

Proposed Devon & Torbay Combined County Authority and devolution deal Report of the Chief Executive

Please note that the following recommendations are subject to consideration and determination by the Cabinet and confirmation under the provisions of the Council's Constitution before taking effect.

1) Recommendations

It is recommended that the Cabinet:

- (a) Support the proposed Devon & Torbay devolution deal.
- (b) Agree that a public consultation be carried out in conjunction with Torbay Council from 12 February 2024 to 24 March 2024 to invite views on the draft proposal to establish the Devon & Torbay Combined County Authority.

2) Summary

Devon, Plymouth and Torbay was one of nine areas invited by Government, as part of the February 2022 Levelling Up White Paper, to agree a devolution deal. Plymouth City Council decided on 17 November 2023 to withdraw from the negotiations towards a proposed devolution deal.

The proposed devolution deal for Devon and Torbay was announced by the Secretary of State for Levelling Up, Homes and Communities and published by the Department for Levelling Up, Housing and Communities (DLUHC) on 25 January 2024. It is available on the DLUHC website and further information about the proposed deal is at www.devontorbaydeal.org.uk

The powers and the transfer of Government funding included in the proposed devolution deal promise to bring greater control to Devon and Torbay to help tackle local priorities, including the need for: new training and retraining opportunities; improved coordination of public transport; more affordable housing and investment to support local business, green jobs to increase productivity and pay.

Government would devolve the powers and funding to a new legal body established by Parliament that brings the members of the existing local authorities together: the Devon & Torbay Combined County Authority (DT CCA). The members of the DT CCA would include members of Devon County Council and Torbay Council together with district council member representatives and other stakeholders. The statutory requirements for implementing the proposed deal include public consultation on the draft proposal to establish the DT CCA and the Council's consent to the secondary legislation.

It is anticipated that Torbay Council's Cabinet will also meet on 2 February 2024 to consider the proposed deal and the requirement for public consultation on the draft proposal. It is recommended that a public consultation on the draft proposal to establish the DT CCA is undertaken in conjunction with Torbay Council from 12 February 2024 to 24 March 2024. The purpose of the public consultation will be to invite views from partners (including district councils), stakeholders and the public on why the area is seeking to establish the DT CCA, the benefits it would deliver and how it would operate.

3) Background

3.1 Policy background and timeline

In July 2021 the then Prime Minister announced in a speech that new "County Deals" would be negotiated with county areas. The then Secretary of State for Housing, Communities and Local Government wrote to local authority leaders and chief executives explaining that Government would engage with councils over the course of Summer 2021 in advance of the Levelling Up White Paper. In August 2021 Devon, Plymouth and Torbay registered their collective interest in being a pilot area for a "County Deal". In November 2021 there were meetings between officers and officials and also between the Parliamentary Under-Secretary for Levelling Up and Council Leaders.

In February 2022 the Secretary of State announced his decision to enter into negotiations with a view to concluding an "early County Deal" for Devon, Plymouth and Torbay. The Levelling Up White Paper, published at the same time, described opportunities for areas to secure devolved powers, funding, and influence based on a devolution framework (see appendix 1). The framework has three levels of devolution depending on the type of governance model. The powers and funding available range from the highest level 3 to the lowest level 1.

Level 3 areas, which require a Combined Authority to be led by a directly elected Mayor or Leader, will have access to powers such as the ability to consolidate existing core local transport funding into a multi-year integrated settlement, devolution of locally-led brownfield funding, mayoral control of Police and Crime Commissioner (PCC) functions where boundaries align and the ability to introduce a mayoral precept and supplement on business rates. Level 3 areas will also have access to additional funding for certain functions devolved to the Mayor or Leader by Government.

Level 2 areas will have fewer, but still significant, powers including control of appropriate local and public transport functions, the ability to provide input into Local Skills Improvement Plans and Homes England compulsory purchase powers. The proposed Devon and Torbay devolution deal is a level 2 deal. Level 2 areas will also receive some additional funding from Government for certain devolved functions.

