norfolk and seeks agreement to commence the consultation on the Deal.
- 1.7 A 'Frequently Asked Questions' on the Deal is included as **Appendix B** to this report.

# 2. The Norfolk County Deal Devolution Agreement – "A Deal for Norfolk"

- 2.1 Norfolk has an ambitious vision for enhancing social and economic prosperity and increasing the wellbeing of our communities, as set out in <a href="Better">Better</a> Together, For Norfolk 2021-2025.
- 2.2 The Deal for Norfolk contains significant new and devolved powers and funding for Norfolk and represents an opportunity to gain greater local control and influence across a range of issues that directly affect our residents that are currently decided in Whitehall.
- 2.3 It will enable us to invest in areas such as better transport, skills, job opportunities, housing and regeneration, tailored to the specific needs of local people, and will ensure that the County is not disadvantaged as other areas acquire their own devolution deals.
- 2.4 The full Deal for Norfolk can be found on the Government's website, here:

  Norfolk devolution deal GOV.UK (www.gov.uk) (and included as Appendix C to this report)
- 2.5 The Deal for Norfolk will include:
  - Control of a new investment fund of £20m per year for 30 years (40% capital and 60% revenue), to drive growth and take forward priorities over the long term.
  - Almost £7m capital funding for the building of new homes on brownfield land in 2024/25.

- New powers to drive the regeneration of the area and to build more affordable homes, including Homes England compulsory purchase powers and the ability to establish Mayoral Development Corporations (with the consent of the relevant planning authority/ies).
- £5.9m of capital funding, in this Spending Review period, to support the delivery of housing, regeneration and development priorities.
- New powers to shape local skills provision to better meet the needs of the local economy and local people, including the **devolution of the core** Adult Education Budget from the 2025/26 academic year, as well as input into the new Local Skills Improvement Plans.
- An integrated transport settlement starting in 2024/25, which will provide greater control in how these budgets are directed locally to better meet our needs and priorities, and £250,000 in revenue funding to accelerate the review of Transport plans and implement quantifiable carbon reductions. Government will work with Norfolk to agree an integrated multi-year transport settlement at the next Spending Review, at which point opportunities for expanding the integrated transport settlement offer will also be explored.
- A commitment to explore a local partnership with Great British Railways so that the Norfolk County Council directly elected leader can help to shape and improve local rail services.
- Norfolk County Council will plan and deliver the UK Shared Prosperity Fund (UKSPF) from 2025/26, to boost skills, pride in place and support businesses. The County Council will continue to engage district, borough and city authorities on the delivery of the UK Shared Prosperity Fund through the Norfolk Investment Framework Steering Group. Representatives include portfolio holders for each district, borough and city authority and Town Deal Board Chairs. This could include investing in:
  - creating further opportunities for residents and local businesses by increasing skills and labour market dynamism
  - improving the provision of efficient and effective public service delivery to a spatially diverse population,
  - o strengthening and future-proofing key business sectors, and
  - o protecting Norfolk's economic and cultural assets from climate change
- The future integration of New Anglia Local Enterprise Partnership to ensure there continues to be a strong and independent local business voice which informs local decision making and strategic economic planning. The integration will be evidence-led, collaboratively developed and focussed on delivering the best economic outcomes for Norfolk.
- 2.6 The Government recognises that devolution is a journey, not a one-off event. This agreement is the first step in a process of further devolution and will pave the way for future conversations on funding and powers as part of an ongoing dialogue.

2.7 Future funding will be subject to Spending Review, in line with arrangements for other devolution deals. The next Spending Review will take place in Autumn 2024, to come into effect in 2025/26. Experience from other areas, such as Greater Manchester, that have previously secured devolution deals show that initial deals can open the door to receiving further powers and influence, and significant funding in subsequent spending rounds directly channelled to them. Developing this ongoing partnership with Government is important to maximising the benefits of Norfolk's devolution deal.

### 3. Governance

- 3.1 The Government's 2022 Levelling Up White Paper places a strong emphasis on the importance of high profile, directly elected local leadership, strong local governance, and joint working across sensible and coherent economic geographies, which it sees as essential for delivering better local outcomes and more joined up public services, as well as providing a focal point for innovation and local collaboration with local accountability.
- 3.2 The Deal for Norfolk is contingent upon a County Council resolution to change the current leader and cabinet executive governance model to a 'directly elected leader and cabinet' governance model in December 2023, and with the first election for the directly elected leader of Norfolk County Council in May 2024 giving the people of Norfolk a direct say in who will take forward the new opportunities created by this ambitious devolution deal.
- 3.3 The directly elected leader is expected to provide overall vision and leadership, seek the best value for taxpayer's money and be directly accountable to the County's electorate. The directly elected leader would be the Leader of Norfolk County Council and be vested with all its executive powers, alongside new powers conveyed to Norfolk County Council by the Deal for Norfolk.
- 3.4 The County Council shares the Government's view that the involvement of district, borough and city councils will be pivotal to the success of the Deal and is committed to working collaboratively and in partnership with district, borough and city councils, alongside businesses and other bodies, to make the most of any new powers and funding that come into Norfolk as a result of the Deal.
- 3.5 Under the Deal, all Norfolk councils remain sovereign organisations and will not lose any of the powers or statutory duties they currently have, and the exercise of particular functions (including Mayoral Development Corporations and Homes England compulsory purchase powers) will be with the consent of the relevant planning authorities in whose area the function is being exercised.

#### 4. Consultation

4.1 Subject to Cabinet agreement, the details and timeline of the Deal for Norfolk will go forward for public views. The consultation will take place from 6 February 2023 for a period of 6 weeks. As a member of the Consultation Institute, the Council will draw on their expertise and independence to review the approach to the design and analysis of the consultation.

- 4.2 It is important that the consultation reaches a broad and representative range of responses from across the County and includes the views of people from different backgrounds, groups and organisations, including district, borough and city councils and businesses. This exercise will therefore be supported by a detailed engagement programme prior to and during the consultation period.
- 4.3 A survey will be developed, co-ordinated and branded 'A Deal for Norfolk' and hosted on the Council's consultation hub. It is essential that residents and stakeholders can choose to participate via their preferred route, so additional non-digital routes such as paper copies of the survey will also publicly available via venues such as libraries and community hubs. All information will be available in accessible formats and different languages on request. Any written responses and letters will be captured.
- 4.4 The communications for the consultation will include significant proactive communications throughout the consultation period to ensure as many people as possible are reached including under-represented areas. Frequently asked questions will be included on the consultation hub and every effort will be made to answer queries as the consultation progresses.
- 4.5 Members of our Norfolk Residents' Panel will be invited to a dedicated event to find out more about the Deal for Norfolk. This event will be led by Members and residents can ask questions and provide verbal feedback to our consultation. All verbal feedback will also be captured.
- 4.6 At the end of the consultation period, all the responses will be analysed and a findings report will be prepared. This report will be brought to the Cabinet to provide the outcome of the consultation to inform the decision about whether to progress the Deal to the next stage and submit the result of the consultation to Government.

# 5. Programme arrangements

- 5.1 The activities required to progress the devolution process to the next stage are broad and significant in scale. There is a clear need for a programme structure which provides the necessary governance and partnership engagement, transparency and accountability, during the implementation phase.
- 5.2 Implementation planning will need to cover each area of the Deal over the next two years; each funding stream and each function, alongside establishing the arrangements for adopting a 'Directly Elected Leader and Cabinet' governance model. It will also need to satisfy the Council's own due diligence processes.
- 5.3 Officers are liaising with Government to understand the required format for businesses cases, for assurance processes and the terms under which funding will be released. This will help to shape the required approach, including the level of resourcing required and the mechanisms by which individuals will be engaged.
- 5.4 Funding for these arrangements will come from the capacity funding, agreed as part of the Deal, as detailed in the finance section 8 of this paper. These arrangements will be overseen by the Director of Strategy and Transformation, operating within the agreed resources available within the Deal, and where relevant such arrangements will be reported to Cabinet.

# 6. Impact of the Proposal

- 6.1 The Deal provides for the transfer of significant resources and powers from central government to the County, including for infrastructure, housing, economic development, and employment and skills, which should positively impact on the lives of residents by helping create more jobs, improving the skills and employment prospects of residents and boosting the productivity of Norfolk. With devolved powers we can make sure that the housing needed to support this growth is connected to the right infrastructure: roads, rail and digital and means that local communities can thrive.
- 6.2 The Deal shows how levelling up can be done in practice with clear alignment to the twelve headline Levelling Up missions and long-term, devolved funding underpinning it.
- 6.3 The Levelling Up White Paper committed the Government to produce an Assurance Framework for all areas with a devolution deal in England. The Government, Norfolk County Council and other areas with devolution deals will work together to determine how this can best work in practice, so that we can improve the consistency of data and reporting, streamline our approach to focus on clear and transparent outcomes and ensure the right mechanisms are in place to promote good practice, as well as address any concerns.

### 7. Evidence and Reasons for Decision

- 7.1 The "minded to" devolution deal will deliver significant new powers and investment that will benefit communities and businesses in Norfolk. It means that decisions previously taken centrally can in the future be potentially taken closer to the people affected.
- 7.2 On the basis of the report and the benefits of a devolution deal, it is recommended that Cabinet agree to proceed with the Deal for Norfolk process and that the Deal be taken forward for consultation.

# 8. Financial Implications

- 8.1 The following section sets out the funding that would come to Norfolk County Council as part of the 'Deal'. This includes detail of the capacity funding available to fund the set-up costs, governance costs and costs associated with delivering the commitments within the deal.
- 8.2 The Table below sets out the key new funding available through the Deal. This includes:

	Total value	Period covered
Norfolk Investment Fund (40% capital and 60% revenue)	£600m	30 years*
Brownfield capital funding	It n yam	Current Spending Review period
Regeneration capital funding	it a um	Current Spending Review period
Total	£612.9m	

- \* This will be subject to five-yearly gateway review assessments to confirm that the investment has contributed to economic growth and levelling up.
- 8.3 On satisfaction of the conditions within the Deal additional funds will also be devolved to Norfolk County Council. This includes:
  - **UK Shared Prosperity Fund** (which is set to rise to £6.63m 2024/25, then subject to Spending Review)
  - Integrated Multi-Year Transport Budget; and,
  - Adult Education Budget
- 8.4 Capacity funding available for the implementation includes:

	Total value	Period covered
County Deal capacity fund	£750k	23/24 & 24/25 (1.5years)
Brownfield capacity fund	£382k	23/24 & 24/25
Transport capacity fund	£500k	23/24 & 24/25
Total	£1.632m	

- 8.5 Any future capacity funding will be subject to Spending Review, in line with arrangements for other devolution deals. Additional activities or capital allocations from government will be supported by revenue allocated to Norfolk County Council in line with practice for existing areas with a Level 3 devolution deal.
- 8.6 It should be noted that capacity funding will not be received until the establishing legislation is made and the Assurance Framework confirmed with the Government. There will, therefore, be a requirement to fund the activity which is required to take place in advance of this date. These costs, by necessity to meet the timescales, will be incurred before the capacity funding can be drawn down. Implementation and set up costs will need to be incurred to cover areas including consultation and delivery costs in progressing the delivery commitments within the Deal. It is proposed that these initial costs are recovered through a first call on the capacity funding once available.
- 8.7 There is a risk that if the Deal is ultimately not signed, any costs incurred will be non-recoverable and provision would need to be made for write off in the Council's financial statements.

# 9. Resource Implications

9.1 **Staff:** There is currently a small project team, within existing staff resources, working on the development of the County Deal. Officers are liaising with Government to understand the required format for businesses cases, for assurance processes and the terms under which funding will be released. This will help to shape the required approach, including the level of resourcing required. It is anticipated that a small cross-department group of officers will form the programme team. The funding for these arrangements will come from the capacity funding agreed as part of the Deal. Further detail is outlined in the finance section 8 of the report.

- 9.2 **Property:** None at present. Any additional requirements will be identified through the implementation planning process.
- 9.3 **IT:** None at present. Any additional requirements will be identified through the implementation planning process.

# 10. Other Implications

#### 10.1 Legal Implications:

- 10.1.1 The legal implications are identified in the report. However, for the sake of clarity, to take advantage of the devolution deal offered, Norfolk County Council must adopt a directly elected leader and cabinet executive governance model subject to the Levelling Up and Regeneration Bill receiving Royal Assent to establish a 'directly elected leader' and a resolution of Full Council in December 2023. If Norfolk County Council does not resolve to adopt the directly elected leader and cabinet governance model, this devolution deal agreement does not hold.
- 10.1.2 The Deal is also subject to the Secretary of State for the Department for Levelling Up, Housing and Communities being satisfied that the required statutory tests have been met, the consent of the council and parliamentary approval of the required secondary legislation.
- 10.2 **Human Rights Implications**: No specific human rights implications have been identified
- 10.3 Equality Impact Assessment (EqIA) (this must be included):
- 10.3.1 The proposal described in this report seeks agreement to allow the statutory process to progress towards final decisions on agreeing a devolution deal with Government. This report seeks approval to conduct a consultation exercise on the Deal for Norfolk so that an informed decision can be made about whether to progress the Deal. The consultation will specially designed to reach out to all Norfolk's many communities, and be accessible for disabled people.
- 10.3.2 The proposed Deal has the potential to significantly enhance equality, diversity and inclusion in Norfolk. This includes work to increase accessibility for disabled people in relation to local governance, economic development, housing and infrastructure, transport and skills. If the Deal goes ahead, and detailed proposals are made during as part of the implementation phase of the Deal, further EqIAs will be carried out and reported to decision makers to assess the impacts in more detail.
- 10.4 Data Protection Impact Assessments (DPIA):
- 10.4.1 There are no direct DPIA implications arising from this report.
- 10.5 Health and Safety implications (where appropriate): None
- 10.6 Sustainability implications (where appropriate):
- 10.6.1 There are no direct sustainability implications arising from this report.

  However, the investment and powers have the potential to drive significant environmental benefits. As detailed proposals are made during the implementation phase of the Deal, sustainability assessments will be developed, as required, to assess the impacts in more detail.

## 10.7 Any Other Implications:

10.7.1 Officers have considered all the implications which members should be aware of. Apart from those listed in the report (above), there are no other implications to consider.

# 11. Risk Implications / Assessment

11.1 The risk to the Council funding the activity ahead of the receipt of capacity funding is limited to the risk of a final Deal not being agreed. As detailed in the finance section 8 above, implementation costs can be drawn from the capacity funding to be received. Therefore, the primary risk is the costs expended should the Deal not receive formal approval. The risk is expected to diminish as council progresses through the Deal agreement process, but the risk is only eliminated upon the legislation being made and the Deal being agreed that releases the funding set out in this report, including the requirement for Council to approve a resolution to adopt the directly elected Leader and Cabinet model of governance.

#### 12. Select Committee Comments

12.1 This is not applicable.

#### 13. Recommendations

- 13.1 Cabinet is recommended to:
  - 1) ratify the "in-principle" devolution deal for Norfolk
  - 2) agree to proceed with the process, as summarised in this report, to:
    - a) undertake a full consultation exercise (as set out in section 4)
    - b) develop implementation planning and assurance processes (as set out in section 5)
    - c) prepare for a County Council resolution to change the current leader and cabinet executive governance model to a 'directly elected leader and cabinet' governance model in December 2023 (as set out in section 3)
  - agree that a report on the outcome of the consultation is brought to Cabinet
  - **4)** agree that further progress reports are presented to the Cabinet as appropriate

# 14. Background Papers

Levelling Up the United Kingdom - GOV.UK (www.gov.uk)

#### **Officer Contact**

If you have any questions about matters contained within this paper, please get in touch with:

Officer name: Hannah Shah Telephone no.: 01603 223165

Email: Hannah.shah@norfolk.gov.uk



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# **Appendix A: Timetable for Devolution**

Action	Timetable
6-week public consultation on 'A Deal for Norfolk'	6 February 2023
Cabinet to consider the results of the consultation and agree whether to progress with the Deal, including submitting consultation responses to Government	Spring/Summer 2023
Resolution at full Council to adopt a Directly Elected Leader and Cabinet governance model	December 2023
Draft statutory instrument laid before Parliament for Approval	Spring 2024
Election of Directly Elected Leader	May 2024

# Appendix B: A Deal for Norfolk - Member FAQ

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#### Why does the Government want County Deals?

County Deals are part of the Government's levelling up agenda, "to spread opportunity equally across the UK".

County Deals offer the rest of England the same powers that metropolitan mayors have gained over issues like transport, skills and economic support.

The Government says: "County Deals will be bespoke to the needs of individual places, bringing decisions closer to people and places, potentially allowing more places to benefit from strong, high profile local champions. County Deals will give places the tools they need to pilot new ideas, create jobs, drive growth and improve public services."

County Deals that have been agreed already include North Yorkshire and York, Derby, Derbyshire, Nottingham and Nottinghamshire, Cornwall and Suffolk.

#### What is in the proposed 'Deal for Norfolk'?

The Deal for Norfolk will provide the area with new powers and funding to increase opportunities and living standards through inclusive growth and productivity improvements.

#### This Deal includes:

• Control of a new investment fund of £20m per year for 30 years (40% capital and 60% revenue funding), to drive growth and take forward priorities over the long term.

- Almost £7m for the building of new homes on brownfield land in 2024/25 and new powers to drive the regeneration of the area and build more affordable homes. This will include:
  - Homes England Compulsory purchase powers which will enable land to be acquired to support the delivery of a range of development, regeneration and infrastructure projects in the public interest, and in doing so, bring about improvements to social, economic and environmental wellbeing.
  - The ability to establish Mayoral Development Corporations. These are statutory bodies created to support the regeneration of a defined area. They can draw on a wide range of powers to acquire, develop, hold and dispose of land and property, and develop infrastructure.
- £5.9m of funding to support the delivery of our housing, regeneration and development priorities.
- Devolution of the core Adult Education Budget from Government to the County Council, as well as input into the new Local Skills Improvement Plans, so we can shape local skills provision to better meet the needs of the local economy and local people
- A consolidated transport settlement starting in 2024/25, which will provide greater control
  in how these budgets are directed locally to better meet our needs and priorities, and
  £250,000 in revenue funding to accelerate the review of Transport plans and implement
  quantifiable carbon reductions. Government will work with Norfolk to agree an integrated
  multi-year transport settlement at the next Spending Review, at which point opportunities
  for expanding the integrated transport settlement offer will also be explored.
- A commitment to explore a local partnership with Great British Railways so that the Norfolk County Council directly elected leader can help to shape and improve local rail services.
- Norfolk County Council will plan and deliver the UK Shared Prosperity Fund (UKSPF) from 2025/26, to boost skills, pride in place and support businesses. Norfolk County Council will continue to engage district authorities on the delivery of the UK Shared Prosperity Fund through the Norfolk Investment Framework Steering Group. Representatives include portfolio holders for each district authority and Town Deal Board Chairs. This could include investing in:
  - creating further opportunities for residents and local businesses by increasing skills and labour market dynamism,
  - improving the provision of efficient and effective public service delivery to a spatially diverse population,
  - o strengthening and future-proofing key business sectors, and
  - protecting Norfolk's economic and cultural assets from climate change
- The functions of New Anglia Local Enterprise Partnership will be brought into Norfolk County Council and will ensure there continues to be a strong and independent local business voice which informs local decision making and strategic economic planning. The integration will be evidence-led, collaboratively developed and focussed on delivering the best economic outcomes for Norfolk.

#### What will a deal mean for Norfolk?

Securing a Norfolk County Deal is about changing things for the better for local people and giving all our residents and businesses the best possible opportunities and experiences.

The Deal for Norfolk will:

- result in more decisions currently taken by the Government being taken in Norfolk by people and organisations who know and who understand the county and its communities
- bring significantly more investment and new funding for Norfolk into local control this
  includes £20 million per year for 30 years with significant freedoms to spend on local
  priorities, and other devolved budgets and powers that we can use to benefit Norfolk
- help us to grow our skills base for the future matched to local jobs, to attract more businesses and investment, to boost economic growth and productivity, and to raise living standards
- help Norfolk to realise its potential and restore local pride of place through better housing, better infrastructure and better local services - including our local roads and transport
- ensure visible leadership, through a directly-elected county council leader

# Is this the total devolution package that we would receive over the next 30 years?

No. This represents an initial deal, and with the exception of the Investment Fund, other funding elements relate to this Spending Review period.