Level 1 areas will have access to three core powers: the ability to host Government functions best delivered at a strategic level including more than one authority, the opportunity to pool services at a strategic level, and the opportunity to adopt innovative local proposals to deliver action on climate change.

Since the publication of the Levelling Up White Paper in February 2022 the stages in the development and negotiation of the proposed Devon and Torbay devolution deal were:

- March 2022 – Submission to the Department for Levelling Up, Housing and Communities (DLUHC) by Devon, Plymouth and Torbay Councils of an outline proposal for a non-mayoral level 2 deal.
- March 2023 - Letter from the Minister for Levelling Up to Council Leaders confirming Government's intention to conclude a level 2 deal with Devon, Plymouth and Torbay by the end of 2023.
- July 2023 – Meeting between Leaders and Minister for Levelling Up to discuss progress with the proposed deal.
- August 2023 to October 2023 – Negotiations with Government departments about the terms of the proposed Devon, Plymouth and Torbay devolution deal.
- 26 October 2023 - Levelling Up and Regeneration Act came into effect.
- 17 November 2023 – Plymouth City Council withdrawal from the proposed devolution deal (see section 3.2 below).
- 22 November 2023 – Confirmation, as part of Government's Autumn Statement, of the proposed Level 2 non-mayoral Devon and Torbay devolution deal being at an advanced stage of discussion.
- January 2024 – Announcement and publication of the proposed Devon and Torbay devolution deal by DLUHC.

3.2 Plymouth City Council's withdrawal from the proposed devolution deal

The Minister for Levelling Up wrote to the Leader of Plymouth City Council on 16 November 2023. He explained that in order to agree a deal at Level 2 of the framework it is essential that local transport authority (LTA) functions reside within the CCA. The Government's aim is to establish devolved institutions that can deliver key economic functions including transport, skills and business support across the whole deal area. The Minister explained that while skills and business support functions can be held concurrently with constituent councils, it would not be viable to create two local transport authorities covering the same area. As the LTA, the CCA would take on a strategic coordination role and accountability for associated responsibilities and local public transport powers across the CCA area. All operational responsibility would remain with the constituent councils.

Plymouth City Council had made it clear during the negotiations that it could not, as a point of principle, agree to LTA functions moving to a new CCA. The Minister explained in his letter that whilst he respected Plymouth City Council Leader's reasons, the Government could not accept the City Council's alternative proposals which would risk creating duplication and confusion in the local transport planning system. The Minister confirmed that the Government would seek to agree a devolution deal with Devon and Torbay only.

A statement issued by Plymouth City Council on 17 November 2023 confirmed that it had withdrawn from the proposed devolution deal but remains fully committed to continuing to work closely with its partners across the region on areas such as transport, housing inward investment, jobs, the Plymouth and South Devon Freeport and skills and education.

In responding to Plymouth City Council's statement, the Leaders of Devon County Council and Torbay Council confirmed that they will continue to work in partnership for the collective benefit of communities and businesses across the area. The provisions of the proposed

devolution deal enable Plymouth City Council to apply to join the DT CCA at some point in the future.

3.3 Devolution deals for other areas.

Proposed devolution deals have been developed between government and local authorities elsewhere in England since the publication of the February 2022 Levelling White Paper, including:

- **Suffolk** - In January 2023 Suffolk County Council agreed to carry out a public consultation on the proposed level 3 devolution deal. To enact the deal, the council's governance would need to change to a directly elected leader and cabinet model. The proposed deal envisages a directly elected leader but the Council has delayed the consultation while it seeks final clarification from government.
- **Norfolk** - Norfolk County Council carried out a public consultation on the proposed level 3 deal devolution in Spring 2023. In May 2023 the new county council leader reopened negotiations with the Government to see if the council could secure further benefits. The Council agreed in December 2023 to accept the deal and hold an election in May 2025 for a directly elected leader.
- **East Midlands** (Derby, Derbyshire, Nottingham, and Nottinghamshire) - A public consultation was carried out between November 2022 and January 2023 on a proposed Mayoral Combined County Authority that would be responsible for the powers and funding in the proposed level 3 deal. The CCA will have a directly elected Mayor who will be elected by the voters within the area. The Mayor will be a member of the CCA, as well as having a number of powers and functions which may be exercised exclusively by the Mayor. The East Midlands Mayoral Combined County Authority will have up to 17 members in total, comprising:
 - The directly elected Mayor.
 - Eight elected members: two members from each of the four constituent councils.
 - Four non-constituent members nominated by the District and Borough Councils within the area (with two non-constituent members to be nominated by Derbyshire District and Borough Councils, and two non-constituent members to be nominated by Nottinghamshire District and Borough Councils).
 - Up to four further non-constituent or associate members.

Each of the four councils considered the results of the consultation in March 2023 and, having due regard to the consultation responses and the public sector equality duty, resolved to approve the final proposal and create the East Midlands Combined County Authority for the areas of Derbyshire County, Derby City, Nottinghamshire County and Nottingham City.

Four further proposed devolution deals were announced as part of the Government's 22 November 2023 Autumn Statement, two of which were Level 2 non-mayoral deals for Lancashire and Cornwall.

Cornwall - The proposed devolution deal for Cornwall includes:

- Devolution of Adult Education functions and the core Adult Education Budget, and the opportunity to provide input into Local Skills Improvement Plans.
- £0.5 million of funding to support Cornish distinctiveness.

- Support for Cornwall Council's ambition to create a Cornwall Floating Offshore Wind Commission to minimise the marine ecological impact and maximise job creation.
- Maintenance of the current governance arrangements of a leader and cabinet executive governance model.

Lancashire - The proposed devolution deal for Lancashire, comprises the areas of Lancashire County Council, Blackpool Council, and Blackburn with Darwen Borough Council. The proposed deal includes:

- The formation of the Lancashire Combined County Authority comprising:
 - Four elected members, consisting of a lead member for each constituent council and one further member appointed by Lancashire County Council.
 - Two non-constituent members, who will be nominated by the district and borough councils to represent the interests of district and borough councils on the CCA.
 - Up to two associate or non-constituent members, to be appointed by the CCA.
- The integration of relevant functions of the Lancashire Local Enterprise Partnership into the Lancashire CCA.
- Devolution of Adult Education functions and the core Adult Education Budget, and the opportunity to provide input into Local Skills Improvement Plans.
- New powers to improve and better integrate local transport and control of appropriate local transport functions.
- Subject to funding, policy and delivery considerations at the next Spending Review, UK Shared Prosperity Fund (UKSPF) planning and delivery at a strategic level from 2025/26.
- The ability to exercise compulsory purchase powers to help drive the regeneration of the area and to build more affordable homes.
- Up to £20 million capital funding in the current Spending Review period to support innovation led growth (including assets to maximise the benefits of National Cyber Force HQ) and net zero ambitions across Lancashire.
- The formation of a wider Lancashire visitor offer encompassing Blackpool.
- Innovation-led growth, including working with government to capitalise on Lancashire economic potential in growing the energy and low carbon sector.
- Improve urban quality and help address poor health.

The eight-week public consultation on the proposed Lancashire devolution deal ran to 26 January 2024.

Each of the devolution deals summarised above is available at

<https://www.gov.uk/business-and-industry/city-deals-and-growth-deals>

4) The provisions of the proposed Devon and Torbay devolution deal

The proposed devolution deal for Devon and Torbay was announced by the Secretary of State for Levelling Up, Homes and Communities and published by the Department for Levelling Up, Housing and Communities (DLUHC) on 25 January 2024. It is available on the DLUHC website and further information about the proposed deal is at

www.devontorbaydeal.org.uk

Torbay Council will consider it, and the draft proposal for the DT CCA, at its meeting on 2 February 2024.