As Government budgets are set on Spending Review periods Departments are (largely) unable to commit to spending within the next period as they do not know what funding will be available. The next Spending Review will take place in Autumn 2024, to come into effect in 2025/26. Other areas with devolution deals have seen significant funding in subsequent spending rounds directly channelled to them. It is likely that further funding will be available in future spending rounds.

Additional devolved powers and areas of funding may also be agreed over time. As an example, following its first devolution deal, Greater Manchester has secured a further 6 deals. This agreement is the first step in a process of further devolution and will pave the way for future conversations as part of an ongoing dialogue.

#### How does it compare to other deals?

The proposed Deal contains all the powers and funding available within the Level 3 of the devolution framework (available on p.140 of the <u>Levelling Up White Paper</u>).

We have compared the 30-year £600m Norfolk Investment Fund, which is the key element of our proposed Deal, with the amount provided by the Government in other deals. Our analysis shows that Norfolk Investment Fund is worth £21.83 per head per year; this is in line with the existing (Level 3) devolution deals, which have an average of £20.64 per head per year.

#### What would change?

The Deal for Norfolk is contingent upon a county council resolution to change its governance to a 'directly elected leader and cabinet' governance model. This would mean moving from a model where the Leader of the Council is appointed by the 84 members of the County Council to one where the Leader of the Council is directly elected by the people of Norfolk (who are eligible to vote). The position of directly elected leader would replace the existing position of the Leader of the Council.

The deal for Norfolk is not about local government reorganisation – every council remains a sovereign organisation and will not lose any powers or statutory duties they have now. The directly elected leader would not change this, nor would they have the power to do so in future.

A directly elected county council leader would be supported by the county council's existing officers and systems. This contrasts with mayoral combined authorities, which have their own staff and running costs, separate from the local council and creating another layer of local government.

There are some elements of existing funding which would change:

- Transport budgets, which currently come to the County Council, will continue to do so but the Deal would remove some elements of ring-fencing to provide us with an integrated transport budget. This will allow us greater autonomy in how these budgets are directed locally to better meets our needs and priorities.
- The Adult Education Budget for Norfolk, which is currently held centrally by Government, will instead be managed by Norfolk County Council. This will enable us to invest in the skills we know we need.
- Funding for the Shared Prosperity Fund, which currently comes directly to the district authorities will, instead, go to Norfolk County Council, which will oversee its spending across Norfolk. Norfolk County Council will continue to engage district authorities on the delivery of the UK Shared Prosperity Fund through the Norfolk Investment Framework Steering Group. Representatives include portfolio holders for each district authority and Town Deal Board Chairs.

#### When and how would a Directly Elected Leader be elected?

The Directly Elected Leader will be elected under the first-past-the-post system (following reforms in the Elections Act 2022).

Norfolk County Council would hold their first directly elected leader election on Thursday 2 May 2024 coinciding with county wide Police & Crime Commissioner election, the second election will be held on Thursday 3 May 2029 coinciding with all-out County Council elections, making the first elected leader's term 5 years. The second term, and the term of the leader thereafter shall be 4 years. The electorate will be registered local government electors in the area of Norfolk County Council.

#### What specific powers would the Directly Elected Leader have?

The directly elected leader will provide overall vision and leadership, seek the best value for taxpayer's money, be directly accountable to the county's electorate and receive new powers on transport, housing and skills.

The directly elected leader will provide overall leadership of Norfolk County Council and will be vested with all its executive powers. The elected leader will appoint a Cabinet made up of the elected leader and between 2-9 members of the Council, of which one will be appointed deputy leader. The directly elected leader may choose to delegate functions to Cabinet, or to members of the Cabinet, who will act on behalf of the directly elected leader.

#### Would the Deal preclude Norfolk from future funding or powers?

No. Involvement in and benefit from other Government processes and funding is not precluded by a devolution deal.

Norfolk would in fact benefit by being part of a group of areas with devolution deals and directly elected Leaders or Mayors giving the county better direct access to Government ministers with the ability to lobby on matters of importance for our area. The existing group of directly elected mayors are seen to be highly influential. Experience from other areas such as Greater Manchester, that secured devolution deals a few years ago, show that initial deals can open the door to receiving further powers and money and influence

As more areas agree devolution deals in the future, the more important it is for Norfolk to have a voice at that level.

#### Will there be a public consultation?

Yes. Norfolk County Council would undertake a public consultation to set out a clear understanding of: the powers and funding that are being devolved to Norfolk; where accountability sits as a result of this deal; and how decisions are made. The consultation will take place from 6 February for a period of 6 weeks.

At the end of the consultation period, a summary of the responses received will be prepared. A report will be brought to the Cabinet to provide the outcome of the consultation so that an informed decision can be made about whether to accept the deal and initiate the next stage.

#### What is the process for agreeing the Deal?

The Leader of the Council has signed the deal 'in principle'. The decision on whether to proceed with the deal process will be taken by Cabinet on 17 January 2023, after the Council meeting has considered the deal on the same day.

A consultation will commence on 6 February 2023 for a period of 6 weeks. Following this Cabinet will consider the results of the consultation and agree whether to progress with the Deal, including whether to submit the consultation outcomes to Government and initiate the process of putting the required legislation in place, which should pass into law in spring 2024.

The Deal for Norfolk is contingent upon a County Council resolution in December 2023 to change the Leader and Cabinet executive governance model to a 'directly elected leader and cabinet' governance model.

#### What other options are there to consider?

The Government's approach to devolution is outlined in the Levelling Up White Paper, published in February 2022. In the White Paper, the Government published for the first time a devolution framework for places in England that wish to unlock the benefits of devolution. The Framework outlines three levels of devolution possible, each with a clear menu of options. The most comprehensive package is a Level 3 deal.

The proposed Deal is a 'Level 3' deal, meaning it would require a directly elected leader. The most significant element of the deal, the Investment Fund worth £20 million per year over 30 years, as well as other funding and powers, would not be available without a directly elected leader.

A Level 2 does not require a directly elected leader but as noted above would not include the Investment Fund and also come with fewer devolved powers and funding.

A Level 1 deal consists of councils within an area working together on things where it makes sense to do so. This is largely possible already and is not really devolution of funding or power.

#### What happens if the deal is rejected?

If the deal is not agreed, nothing changes. This means that Norfolk would not receive the investment outlined in the deal, nor the powers and governance that accompany it.

Given that a proposed deal has undergone significant negotiation with Government, if it is rejected we would expect that, if there was a desire to seek devolution in the future, other areas would be prioritised above Norfolk.

Whilst it is difficult to accurately predict future government policy, with other areas negotiating more devolution deals, it appears increasingly likely that future funding will be prioritised towards devolved areas, as it has in the past. If approved, a statutory public consultation will commence on 6 February 2023. The results of this will be reviewed and, if agreed by Cabinet, will be submitted to Government to progress the deal.

#### How has it been negotiated?

The Devolution Framework sets out the menu of options available as part of a devolution County Deal. This has provided the foundation for negotiations, alongside a strong focus on the 'added-value' areas to Norfolk.

The Norfolk Chief Executive and Leaders Groups, and the Public Sector Leaders Group, have been engaged in the process. A core team of officers from the county council have negotiated directly with civil servants.

#### How will the Deal support better partnership working?

Though the Deal is between government and Norfolk County Council, implementation of the Deal can only be achieved through working with District Councils, and other partners - we remain committed to working across all partnerships and to the principle of subsidiarity.

There are powers, functions, and funding that, as part of the Deal, are to be devolved to Norfolk County Council where the County Council will need to work with districts. For example, the exercise of the functions below will be with the consent of the relevant planning authorities in whose area the function is being exercised:

- a. Ability to establish a Mayoral Development Corporation,
- b. Homes England compulsory purchase powers.

#### How will scrutiny work?

Norfolk County Council will be scrutinised and held to account for their devolution deal by the Council's Scrutiny Committee. Reflecting current arrangements, the Chair of Scrutiny Committee will be appointed by Council and shall not be a member of a registered political party of which the directly elected leader is also a member.

The Levelling Up White Paper committed the Government to produce a reformed accountability framework for all areas with a devolution deal in England. The Government will work with Norfolk County Council and other areas with devolution deals to determine how this can best work in practice to focus on clear and transparent outcomes and ensure the right mechanisms are in place to promote good practice, as well as address serious concerns. This is to ensure that local people have confidence that devolution is leading to improvements in their area.

#### Would the Investment fund increase in line with inflation?

No. The investment fund is set as a fixed amount each year as part of the Deal. This is the same in all devolution deals.

#### What would happen to the Local Enterprise Partnership (LEP)?

The Levelling Up White Paper announced the Government's intention to support the integration of LEP functions and roles into local democratic institutions to ensure a strong business voice at the heart of local decision making. Further guidance on how integration should happen was published on 31 March 2022. This Deal confirms the integration of New Anglia LEP functions in Norfolk County Council and Suffolk County Council, subject to Government endorsement of an integration plan and agreement from New Anglia LEP.

#### What would happen to the Police and Crime Commissioner?

The role and remit of the Norfolk Police and Crime Commissioner is unaffected and is out of scope for the Deal for Norfolk. We will work with the Norfolk Police and Crime Commissioner to agree an appropriate arrangement to ensure close collaboration and productive joint working on public safety.

# **Norfolk Devolution Deal**

Subject to the statutory requirements referred to within this document, including the consent of Norfolk County Council and parliamentary approval of the secondary legislation implementing the provisions of this deal.