The proposed devolution deal covers:

- Governance.
- Finance and investment.
- Skills and education.
- Housing and land.
- Transport.
- Net zero and climate change.
- Culture and tourism.
- Digital.
- Innovation, trade, and investment.
- Sector development.
- Public service reform.
- Resilience and public safety.

The proposed devolution deal reflects the Levelling Up White Paper's devolution framework Level 2 offer of functions and funding from Government. In summary, the proposed devolution deal includes commitments to:

- The formation of the DT CCA, including the creation of a leadership group led by a nominated chair, to provide overall vision and leadership, seek the best value for taxpayer's money, and be accountable to residents.
- New powers to better shape local skills provisions to ensure these meet the needs of the local economy. This will include devolution of Adult Education functions and the core Adult Education Budget, Funding for Free Courses for Jobs, and the opportunity to provide input into Local Skills Improvement Plans.
- £16 million of new capital funding in the current Spending Review period (i.e. to March 2025) to support the delivery of local housing priorities, drive Net Zero ambitions and support green skills capacity, and accelerate wider low carbon business transition across the Devon and Torbay area. This investment is subject to agreement of business cases.
- Greater collaboration between the DT CCA and Homes England to reduce the barriers to affordable housing delivery, regeneration and housing growth – with a particular focus on rural and coastal communities. By combining skills and capacity, the DT CCA and Homes England will develop a shared development pipeline, underpinned by a clear action plan, and explore ways to support the delivery of that pipeline via current and future national housing programmes.
- Agreement from Government to discuss the recommendations of the Devon Housing Commission.
- New powers to improve and better integrate local transport, including the ability to introduce bus franchising subject to approval from the Secretary of State for transport, and control of appropriate local transport functions e.g. responsibility for an area-wide local transport plan.
- Subject to funding, policy and delivery considerations at the next Spending Review, UK Shared Prosperity Fund (UKSPF) planning and delivery at a strategic level from 2025/26. In carrying out this role, the DT CCA will engage all district councils and other local partners to ensure that the needs of residents can be effectively addressed.
- The integration of the functions of the Heart of the South West Local Enterprise Partnership held by Devon County Council and Torbay Council into the DT CCA,

alongside the provision of a strong and independent local business voice which informs local decision making and strategic economic planning.

- A commitment to developing, in partnership with the Government, an arrangement which ensures close cooperation with the Police and Crime Commissioner.
- A clear role for Devon and Torbay in local resilience and civil contingency planning, preparation, and delivery.

5) Proposed Devon and Torbay Combined County Authority

The proposed DT CCA would be a way for all the councils in Devon and Torbay to work more closely together, and to receive devolved powers from the Government. It would enable existing locally elected representatives to have more say over decisions that affect the area.

5.1 Public consultation on the draft proposal to establish the Devon and Torbay Combined County Authority

In order to progress the proposed deal, the next step is a public consultation on the draft proposal to establish the DT CCA. The draft proposal (included as a **separate document with the agenda**) explains in detail why the area is seeking to establish the DT CCA, the benefits it would deliver and how it would operate.

Whilst the DT CCA would be a separate body from the existing councils, it would be led by members of those councils. The DT CCA would take responsibility for devolved powers and functions that are not currently subject to direct local democratic control.

It is proposed that a public consultation be carried out from 12 February 2024 to 24 March 2024. The consultation will be open to anyone to respond to, and provision will be made for accessible and alternative versions. The consultation will be publicised through social media and news releases. It will be open to residents, businesses and all other key stakeholders, including district councils, parish and town councils, voluntary and community organisations and other public sector bodies.

The public consultation will invite respondents to provide views on:

- The extent to which they agree or disagree that locally elected representatives should have greater control of decisions and funding affecting Devon and Torbay through the creation of the DT CCA.
- The relative importance of what the DT CCA would deliver across each of the priority areas in the proposal devolution deal.
- The extent to which they agree or disagree that the powers and funding set out in the proposed deal would help the proposed DT CCA deliver the priorities for Devon and Torbay.

The consultation will be published on the Devon and Torbay Devolution Deal website – www.devontorbaydeal.org.uk. It will be possible to respond in a number of ways, including by completing an online form, sending an email or letter. Paper copies of a summary of the draft proposal will be available in each of the libraries in Devon and Torbay.

Themed meetings for invited stakeholders will be organised on green growth, large employers, housing, and transport. There will also be meetings in different areas of Devon and in Torbay, details of which will be published at www.devontorbaydeal.org.uk/

5.2 Core principles

In order to ensure clarity and unity around devolution, the proposed devolution deal sets out six core principles for future governance and delivery:

- **Partnership** – Each member (i.e. constituent, non-constituent and associate members) of the CCA will have the ability to influence devolved activity and have a say in what the CCA does.
- **Accountability** – The constituent councils will develop a constitution and assurance framework that will confirm, clarify and formalise the intention of institutions and local leaders to continue to be transparent and accountable, work closely with local businesses, seek the best value for taxpayers' money and maintain strong ethical standards.
- **Inclusivity** – The CCA will operate inclusively in pursuit of its agreed outcomes.
- **Additionality** – Members of the CCA will work together to deliver things that add value, they will only pool or collaborate on existing activity where there is shared agreement that that should be done.
- **Subsidiarity** - The CCA will not create an additional layer of governance but bring the national level governance to the Devon and Torbay area and much closer to businesses and communities. Place making functions will be delivered through existing local planning authority arrangements for which they are statutorily responsible.
- **Collaboration** – Members of the CCA will collaborate and cooperate to ensure that activities are delivered and actions taken as required, both within the CCA and with other partners across the region. Members will share information, experience, materials and skills to learn from each other and develop effective working practices. This includes joint working with wider peninsula partners, including neighbours in Plymouth, Dorset, Cornwall and Somerset.

5.3 Governance of the Devon and Torbay Combined County Authority

The membership of the proposed DT CCA will comprise:

- Six constituent members appointed by the two constituent councils (ie Devon County Council and Torbay Council), with each constituent council appointing three of their elected members. Each constituent council will appoint one Lead Member (the Leader) and two further members nominated by the Leader of each constituent council.
- Four non-constituent members, of which two will be members nominated by the District councils within the Devon area to act as District representatives.
- Two associate members as decided by the CCA. It is currently proposed that one of these members will represent the voice of business and another the skills/education sector.

To provide leadership of the CCA Board, the CCA will appoint one of the Lead Members of the constituent councils to act as chair of the board. This role will be subject to nomination and approval on a biennial basis.

The Devon and Torbay CCA, in partnership with Government, will ensure that the Devon and Cornwall Police and Crime Commissioner (PCC) is invited to attend and participate in

CCA meetings as an observer or non-constituent member. This will ensure close collaboration and productive joint working between the CCA and PCC.

The CCA's decision making will be split between reserved and general matters. Decisions on reserved matters will be for constituent members only and will require a simple majority of constituent council members in favour. The proposed devolution deal defines reserved matters as being:

- Membership and governance (including voting rights) of the CCA
- The election of the chair of the CCA;
- Agreement of the annual budget of the CCA;
- Policy Framework;
- Associated scrutiny arrangements, including membership;
- Major investment decisions; and
- All Transport Functions

Of those matters reserved for the constituent councils, the following will require both Lead Members to vote in favour:

- Approval of the CCA's budget, including significant financial decisions.
- Approval of and significant amends to the Constitution
- Appointment of the Chief Executive;
- Approval of the policy framework, which will include:
 - i. Corporate Strategy
 - ii. Economic Growth Strategy
 - iii. Skills and Employment Strategy
 - iv. Local Transport Plan, Bus Service Improvement Plan (BSIP) and Local Cycling and Walking Infrastructure Plans (LCWIP)

The following decisions would require the consent of the Lead Member of the relevant Constituent Council, or substitute members acting in their place, in whose area the decision will apply:

- Compulsory purchase of land or buildings by the proposed CCA;
- The exercise of Homes England compulsory purchase power will also require the consent of the relevant planning authority;
- Any decision by the proposed CCA that could lead to a financial liability falling directly upon that constituent council; and
- Such other matters as may be contained within the proposed CCA's constitution.