Department for Levelling Up, Housing & Communities



# **Signature Page**

Michel Gove

The Rt Hon Michael Gove MP

Secretary of State for Levelling Up, Housing and Communities

Denema

**Dehenna Davison MP** 

Minister for Levelling Up

**CIIr Andrew Proctor** 

Leader, Norfolk County Council

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## Introduction

- 1. The Government has set itself a mission that, by 2030, every part of England that wants a devolution deal will have a devolution deal, with powers at or approaching the highest level of devolution, with a simplified, long-term funding settlement. The 2022 Levelling Up White Paper makes clear the case for devolution as the engine room of improved productivity and reduced regional disparities. Devolution will be critical to delivering our twelve headline Levelling Up missions, strengthening local leadership to act more flexibly and innovatively to respond to local need, whether on transport, skills or regeneration.
- 2. In the White Paper, the Government published for the first time a devolution framework, which set out a clear menu of options for places in England that wish to unlock the benefits of devolution. This framework places a strong emphasis on the importance of high profile, directly elected local leadership, strong local governance, and joint working across sensible and coherent economic geographies. The most comprehensive package is a Level 3 deal, for areas with a single institution over a sensible geography, with the strongest and most accountable leadership, such as a single county or unitary council with a directly elected leader, or a mayoral combined authority (MCA)¹. The Level 2 offer is for devolution to single local government institutions without a directly elected leader, such as combined authorities, or a single upper tier local authority covering a functional economic area or the whole county geography with the leader and cabinet governance model. The Level 1 offer is for local authorities with looser joint working arrangements, such as a joint committee model.
- 3. This document sets out the terms of an agreement for a Level 3 Devolution Deal between the Government and Norfolk County Council subject to ratification by the Council and the statutory requirements for making the secondary legislation implementing the deal. This document describes both the offer of powers and budgets from the Government and the reforms and measures that Norfolk will need to deliver. Central to this is the election of a directly elected leader across the deal area, to champion the area's interests, deliver on local priorities, and be accountable to local people. The Directly Elected Leader would be the Leader of Norfolk County Council and be vested with all its executive powers and responsibilities, alongside new powers conveyed to Norfolk County Council by this deal.
- 4. Norfolk County Council will undertake a public consultation on the deal proposals with other public sector partners including district and borough councils, as well as local communities and business. The statutory requirements include the council consenting to the legislation and Parliament approving it. Once this legislation is approved and made, the devolution deal will be confirmed.

<sup>&</sup>lt;sup>1</sup> Subject to the provisions on alternate titles making it through the passage of the Levelling up and Regeneration Bill and the bill receiving royal assent.

- 5. Norfolk County Council and Government are hereby minded to agree an historic devolution deal which will provide powers and funding to enable Norfolk to level up, raise living standards for its communities, and make a full contribution to the UK economy. The deal shows how levelling up can be done in practice with clear alignment to the 12 headline Levelling Up missions and long-term, devolved funding underpinning it.
- 6. Taken from the Old English "North Folc" meaning land of the north people, known also as the East Angles, Norfolk is a county steeped in history. The county was occupied by the Iceni until the end of the 1st century AD when the Romans developed roads, ports and farming. Celtic Queens, Roman Empires, Saxon and Viking rule, world wars and modern history have all since shaped the county into that which we see today.
- 7. Norfolk continues to evolve and is still a thriving example of rural British life. With a past of prosperous landowners and proceeds from trade with the continent, many fine buildings, castles, stately homes and churches in Norfolk were built and can still be explored today. The city of Norwich fuses culture and heritage, both modern and historic, as a central hub for the region's visitors and inhabitants. Norwich was also named as England's first UNESCO City of Literature in 2011.
- 8. Norfolk is the fifth largest shire county in England³ by area, with a population of just over 916,000⁴, projected to grow to 1m by 2036⁵. With its diverse and outward looking economy, over 100 miles of coastline, Areas of Outstanding Beauty, its historic and cultural assets, rural landscapes and coastal communities, market towns and three urban centres, Norfolk boasts a unique and distinctive identity, strengthened by its people's passion and pride of place⁶. Norfolk is also one of the largest county economies, worth £19bn² and ranking 15th for jobs (389,000 employees) and 10th for business numbers (39,500 businesses), with 6 Enterprise Zones. With two award-winning Universities: Norwich University of the Arts and the University of East Anglia, ranked in the UK top 25⁶ and World Top 200⁶ universities, Norfolk is ranked in the top 20 counties in the UK for the quality of its research outputs.
- 9. Norfolk has the vision, appetite and ability to deliver significant growth. Its diverse economy and sector specialisms mean that it is well equipped to make telling

<sup>&</sup>lt;sup>2</sup> https://www.discovernorfolk.co.uk/story/norfolk-history-11/

<sup>&</sup>lt;sup>3</sup> ONS Open Geography Portal, Standard Area Measurements (2016) for Administrative Areas in the United Kingdom (2019)

<sup>&</sup>lt;sup>4</sup> ONS, Analysis of Population Estimates Tool for UK, 2020

<sup>&</sup>lt;sup>5</sup> ONS, Population Projections for Local Authorities

<sup>&</sup>lt;sup>6</sup> Norfolk & Suffolk Economic Strategy, New Anglia LEP

<sup>&</sup>lt;sup>7</sup> https://www.ons.gov.uk/economy/grossvalueaddedgva/datasets/regionalgvaibylocalauthorityintheuk

<sup>&</sup>lt;sup>8</sup> The Times/Sunday Times 2020 and Complete University Guide 2020

<sup>&</sup>lt;sup>9</sup> The Times Higher Education World University Rankings 2020

contributions to the major challenges facing the world in the 21st century: food and energy security, healthy ageing, climate change, and rapid technological advances. Norfolk's strengths, which they wish to build upon, are diverse and powerful including:

- An all-energy coast at the centre of the world's largest market for offshore wind, which together with Suffolk, generates over half of the UK's offshore wind power capacity and is worth about £1bn per annum<sup>10</sup>.
- A world-leading research base at the forefront of global food and health research and the renowned Norwich Research Park hosting some 3,000 scientists and clinicians<sup>11</sup>.
- A fast-growing digital creative and IT sector<sup>12</sup>, important to the Norfolk economy both in its own right and in its importance in driving productivity across all sectors.
- The A11 corridor from Norwich to Cambridge a world class destination for advanced manufacturing and engineering, supported by the Hethel Centre in Norfolk - the region's advanced manufacturing and engineering hub.
- Norfolk's first-class cultural heritage and environment means tourism supports around 70,000 jobs and is worth £3.4bn to the economy per year<sup>13</sup>. It also contributes to Norfolk's overall quality of place that can attract significant inward investment.
- 10. Whilst the county's mixed economy rural, coastal and urban brings key strengths, it also brings with it specific strategic challenges, and low population density results in higher costs to delivering economic and social infrastructure, and essential service delivery.
- 11. Norfolk's employment figures are among the best in the country, but skills and productivity levels are below the national average, and whilst Norfolk housing ranks as some of the most affordable in the country, house prices continue to outstrip average earnings. In many places, Norfolk lacks the necessary infrastructure, transport network and digital connectivity to develop strategic sites for housing and business growth. Despite being a significant producer and distributor of energy, growth opportunities are significantly constrained due to lack of energy capacity, and as one of the driest counties of the UK, Norfolk experiences growing pressures on water resources, with people and places experiencing the effects of a changing climate that are increasing flooding incidents.

<sup>&</sup>lt;sup>10</sup> (2021) Energy Sector Recovery and Resilience Plan, New Anglia Local Enterprise Partnership, https://newanglia.co.uk/wp-content/uploads/2021/05/New-Anglia-LEP-Energy-Recovery-and-Resilience-Plan-V5.pdf

<sup>&</sup>lt;sup>11</sup> Norwich Research Park, <a href="https://www.norwichresearchpark.com/on-the-park">https://www.norwichresearchpark.com/on-the-park</a>

<sup>&</sup>lt;sup>12</sup> New Anglia Local Enterprise Partnership, <a href="https://newanglia.co.uk/sectors/digital-creative-and-ict/">https://newanglia.co.uk/sectors/digital-creative-and-ict/</a>

<sup>&</sup>lt;sup>13</sup> (2020) *Economic Impact of Tourism – Norfolk 2019*, Visit Norfolk, <a href="https://www.visitnorfolk.co.uk/wp-content/uploads/2021/11/Economic-Impact-of-Tourism-Norfolk-Report-2019.pdf">https://www.visitnorfolk.co.uk/wp-content/uploads/2021/11/Economic-Impact-of-Tourism-Norfolk-Report-2019.pdf</a>

- 12. Norfolk and the Government have already collaborated across a number of interventions to promote growth, skills, infrastructure upgrades, and net zero solutions including:
  - £65.4m in Town Fund, Future High Streets Fund, and Community Renewal Fund
  - £271m shared with Suffolk through Getting Building Fund, Growth Deal and Growing Places Fund
  - 6 Enterprise Zones that combined with Suffolk zones have created over 4,400 jobs through to 2021<sup>14</sup>.
- 13. The Norfolk County Deal will unlock significant long-term funding and give local leaders greater freedom to decide how best to meet local needs and create new opportunities for the people who live and work there. The Government recognises that devolution is a journey, not a one-off event. This agreement is the first step in a process of further devolution and will pave the way for future conversations as part of an ongoing dialogue. As institutions mature, they can gain greater responsibility, and Norfolk will be able to deepen their devolution arrangements over time, subject to Government agreement. The Government will continue to work with Norfolk to use the county's unique economic, environmental and delivery strengths to drive opportunity for all and support residents in fulfilling their potential
- 14. Developing this ongoing partnership with Government is important to maximising the benefits of Norfolk's Devolution Deal. The Government commits to using the platform of this deal to work with Norfolk to support inclusive economic growth in towns, cities and rural areas whilst tackling the climate emergency, on our journey to 2030.
- 15. As an area with a Level 3 devolution deal, Norfolk will be a key partner of central government to drive regional growth and productivity, joining the existing areas with a Level 3 devolution deal in engagement with the Government from the date of this deal.

<sup>&</sup>lt;sup>14</sup> https://newanglia.co.uk/wp-content/uploads/2021/06/FINAL-Enterprise-Zones-five-year-report.pdf

# Summary of the Devolution Deal between the Government and Norfolk County Council

The Government and Norfolk County Council are minded to agree a devolution deal which will provide the area with new powers and funding to increase opportunities and living standards through inclusive growth and productivity improvements.