The CCA will, as part of its formal constitution, determine how it will deal with voting and decision-making between the CCA's wider membership on general matters, for example local policy and strategy making.

Assurance of the work of the DT CCA will be provided through the appointment of an audit committee and an overview and scrutiny committee. The political balance of those committees will reflect the balance of the constituent councils. The chair and vice-chair of the scrutiny committee will not be a member of the same political party as their respective Lead Member. The audit committee will include at least one independent member.

Prior to the establishment of the DT CCA, there will be a transitional phase where it operates as a shadow authority to support a smooth transition to the fully established DT CCA. The shadow authority will not be a legal entity but will work collaboratively from within the constituent councils and in an advisory capacity until the DT CCA is established later this year. Once it is established, the DT CCA will be an employer in its own right and appoint officers including a chief executive, monitoring officer, finance officer. The arrangements will, as far as practicable, draw on the capacity (e.g. through secondments and sharing of staff) of the existing authorities to ensure that the DT CCA is as cost effective as possible.

5.3 Team Devon Joint Committee

Local government responsibilities in the Devon area are split between parish & town councils, the eight district councils, Dartmoor & Exmoor National Park Authorities and Devon County Council. All the councils have a track record of working together under an informal strategic partnership known as Team Devon that brings together the political and operational leadership to ensure a collective voice and leadership to the benefit of Devon residents. This proved highly effective during the pandemic and continues to reap benefits.

A part of the establishment of the DT CCA, the Team Devon partnership would be formalised to inform the collective strategic decision making into the DT CCA. It is intended that at the same time as the DT CCA is created, the authorities will work together to develop a Team Devon Joint Committee for the Devon area under the provisions of the Local Government Act 1972. The agreement to join a statutory Joint Committee would be subject to individual decision-making processes of each authority.

The diagram attached below as appendix 2 shows the DT CCA membership and the Team Devon Joint Committee.

5.4 Heart of the South West Local Enterprise Partnership

Government's sponsorship and funding of Local Enterprise Partnerships will cease from April 2024. A national process of planning the integrating of LEPs core functions of business representation, local economic planning, and the delivery of Government programmes into local authorities is underway.

Somerset Council is leading the work to plan the integration of HotSW LEP functions, in conjunction with Devon County Council, Plymouth City Council and Torbay Council. A draft HotSW LEP integration plan was submitted to DLUHC for review at the end of November 2023. The implications for HotSW LEP staff, assets and finance will be covered in the progress report to the Cabinet meeting on 9 February 2024. Some HotSW LEP functions will be held temporarily by Devon County Council and Torbay Council before transferring into the DT CCA.

5.5 Heart of the South West Joint Committee

The proposed devolution deal, the forthcoming integration of the HotSW LEP into local authorities, together with other changes in Government policy mean that the purposes of the Heart of the South West Joint Committee (HotSW JC) have largely been superseded and other partnership arrangements between the constituent authorities are, or will, deliver the same aims. The Council agreed at its meeting on 7 December 2023 (minute 241 refers)

to give notice of its intention to withdraw from the HotSW JC and propose to the HotSW JC that the Joint Committee be dissolved. The HotSW JC was dissolved on 31 December 2023.

6 Next steps

6.1 Timetable

The anticipated timetable for the next steps is:

- 12 February 2024 to 24 March 2024 –public consultation on the draft proposal for the establishment of DT CCA and proposed devolution deal.
- April 2024 – Cabinet (**Monday 22 April**) and Council (**Monday 29 April**) consideration of the results of the public consultation and final proposal and, subject to Council’s decision, submission of final proposal for the DT CCA to Government.
- May 2024 – Government decision on proposal.
- June 2024 - Statutory Instrument to create the DT CCA finalised.
- July 2024 - Review by Joint Committee on Statutory Instruments.
- Autumn 2024 – Devon and Torbay Councils formally consent to the Statutory Instrument.
- Autumn 2024 – Statutory Instrument laid in Parliament.
- Autumn 2024 – Statutory Instrument comes into force.
- Autumn/Winter 2024 – Launch of the DT CCA and establishment of the Team Devon Joint Committee.

7) Options / Alternatives

An alternative option would be not to proceed with a public consultation on the proposed Devon and Torbay devolution deal. If this option were to be adopted, then there would be no guarantee that a devolution deal and the potential associated powers and funding would be available to the area in the same way in the future.

8) Strategic Plan

The proposed devolution deal will contribute to the Council’s “[Best Place](#)¹” Strategic Plan 2021 – 2025, including the commitments to:

- Support training providers and employers to increase the number of traineeships and apprenticeships for young people and for people to upskill to reflect changes in employment opportunities.
- Secure investment in transport infrastructure to stimulate economic growth, improve accessibility, increase travel choices and improve road safety.
- Enable a range of transport options, including public transport to improve access to services and jobs and to tackle social isolation.
- Work with Team Devon to tackle homelessness and improve the availability of affordable housing in Devon.
- Do whatever we can to make it easier for key workers and people on low incomes to find affordable homes.

¹ <https://www.devon.gov.uk/strategic-plan/>

9) Financial Considerations

The costs of carrying out the public consultation on the proposed Devon & Torbay devolution deal will be shared between Devon County Council and Torbay Council.

To support the establishment of the DT CCA in its early stages, the government will provide £1million of capacity funding over three years: £250,000 in 2024/25, £500,000 in 2025/26 and £250,000 in 2026/27. This core funding will enable the creation and establishment of the CCA without imposing costs on either Devon County Council or Torbay Council. It is not therefore anticipated that there will be any additional costs to the County Council.

The creation of the DT CCA would lead, through the delivery of the devolution deal, to additional funding, including the £16 million of capital, being made available to be spent within the Devon and Torbay area on a wide range of services, projects and schemes.

10) Legal Considerations

The Levelling Up and Regeneration Act (LURA) provides for the establishment of the new form of local government institution – a combined county authority (CCA) – which can be established in, and will enable devolution to, areas with two-tier local government.

The LURA allows a CCA's membership to consist solely of upper-tier local authorities (county councils and unitary councils) and for the CCA to be established over an appropriate geography (e.g. a functional economic area or whole county geography), enabling functions to be effectively exercised and the economic, social and environmental wellbeing of those who live or work in the area to be improved.

The LURA enables CCAs to appoint “non-constituent” members such as representatives of district councils or other local bodies. It also enables CCAs to appoint “associate” members: an individual person - such as a local business leader or an expert in a local issue - to be a representative at CCA meetings to input their specific local knowledge into proceedings.

The LURA requires that prior to submitting a proposal for a CCA to the Secretary of State, the Constituent Councils must undertake a public consultation on the proposal in the proposed area. The Constituent Councils are obliged to carry out the consultation across the proposed area and consider the results. The requirement is for each authority to consider the consultation responses provided across the whole area – not just those provided in their own area.

The Secretary of State may make regulations establishing a CCA for an area if, having regard to the submitted proposal, the Secretary of State considers that:

- (a) to do so is likely to improve the economic, social and environmental well-being of some or all of the people who live or work in the area,
- (b) the Secretary of State considers that to do so is appropriate having regard to the need—
 - (i) to secure effective and convenient local government, and
 - (ii) to reflect the identities and interests of local communities,
- (c) a public consultation has been carried out in connection with the proposal and the Secretary of State has been provided with a summary of the consultation responses.

The Secretary of State's regulations can cover the working mechanisms of a CCA – for example, its membership, voting arrangements and quorum – and its functions such as transport, skills or economic development.