A devolution agreement is contingent upon Norfolk County Council proceeding through the steps necessary to meet the governance criteria required for a Level 3 devolution deal.

This devolution agreement includes:

- Control of a £20million per year allocation of investment funding over 30 years, 40% capital and 60% revenue, to be invested by Norfolk County Council to drive growth and take forward its priorities over the long term.
- Almost £7m for the building of new homes on brownfield land in 2024/25, subject to sufficient eligible projects for funding being identified.
- £5.9 million of capital funding in this Spending Review period to support the delivery of housing, regeneration and development priorities Norfolk. This investment is subject to agreement of the relevant business cases.
- New powers to drive the regeneration of the area and to build more affordable homes including compulsory purchase powers and the ability to establish Mayoral Development Corporations<sup>15</sup>.
- An integrated transport settlement starting in 2024/25. Government will work
  with Norfolk to agree an integrated multi-year transport settlement at the next
  Spending Review, at which point opportunities for expanding the integrated
  transport settlement offer will also be explored.
- New powers to shape local skills provision to better meet the needs of the local economy and local people, including devolution of the core Adult Education Budget, as well as input into the new Local Skills Improvement Plans.
- A commitment to explore a local partnership with Great British Railways so that the Norfolk County Council directly elected leader can help to shape and improve local rail services.
- Norfolk County Council will continue to engage district authorities on the delivery of the UK Shared Prosperity Fund through the Norfolk Investment Framework Steering Group. Representatives include portfolio holders for each district authority and Town Deal Board Chairs.
- Norfolk County Council will plan and deliver the UK Shared Prosperity Fund (UKSPF) from 2025/26, to boost skills, pride in place and support businesses, which could include investing in:

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<sup>&</sup>lt;sup>15</sup>As Norfolk wishes to make use of a title other than mayor, it should be noted too that 'Mayoral Development Corporation' is the type of body corporate established by statute but that the word 'mayoral' does not need to be included in the name given to any development corporation the elected leader might wish to establish.

- creating further opportunities for residents and local businesses by increasing skills and labour market dynamism
- improve the provision of efficient and effective public service delivery to a spatially diverse population,
- o strengthening and future-proofing key business sectors, and
- o protecting Norfolk's economic and cultural assets from climate change
- A county council resolution to change executive governance to the model described in statute as the directly elected 'mayor and cabinet executive' governance model; a resolution to make use of the 'elected leader' alternate title<sup>16</sup> and following this, the election of a directly elected leader to provide overall vision and leadership, seek the best value for taxpayer's money, be directly accountable to the county's electorate and to receive new powers on transport, housing and skills. The elected leader will provide overall leadership of Norfolk County Council and will be vested with all its executive powers.
- The future integration of New Anglia Local Enterprise Partnership to ensure there continues to be a strong and independent local business voice which informs local decision making and strategic economic planning. The integration will be evidence-led, collaboratively developed and focussed on delivering the best economic outcomes for Norfolk.

More detail on these commitments is given in the main body of the document below.

Building on this framework, Government and Norfolk County Council commit to working together in the coming months and years to deepen devolution, strengthen ties between the local area and government partners, and work collaboratively to deliver the Levelling Up missions across Norfolk.

Further powers may be agreed over time and included in future legislation. Involvement in and benefit from other Government processes is not precluded by a devolution deal.

<sup>&</sup>lt;sup>16</sup> Subject to the provisions in the Levelling Up and Regeneration Bill on alternate titles receiving royal assent.

## Governance

- 16. Strong local leadership is essential for delivering better local outcomes and more joined up public services. It provides a focal point for innovation and local collaboration with local accountability. The Government's devolution framework, as set out in the Levelling Up White Paper, states that a Level 3 devolution deal the highest-level deal with the greatest powers requires a directly elected leader.
- 17. As part of this agreement, therefore Norfolk County Council will move to adopt what is described in statute as the directly *elected 'mayor and cabinet* executive' governance model<sup>17</sup> subject to a resolution of Full Council on the 12<sup>th</sup> December 2023<sup>18</sup> giving the people of Norfolk a direct say in who will take forward the new opportunities created by this ambitious devolution deal.
- 18. Subject to the Levelling Up and Regeneration Bill (with its current provisions on titles) receiving Royal Assent and coming into force, and subject to council resolution, Norfolk would call the directly elected person, who would otherwise be known as an elected mayor, the "elected leader" of the County Council. The same 'subject to the bill receiving Royal Assent and resolution by full council' caveat applies throughout the deal document where reference is made to the elected leader.
- 19. Norfolk County Council will hold their first elected leader election on Thursday 2<sup>nd</sup> May 2024 coinciding with the county wide Police & Crime Commissioner election. The second election will be held on Thursday 3<sup>rd</sup> May 2029 coinciding with all-out County Council elections, making the first elected leader's term 5 years. The second term, and the term of the leader thereafter shall be 4 years. The electorate will be registered local government electors in the area of Norfolk County Council.
- 20. The elected leader will appoint a Cabinet made up of the elected leader and between 2-9 members of the Council, of which one will be appointed deputy leader.
- 21. The elected leader will provide overall leadership of Norfolk County Council and will be vested with all its executive powers. The elected leader may choose to delegate function(s) to the Cabinet or, to members of the Executive; where this is the case, the member to which a specific directly elected leader-function has been delegated will exercise that function on behalf of the elected leader. More generally, members of the Executive may also act to support and advise the elected leader in the exercise of directly elected leader functions. The Council's

<sup>&</sup>lt;sup>17</sup> One of the acceptable forms of Local Authority governance as set out by the Local Government Act 2000 (Chapter 2).

<sup>&</sup>lt;sup>18</sup> The earliest Norfolk County Council would be able to resolve to change their governance arrangements under current legislation is the 11<sup>th</sup> December 2023. Assuming provisions (Clause 66) in the Levelling Up and Regeneration Bill that afford local authorities to apply to have a governance change moratorium waved receive royal assent it may be possible for NCC to make their resolution earlier. The 15<sup>th</sup> September 2023 is the earliest point NCC could resolve and achieve a May 2024 election.

- independent remuneration panel will recommend allowances payable to the elected leader.
- 22. To access level 3 powers and flexibilities, it is important that devolution deals are based on geographies that local people recognise, as well as being sensible economic areas with a single institution in place across that geographic footprint.
- 23. Norfolk has a single institution, namely the County Council, that covers the whole geography of Norfolk. This is an established, democratic structure, able to adopt a governance model that includes a directly elected leader accountable to Norfolk's electorate, with a long history of serving the people of Norfolk, it is, therefore, best placed to be the institution over which the new elected leader will have control and to which powers are devolved from Westminster.
- 24. Norfolk County Council shares the government's view that the involvement of city, district and borough councils will be pivotal to the success of the devolution deal.
- 25. Norfolk County Council considers the Norfolk Public Sector Leader's Board an important vehicle through which city, district and borough councils together with other public, private and voluntary sector leaders can join in creating a renewed vision for Norfolk in the context of successful delivery of the devolution deal. Norfolk wishes to work across all sectors with a view to creating a non-statutory Norfolk Leadership Board, building on the Public Sector Leaders' Board, to contribute to the development of the County Deal strategy, and any subsequent deals, and oversee its implementation and delivery. Norfolk County Council also recognises the importance of a strong business voice in driving economic growth, and will continue to ensure they are fully represented through Business Boards, and reflected in the deal's implementation and oversight.
- 26. The County Council wishes to act collaboratively and in partnership with all of the city, districts and boroughs councils involved. In particular the exercise of the functions below will be with the consent of the relevant planning authorities in whose area the function is being exercised:
  - a. Ability to establish a Mayoral Development Corporation<sup>19</sup>,
  - b. Homes England compulsory purchase powers.
- 27. Functions contained in this deal document will be devolved to Norfolk County Council by the Government, subject to a number of conditions, including the adoption of what is described in statute as a directly elected 'mayor and cabinet executive' governance model. Some of these functions will be exercisable by the elected leader and some by the Council.
- 28. Norfolk County Council are to be given powers in relation to:

<sup>&</sup>lt;sup>19</sup> As Norfolk wishes to make use of a title other than mayor, it should be noted too that 'Mayoral Development Corporation' is the type of body corporate established by statute but that the word 'mayoral' does not need to be included in the name given to any development corporation the elected leader might wish to establish.

- Economic development and regeneration functions.
- Adult education and skills functions.
- Housing functions relating to compulsory purchase (subject to the consent of the local planning authority affected by the exercise of the function), plus provision of housing and land, land acquisition and disposal, and development and regeneration of land.
- 29. The directly elected leader for Norfolk County Council will autonomously exercise their new functions with personal accountability to the electorate, devolved from Government and set out in legislation. These functions are to be:
  - Power to designate a Mayoral<sup>20</sup> Development Area and then set up a Mayoral Development Corporation (see consent requirements below at paragraph 54).
  - Homes England housing and land acquisition powers (see consent requirements below) to support housing, regeneration, infrastructure and community development and wellbeing.
- 30. Where functions are delegated to the Cabinet and full council where it is a full council matter that body will vote on functions that have been devolved via the council's usual governance method. Any questions that are to be decided by the council's executive are to be decided by a simple majority of the members present and voting, unless otherwise provided for in legislation.
- 31. Norfolk County Council will be scrutinised and held to account for their devolution deal by the Council's Scrutiny Committee. The Chair of Scrutiny Committee will be appointed by council and will be an opposition member, normally the Leader of the main opposition party, and shall not be a member of a registered political party of which the directly elected leader is also a member.
- 32. The Government recognises that Norfolk County Council has further devolution ambitions, including around housing, digital connectivity, energy infrastructure, flooding and water course management among others. The Government and Norfolk County Council will continue their dialogue on these matters and any further deeper devolution deal will be subject to agreement with Government.
- 33. The Levelling Up White Paper committed the Government to produce a reformed accountability framework for all areas with a devolution deal in England. The Government, Norfolk County Council and other areas with devolution deals will work together to determine how this can best work in practice, so that we can improve the consistency of data and reporting, streamline our approach to focus on clear and transparent outcomes and ensure the right mechanisms are in place to promote good practice, as well as address serious concerns. This is to ensure that local people have confidence that devolution is leading to improvements in their area. This framework will apply to Norfolk as well as all existing areas that have agreed devolution deals and all future areas.