11) Environmental Impact Considerations (Including Climate Change, Sustainability and Socio-economic)

The agreement to support and consult on the proposed devolution deal will not in itself have any environmental impacts. However, if the DT CCA is established it will need to ensure that the environmental impacts of its decisions are assessed and works to reduce carbon emissions.

12) Equality Considerations

A **draft** equality impact assessment of the proposed devolution deal has been prepared and is available on the Council's website at <https://www.devon.gov.uk/impact/published>. Members will need to consider the draft assessment for the purposes of this item.

Data will be collected from those who choose to respond to the consultation including those who identify as having a protected characteristic and a final equality impact assessment will be prepared and made available in April 2023 when the Cabinet and Council consider the final proposal.

The Devon Equality Reference Group supports the County Council's work on equality and diversity by providing advice, feedback, ideas and scrutiny. The ERG members are drawn from the voluntary and community sector are independent of the County Council and Service Level Agreements are in place. The ERG's views on the equality impacts of the draft proposed will be invited in order to inform the final Equality Impact Assessment.

13) Risk Management Considerations

In July 2023 Cabinet considered current strategic risks and priorities. It identified the devolution deal as one of six areas of focus for the Corporate Plan for the next 12 months.

Appendix 1 to CX/24/1

The devolution deal framework included in the Levelling Up White Paper published by HM Government in February 2022

Levelling Up the United Kingdom White Paper

Table 2.3 Devolution Framework

Level 3 – A single institution or County Council with a directly elected mayor (DEM), across a FEA or whole county area

Level 2 – A single institution or County Council without a DEM, across a FEA or whole county area

Level 1 – Local authorities working together across a FEA or whole county area e.g. through a joint committee

Function	Detail	L1	L2	L3
Strategic role in delivering services	Host for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies	✓	✓	✓
	Opportunity to pool services at a strategic level	✓	✓	✓
	Opportunity to adopt innovative local proposals to deliver action on climate change and the UK's Net Zero targets	✓	✓	✓
Supporting local businesses	LEP functions including hosting strategic business voice		✓	✓
Local control of sustainable transport	Control of appropriate local transport functions e.g. local transport plans*		✓	✓
	Defined key route network*			✓
	Priority for new rail partnerships with Great British Railways – influencing local rail offer, e.g. services and stations			✓
	Ability to introduce bus franchising		✓	✓
	Consolidation of existing core local transport funding for local road maintenance and smaller upgrades into a multi-year integrated settlement			✓
Investment spending	UKSPF planning and delivery at a strategic level		✓	✓
	Long-term investment fund, with an agreed annual allocation			✓
Giving adults the skills for the labour market	Devolution of Adult Education functions and the core Adult Education Budget		✓	✓
	Providing input into Local Skills Improvement Plans		✓	✓
	Role in designing and delivering future contracted employment programmes			✓
Local control of infrastructure decisions	Ability to establish Mayoral Development Corporations (with consent of host local planning authority)			✓
	Devolution of locally-led brownfield funding			✓
	Strategic partnerships with Homes England across the Affordable Housing Programme and brownfield funding			✓
	Homes England compulsory purchase powers (held concurrently)		✓	✓
Keeping the public safe and healthy	Mayoral control of Police and Crime Commissioner (PCC) functions where boundaries align [^]			✓
	Clear defined role in local resilience*		✓	✓
	Where desired offer MCAs a duty for improving the public's health (concurrently with local authorities)			✓
Financing local initiatives for residents and business	Ability to introduce mayoral precepting on council tax*			✓
	Ability to introduce supplement on business rates (increases subject to ballot)			✓

* refers to functions which are only applicable to combined authorities

[^] refers to functions which are currently only applicable to mayoral combined authorities

*FEA is a Functional Economic Area

Appendix 2 to CX/24/1



Name: Donna Manson
Electoral Divisions: All

Cabinet member: Leader of the Council and Cabinet Member for Policy, Corporate and Asset Management

Local Government Act 1972: List of background papers

Background Paper: None
Date
File Reference

Contact for enquiries:

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