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34. The proposals in this devolution deal are subject to ratification by Norfolk County Council through their normal executive decision-making processes. The implementation of the deal will require consultation with other public sector partners including city, district and borough councils as well as local communities and business on the proposals. Implementation is also subject to the Secretary of State for the Department for Levelling Up, Housing and Communities being satisfied that the required statutory requirements have been met, the consent of the council and parliamentary approval of the required secondary legislation. If Norfolk County Council does not resolve to adopt what is described in statute as the directly 'elected mayor and cabinet' governance model, this devolution deal agreement does not hold.

#### **LEP Integration**

- 35. The Levelling Up White Paper announced the Government's intention to support the integration of LEP functions and roles into local democratic institutions to ensure a strong business voice at the heart of local decision making. Further guidance on how integration should happen was published on 31 March 2022. This deal confirms the integration of New Anglia LEP functions and Business Boards into Norfolk County Council and Suffolk County Council, subject to Government endorsement of an integration plan and agreement from New Anglia LEP.
- 36. Norfolk County Council will work collaboratively with New Anglia LEP and partners to ensure that there continues to be a strong, diverse and independent local business voice in Norfolk to inform local decision making and strategic economic planning. Norfolk and Suffolk County Councils will be supported to take on all the functions and roles set out in section 10 of the guidance on LEP integration published in March 2022. Any long-term future funding for the integration of LEP functions and roles will be subject to future funding decisions and business planning. The Government reserves the right to modify the functions and roles set out in section 10 of the guidance on LEP integration.

### Finance and Investment

- 37. Norfolk County Council will create a fully devolved funding programme covering all budgets for devolved functions ("Norfolk Investment Fund"), accountable to Norfolk County Council.
- 38. Norfolk County Council will use the Norfolk Investment Fund to deliver a programme of transformational long-term investment. The Government agrees to allocate [£20 million] per annum for 30 years, [40% capital and 60% revenue], which will form part of the Norfolk Investment Fund. This will be subject to five-yearly gateway review assessments to confirm that the investment has contributed to economic growth and levelling up. Once the Order is made conferring powers to Norfolk County Council and the county has its Assurance Framework signed off, Norfolk may have access to the Investment Fund prior to the election of a directly elected leader, subject to the agreement with the Government of suitable caps.
- 39. The costs of Norfolk County Council will be met from the overall resources of Norfolk County Council. To support Norfolk County Council in the early stages of this deal, the Government will provide £250,000 capacity funding in 2023/24 once the establishing legislation is made and the Assurance Framework confirmed with the Government and £500,000 in 2024/25. Any future capacity funding will be subject to Spending Review, in line with arrangements for other devolution deals. Additional activities or capital allocations from government will be supported by revenue allocated to Norfolk County Council in line with practice for existing areas with a Level 3 devolution deal.
- 40. Norfolk will be the lead local authority for the planning and delivery of the UKSPF (or 'the Fund') from 2025/26 if there is a continuation of the Fund and the delivery geographies remains the same. The Norfolk UKSPF allocation - which is set to rise to £6.63 million in 2024/25 - will be subject to a future Spending Review and reconfirmation of overall UKSPF policy and delivery arrangements from 2025/26. If the delivery model remains the same as the current Spending Review period, it is anticipated that the Norfolk County Council will have overall accountability for the funding and how the Fund operates in the area, with wide flexibility to invest and deliver according to local needs. In carrying out this role, it will need to engage with local partners, including district and borough councils. Norfolk County Council will continue to engage district authorities on the delivery of the UKSPF, and other funds such as the Rural England Prosperity Fund, through the Norfolk Investment Framework Steering Group. Representatives include portfolio holders for each district authority, sector and industry leads, in addition to Town Deal Board Chairs. Norfolk will develop a proposal for governance of the UKSPF in advance of the funds being available.

### Labour Market and Skills

#### **Adult Education**

- 41. Norfolk faces a growing productivity and wage gap with other parts of the country. Despite some of the highest levels of employment in England, with 77.3% of people in employment versus 75.4%<sup>21</sup>, a significant number of current job vacancies remain unfilled, with Norfolk businesses citing skills as one of the biggest issues facing the economy. Only 32.7% of Norfolk residents have a NVQ4+ qualification compared with 43.1% nationally, Norfolk has also been identified as the weakest area for productivity in East Anglia.<sup>22</sup> Boosting adult skills, wages and closing the productivity gap could add significant value to the Norfolk and regional economy.
- 42. Government will fully devolve the Adult Education Budget (AEB) to Norfolk County Council from academic year 2025/26 subject to readiness conditions and parliamentary approval of the required secondary legislation conferring the appropriate functions. These arrangements do not cover apprenticeships or traineeships, even though the latter is funded through the AEB.
- 43. Prior to full devolution taking place the Government will work with Norfolk County Council to support their preparations for taking on the relevant functions, including offering implementation funding on a 'matched-funded' basis and awarded through a business case process.
- 44. Upon devolution, Norfolk County Council will be responsible for making allocations to providers and the outcomes to be achieved, consistent with statutory entitlements. The 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.
- 45. The Government will consult with Norfolk County Council on a funding formula for calculating the size of the grant to be paid to Norfolk County Council for the purpose of exercising the devolved functions.
- 46. In order to proceed with devolution, the Government needs to be assured of the following readiness conditions:
  - a. The Secretary of State for Education and appropriate accounting officer are assured that Norfolk County Council is operationally ready to administer AEB and is satisfied the required statutory tests have been met.
  - b. Parliament has legislated to enable transfer to Norfolk County Council of the current statutory duties on the Secretary of State to secure appropriate

<sup>&</sup>lt;sup>21</sup> Norfolk Insight Employment Rates 2022-23

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<sup>&</sup>lt;sup>22</sup> https://www.norfolkinsight.org.uk/economy-and-employment/#/view-report/9e93e3faae4c449084e459fcd86e88d0/ iaFirstFeature/G3

- facilities for further education for adults from this budget and for provision to be free in certain circumstances.
- c. Agreement to a memorandum of understanding between the Department for Education and Norfolk County Council that provides appropriate assurance that the named parties will work together to ensure the future financial stability of the provider base, including for sharing financial risk and managing provider failure.
- d. Learner protection arrangements are agreed between parties.

#### Skills and Employment

- 47. Local Skills Improvement Plans (LSIPs) will set out the current and future skills needs of the area and how local provision needs to change to help people develop the skills they need to get good jobs and increase their prospects. They will build a stronger and more dynamic partnership between employers and further education providers and allow provision to be more responsive to the skills needs of employers in local labour markets.
- 48. Working with the designated Employer Representative Body, utilising and sharing the local labour market intelligence and analysis developed<sup>23</sup>, Norfolk County Council will support and provide input into the LSIP for the area.
- 49. Norfolk County Council will be considered alongside other areas with a Level 3 devolution deal at future Spending Reviews with regard to the devolution of skills funding.
- 50. The Government recognises the challenges facing Norfolk, with coastal and rural communities experiencing a complex range of issues, such as poor connectivity, including digital coverage, affordable housing and, in places, access to services and further education provision. There is a need to develop and deliver targeted programmes to address the unique and very different challenges across such a large and diverse county. Norfolk will work in partnership to develop proactive support for these groups through ongoing engagement with local Department for Work and Pensions Jobcentre Plus.
- 51. The Government and Norfolk County Council will also work together to better target employment support by understanding and utilising publicly available local labour market intelligence and analysis<sup>24</sup>. As part of the development of the economic framework, the Government is committed to working together on the county's strategic priorities and supporting the development of the county's economic framework.

<sup>24</sup> This includes analysis produced previously by the New Anglia LEP and its Skills Advisory Panel (funded by a Department for Education grant up until March 2023)

<sup>&</sup>lt;sup>23</sup> This includes analysis produced previously by the New Anglia LEP and its Skills Advisory Panel (funded by a Department for Education grant up until March 2023)

- 52. The Department for Work and Pensions and Norfolk County Council will work together on Norfolk's strategic priorities for employment through enhanced engagement by way of:
  - a. Membership of the joint Department for Work and Pensions and Department for Education Mayoral Combined Authority Advisory Group.
  - b. Regular engagement with the regional Employer and Partnership team in Jobcentre Plus, and strategic labour market partnership teams.
- 53. The Department for Work and Pensions will also consider what role Norfolk County Council could have in the design and delivery of future contracted employment programmes.

### Housing and Land

- 54. Norfolk County Council will have broad powers to acquire and dispose of land to build houses, commercial space and infrastructure, for growth and regeneration. The County Council, working with its partners, including planning authorities and Homes England (where relevant), will be able to invest to deliver housing for the area.
- 55. Norfolk County Council will have land assembly and compulsory purchase powers, subject to the agreement of the local planning authority where the relevant land is located, and to the consent of the Secretary of State for Levelling Up, Housing and Communities.
- 56. The directly elected leader will have the power to designate a Mayoral Development Area and, with the agreement of the relevant planning authority/ies, to create Mayoral Development Corporations<sup>25</sup> to support delivery on strategic sites in Norfolk. This power may be exercised only with the consent of the planning authority/ies in the area in which the Development Corporation is to be established.
- 57. The area will be awarded £6.98million of devolved capital funding in 2024/25 to support the building of new homes on brownfield land, subject to sufficient eligible projects for funding being identified. To effectively deliver the best outcomes, Norfolk will work in collaboration with district and borough councils.
- 58.To support Norfolk County Council to identify and bring forward a pipeline of housing projects, the Government will also provide £382,000 in capacity funding across 2023/24 and 2024/25.
- 59. Government will also work with Norfolk County Council to build on the success of the One Public Estate model to better understand and utilise public land in the area. This will include considering how best to engage with Norfolk when planning for changes to public estates in the county.
- 60. The Government will also provide up to £5.9 million of capital funding in this Spending Review period to support the delivery of housing, regeneration and development priorities Norfolk, subject to final business cases.

### Working with Homes England

61. The County Council will work with District Councils and other relevant partners to identify local priorities.

<sup>&</sup>lt;sup>25</sup> As Norfolk wishes to make use of a title other than mayor, it should be noted that 'Mayoral Development Corporation' is the type of body corporate established by statute but that the word 'mayoral' does not need to be included in the name given to any development corporation the elected leader might wish to establish.

- 62. Norfolk County Council and Homes England are committed, with the support of DLUHC, to working collaboratively combining their skills and capacity to unlock the barriers to affordable housing delivery, regeneration and wider housing growth through the development of a pipeline for the county. This will be underpinned by a clear Action Plan setting out workstreams, timescales and milestones, as well as respective roles and responsibilities.
- 63. Homes England and DLUHC will explore the potential for investing in the delivery of this pipeline through current and future funding streams, including the Affordable Housing Programme.
- 64. Homes England, DLUHC, and Norfolk will also collectively explore how wider measures including viability assessments and the planning system could better support Norfolk's plans to increase much needed rural affordable housing supply, and in partnership test how the developing Homes England rural strategy could assist in this.

# **Transport**

65. Norfolk County Council is already responsible for transport planning and delivery and will continue to exercise these functions and powers.

#### Transport plans

66. In line with best practice as set out in new local transport plan guidance planned for early 2023, Norfolk will update their existing area-wide local transport plan by March 2024 to be finalised by the elected Leader. Norfolk will be provided with an additional £250,000 in revenue funding in both 2023/24 and 2024/25 to accelerate this work and implement quantifiable carbon reductions to the higher standard recommended in related guidance. The investment in local transport planning and the consolidated transport budget will provide Norfolk with the opportunity to design a pipeline of transport schemes.

#### Consolidated transport budget

67. The directly elected leader will be responsible for a devolved and consolidated integrated local transport budget for the area of Norfolk, consisting initially of the local highways maintenance funding (both the Pothole Fund and Highways Maintenance Block) and the Integrated Transport Block. The integrated transport settlement will be available to Norfolk following the first directly elected leader election in May 2024, for the final year (2024/25) of the current Spending Review period. The Government acknowledges that Norfolk desire longer-term certainty that the integrated transport settlement will continue beyond 2025 and will therefore work with Norfolk to agree an integrated multi-year transport settlement at the next Spending Review. At this point, opportunities for expanding the integrated transport settlement offer will also be explored.

#### <u>Roads</u>

- 68. The Government acknowledges the challenges Norfolk faces with transport connectivity as a large rural area. The Government also recognises the aspirations of Norfolk to improve public electric vehicle charging infrastructure across the county, which would increase the uptake of electric vehicles in the county and reduce carbon emissions by supporting all motorists in making the switch. Government is introducing a new £450m local electric vehicle infrastructure (LEVI) scheme for local authorities to support local EV infrastructure delivery and will work with Norfolk to ensure the area is well placed to respond once funding arrangements are announced.
- 69. The Government has provided £98.1m to deliver the Third River Crossing in Great Yarmouth and will continue to support delivery of this scheme until its scheduled completion in 2023. The Government has also conditionally approved a £26.2m contribution to the A140 Long Stratton Bypass, subject to Full Business Case; and

- will consider the business case proposals for the Norwich Western Link and the A10 West Winch Housing Access Road.
- 70. Government is committed to improving the Strategic Road Network serving Norfolk. As part of the Road Investment Strategy 2, the government has committed to delivering improvement to the A47 through the following schemes; Blofield to North Burlingham dualling, North Tuddenham to Easton dualling, Thickthorn junction improvement, Great Yarmouth junctions improvement.

#### <u>Buses</u>

- 71. Norfolk County Council is implementing an initial Enhanced Partnership to deliver high quality bus services as part of an integrated local transport system. If Norfolk concludes that bus franchising is likely to deliver better outcomes, the Government will consider conferring franchising powers from the Transport Act 2000 where Norfolk demonstrates they have the capability and intention to deliver their chosen franchise model and that franchising will deliver better services than their enhanced partnership without needlessly delaying benefits to passengers. In any partnership or franchising arrangements, Norfolk should seek within available resources to facilitate the delivery of smart, simple integrated ticketing across all local modes of transport in the county. Norfolk will continue to work with relevant partners Transport East, bus and rail operators, Great British Railways and the Department for Transport to realise this ambition.
- 72. As per the commitment in the National Bus Strategy the Government is working on the reform of the Bus Service Operators Grant (BSOG). Following the reform of BSOG should Norfolk request BSOG be devolved to them the Department will work with Norfolk to devolve BSOG to them in line with the consultation outcome.
- 73. The Government recognises Norfolk's aspiration to improve local bus services. To support the delivery of Norfolk's Bus Service Improvement Plan, the government has provided a funding allocation of up to £49.5m.
- 74. The Government recognises Norfolk's aspiration to decarbonise local bus services. To support, this the government has provided £3.2m for the purchase of 15 electric buses to the local bus network in Norfolk, part of the Zero Emission Bus Regional Areas (ZEBRA) funding.

#### Rail

75. Government will support Norfolk in seeking a new rail partnership with Great British Railways, once established, so that their priorities can be taken into consideration in future decisions regarding their local network. Norfolk, alongside existing Level 3 authorities, will be considered a priority for these agreements which will provide the ability to influence the local rail offer. Local priorities will need to be coordinated and compatible with surrounding areas and the needs of the national network.

### Active Travel

76. Norfolk will work with Active Travel England (ATE) on any future walking and cycling schemes to ensure schemes are delivered to high standards, including compliance with Local Transport Note 1/20 (LTN 1/20). All cycling and walking schemes should be approved by ATE as complying with appropriate design guidance, including LTN 1/20.

# Net Zero and Climate Change

- 77. Norfolk's councils are committed to addressing and mitigating the impact of climate change, as well as to contributing to Government's Net Zero targets. A Norfolk Climate Change Partnership (NCCP) was set up in January 2020 to work across the local system on climate change issues, with the specific aim of helping develop Norfolk into an exemplar in tackling climate change by decarbonising local authority assets and supporting the decarbonisation of the Norfolk economy, as well as protecting and enhancing its natural environment.
- 78. As part of its Net Zero Strategy, the Government recognises that devolved and local government can play an essential role in meeting national net zero ambitions. Local leaders in Norfolk and elsewhere are well placed to engage with all parts of their communities and to understand local policy, political, social, and economic nuances relevant to climate action. This is why the devolution framework grants places the opportunity to adopt innovative local proposals to deliver action on climate change and the UK's net zero targets.
- 79. Government recognises Norfolk's aspiration to bring forward clean hydrogen projects to support the UK's transition to net zero. The UK Hydrogen Strategy (2021) set out a comprehensive approach to scaling up the hydrogen economy, and in the British Energy Security Strategy (2022) Government doubled its ambition to up to 10GW of low carbon hydrogen production capacity by 2030, at least half of which will be from electrolysis, with up to 1GW of electrolytic hydrogen production projects operational or in construction by 2025. Support is available through the Industrial Decarbonisation and Hydrogen Revenue Support (IDHRS) scheme, which will fund the allocation of hydrogen business model contracts to both electrolytic and CCUS-enabled projects from 2023; and the £240 million Net Zero Hydrogen Fund, which launched in April this year. Government encourages projects in all parts of the UK, including in Norfolk, to engage with these opportunities, which we would explore in future discussions with Norfolk in due course.
- 80. The Local Net Zero Forum, chaired by the Department for Business, Energy and Industrial Strategy, is cross-Government and brings together national and local government senior officials. Through representative organisations on the forum the Local Government Association (LGA), Association for Public Service Excellence (APSE), Core Cities and the Association of Directors of Environment, Economy, Planning & Transport (ADEPT) Norfolk will get the opportunity to discuss local net zero policy and delivery issues in the round.

#### Networks

81. Government recognises the need to increase Norfolk's electricity network capacity to meet future electricity demand. The county is a major contributor to the UK's clean energy generation, with the Dudgeon and Sheringham projects providing over 700 megawatts generating capacity and enough clean electricity to power over seven hundred thousand homes. As set out in the Electricity Networks Strategic Framework, Government is committed to ensuring that areas with a

- devolution deal, including Norfolk, have a meaningful role in planning the national future energy system for net zero, alongside other local areas as appropriate.
- 82. Government and Ofgem are working together to consider the role local and regional energy planning could play in delivering net zero and supporting efficient network planning, including considering the respective roles of national government, regulator, local government, a Future System Operator, distribution network operation and other key stakeholders for energy planning.
- 83. Government is committed to ongoing collaboration with the aim of addressing detailed policy and regulatory barriers to increasing network coordination. Through the Offshore Transmission Network Review (OTNR), Government is seeking to develop an increasingly coordinated offshore transmission network to minimise the impacts to the community and the environment, reduce costs, and support the acceleration of offshore wind deployment.

#### Buildings

84. The Government commits to explore the potential benefits of and design options for a place-based approach to delivering retrofit measures, as part of HMG's commitment in the Net Zero Strategy to explore how it could simplify and consolidate funds which target net zero initiatives at the local level where this provides the best approach to tackling climate change. This work will involve inviting Norfolk to work with Government through the relevant representative organisations to consider if such an approach could accelerate the meeting of net zero goals and provide better value for money.

#### Clean heat

85. Government has confirmed its intention to establish heat network zoning in England. Under the zoning proposals, Zoning Coordinators within local government will be able to designate areas as heat network zones where heat networks are going to be the most cost-effective way to decarbonise heating and hot water within the zone. This will enable Norfolk County Council to assume the role of heat network Zoning Coordinator for its locality, and play a key role in the delivery of heat decarbonisation infrastructure. This includes requiring certain buildings to connect to heat networks within the zones. Government is committed to have heat network zoning in place by 2025.

### Net zero infrastructure

86. The UK Infrastructure Bank ("the Bank") will increase infrastructure investment across the UK by partnering with the private sector and local government to help tackle climate change and support regional and local economic growth. The Bank's advisory service, when launched, could offer advice and support to local stakeholders, including Norfolk County Council, to help deliver on their objectives, including driving investment into net zero infrastructure and innovative local projects. It can also act as a convenor, bringing together local actors for collaborative projects, and where appropriate identifying where projects can be aggregated to achieve greater impacts.

#### Green jobs

87. Through the Green Jobs Delivery Group, Government is working to ensure that workers, businesses and local areas, including Norfolk, are supported through the net zero transition. Norfolk now has the opportunity to deliver green skills interventions at a local level through having a greater role in delivering the Adult Education Budget and UK Shared Prosperity Fund.

#### Nature Recovery

- 88. Norfolk County Council has provisionally agreed to act as the responsible authority for the preparation of the Local Nature Recovery Strategy (LNRS) for the area. Formal appointment of responsible authorities will be made following publication of relevant regulations and guidance and confirmation of funding. The Strategy will: map the most valuable existing habitat for nature; map proposals for creating or improving habitat for nature and wider environmental goals, and; agree priorities for nature's recovery. Defra agree to consider the role of Norfolk County Council in the LNRS in due course.
- 89. Government will work with Norfolk to ensure that local environmental policies, including Norfolk's LNRS, support the delivery of Government's 25 Year Environment Plan. Government recognises the ambition of Norfolk to pilot innovative climate mitigation and adaptation initiatives and will consider Norfolk as a test-bed geography for future policies including feasibility studies to create recyclable investment models, drawing on support for investment as outlined in this deal.

#### Flooding

90. Norfolk has convened the Norfolk Strategic Flooding Alliance (NSFA) which brings together all agencies and partners involved in planning for and responding to flooding in Norfolk. Government recognises that an integrated approach to flood risk and water resources management can benefit the needs of communities, businesses and the environment across Norfolk. Government would therefore encourage the ambitions of the NSFA and Norfolk County Council for closer working with the Environment Agency, Internal Drainage Boards and other Risk Management Authorities to a deliver a joined-up approach to watercourse regulation for flood risk mitigation, building on the strong collaborative working with Water Resources East on water supply and security. This will not change the role and responsibilities of existing Risk Management Authorities.

# Digital

91. The Government recognises that high quality digital connectivity is crucial for future economic growth and productivity in Norfolk. While rollout of broadband and mobile infrastructure will be delivered nationally through DCMS, the Government will engage with Norfolk on a regular basis, including on delivery plans in the county, particularly where they involve hard to reach rural areas. The Government is committed to achieving nationwide coverage of gigabit capable broadband by 2030 and to ensuring that rural areas are not left behind including in Norfolk. Procurements covering Norfolk commenced in April 2022, and regular Project Gigabit programme updates will be provided quarterly by Building Digital UK, covering progress in delivering for communities across the area. The Government also commits that it will support Norfolk's digital connectivity ambitions through the upcoming Wireless Infrastructure Strategy, which will set out a strategic framework for the development, deployment and adoption of 5G and future networks.

# Culture and Heritage

- 92. Norfolk County Council, together with key local stakeholders and partners, will work with a partnership of Arm's Length Bodies of the Department for Digital, Culture, Media and Sport's (DCMS) Arm's Length Bodies to build on the council's significant track record of developing and delivering ambitious place-based strategies to realise the county's rich cultural potential.
- 93. This will include looking across culture, heritage, sport and visitor economy initiatives and identifying opportunities for a joined-up, strategic approach and will be taken forward with reference to Culture Drives Impact, the recently published Norfolk and Suffolk Culture Board Manifesto. Building on Norfolk's outstanding cultural strengths and assets, this collaborative strategic approach will support Norfolk's cultural partners to deliver an exceptional cultural offer, thus maximising the contribution of culture and heritage to placemaking, local communities and sustainable economic growth across Norfolk. For example, Norfolk will work with DCMS and Historic England on developing the legacy of Heritage Action Zone investments, the protection and enhancement of Norwich Castle, the Broads and Fens, and renewing the county's pride and place in further priority places, including Norwich. Similarly, by building stronger strategic relationships with DCMS and Arts Council England regarding the Levelling up For Culture Places and Arts Council Priority Places, Norfolk can work more impactfully and ambitiously to deliver vital levelling up interventions.
- 94. The visitor economy is another area where Norfolk will benefit from stronger partnership working. The tourism sector is one of the major economic contributors to the county, supporting more than 70,000 jobs and contributing about £3.4bn annually to the local economy. Building on more than ten years of concerted partnership work to further develop both their cultural and sustainable tourism offers, Norfolk County Council wishes to work even more closely with tourism partners, including Visit East of England (VEE), their strategic destination management organisation to create and deliver an ambitious and forward-looking strategy and plan for Norfolk to become both a 'must-see cultural destination' and the most sustainable and inclusive tourism destination in the UK by 2030. In line with the objectives set out in the Government's Tourism Recovery Plan, DCMS will also work with the accredited Local Visitor Economy Partnership for the region to help develop Norfolk's visitor economy, with a view to harnessing the regional potential to grow domestic and international visitor spend, increase access to the sector and reduce seasonality.

### Innovation, Trade and Investment

- 95. Through the deeper devolution trailblazer deals announced in the Levelling Up White Paper, Government will bring together a holistic package of powers, roles, functions and strategic relationships to grow the private sector at a local level.
- 96. The trailblazers are designed as a blueprint for other Level 3 devolution deals, and Government will draw lessons from this approach to make a similarly broad and holistic offer to Norfolk in due course. This offer aims to build the resilience of businesses and households in Norfolk to cost of living pressures, strengthen Norfolk's global competitiveness and empower local entrepreneurs.
- 97. This offer will explore the following, and potentially other, options to:
  - a. Empower Norfolk to be able to secure greater private investment in local priorities.
  - b. Strengthen Norfolk's local innovation capacity to help realise the potential of local innovation assets and the innovation potential of small and medium enterprises.
  - c. Help to realise the global export potential of local businesses in Norfolk and maximise the local benefits of international trade.
  - d. See Norfolk play a greater role in supporting local businesses to improve their productivity.
  - e. Engage Norfolk in the delivery of digital infrastructure and potential economic and public service applications of data and data science.
- 98. Through this work, Norfolk will be able to further support the growth of its local economic strengths, particularly in agri-tech and food production. Norfolk's world-class scientific community is at the forefront of finding solutions to the contemporary challenges of climate change and food security. The University of East Anglia is home to the Tyndall Centre for Climate Change, a pre-eminent institute for climate research and viable pathways to a net zero future. Furthermore, Norwich Research Park brings together four institutes internationally recognised for their cutting-edge research in plant science, genetics and microbiology. Among them is the John Innes Centre, a key contributor to the agri-science advances that spurred the green revolution, and which continues to develop globally significant disease and climate resilient crop varieties.
- 99. Looking ahead, Norfolk's vibrant research cluster is well-placed to realise the potential for innovation that the Genetic Technology (Precision Breeding) Bill will unlock for shaping our future food system in a changing climate. The Government is committed to relocating roles out of Greater London and closer to the policy issues they are addressing, as set out in its Places for Growth programme. The relocation of policy and senior roles will benefit communities across the UK enabling more diversity of thought into policy making leading to better-informed policy, built on an understanding of the impacts across the UK and drawing on a more diverse range of experiences, skills and backgrounds. The Government will continue to work with departments on the potential for any future relocations of Civil Service roles to Norfolk as part of the Levelling Up agenda.

### Public Service Reform

- 100. Government supports Norfolk County Council and its partners in their collective ambition for public service reform. Government commits to working with the County to explore initiatives to improve delivery of public services jointly with its constituent authorities, such as how best to support residents with multiple complex needs. Where appropriate, and as part of its Levelling Up agenda, Government will also consider devolving further powers to Norfolk to support public service reform, in relation to its statutory duties.
- 101. The Government recognises the importance of good infrastructure in achieving its levelling up ambitions and in supporting communities to get the best outcomes. The Department for Health and Social Care have received an expression of interest from the Queen Elizabeth Hospital Trust in Kings Lynn to be considered for the next eight new hospitals in the New Hospital Programme. These submissions are currently under review, and DHSC is aiming to make a decision about the selected eight schemes later this year.
- 102. Good quality data is essential for understanding local need and the place-specific issues affecting people in an area. As part of the Government Statistical Service's Subnational Data Strategy, the Government is working to improve the dissemination of subnational statistics to empower local decision makers, including in Norfolk, to use data-led evidence to respond to local priorities.
- 103. Norfolk County Council will work with the Government to understand the existing barriers to data sharing and utilisation in their area, and explore where improvements to the quality of, or access to, data could support them in achieving Norfolk's local ambitions.
- 104. Norfolk, in partnership with the Government, will work with the Norfolk Police and Crime Commissioner to agree an appropriate arrangement to ensure close collaboration and productive joint working on public safety.

# Norfolk's commitments underpinning the Deal

- 105. Norfolk will work with the Government to develop a full implementation plan, covering each policy agreed in this Deal, to be completed ahead of implementation. This plan must be approved by the Government prior to delivery and will be supported by Capacity Funding referred to in paragraph 37 of this Deal. Any issues of concern with the subsequent delivery of this deal will be escalated to ministers and leaders to resolve, in keeping with the letter and spirit of devolution.
- 106. Norfolk County Council will be required to evaluate the impact of the Norfolk Investment Fund. Norfolk and the 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 Norfolk County Council, but agreed at the outset with DLUHC and HM Treasury, 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 economic 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. The assessment should also take into account the latest developments in economic evaluation methodology. The Government would expect the assessment to show that the activity funded through the scheme represents better value for money than comparable projects, defined in terms of a benefit-to-cost ratio and considered in the strategic context of local ambitions for inclusive growth across the whole geography.
- 107. As part of the implementation of the deal, Norfolk County Council and the Government will agree a process to manage local financial risk relating to the deal provisions.
- 108. Prior to the first directly elected leader elections, the Government will work with Norfolk County Council to give the public and stakeholders including Parliament a clear understanding of: the powers and funding that are being devolved to Norfolk; where accountability sits as a result of this deal; and how decisions are made.
- 109. Norfolk County Council will continue to adhere to their public sector equality duties, for both existing and newly devolved responsibilities.

#### THE END