

Chief Executive's Report

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1. Summary

This report provides an update on current issues – including:

Key events - what's going well and what isn't;

A recommendation to hold a Members meeting to agree on proposed **amendments to the Articles** and Assurance Framework to enable the Plymouth University representative to continue as a LEP Board Member;

Suggested **recruitment process** to fill vacant independent Board Member roles ahead of a further Governance review at the end of the summer following progress on both the Plymouth, Torbay, and Devon Devo Deal and unitary elections in Somerset;

An update on the **future role/function of the LEP** in the context of the completion of the LEP review as the new delivery architecture emerges following the publication of the Levelling-Up White Paper;

Elsewhere we include progress on our updated Build Back Better plan, innovation updates, and performance updates from the Leadership groups, etc.

2. Recommendations

It is recommended that the Board:

- i) **Hold a Members meeting and recommend the proposed amendments to our Articles and Assurance Framework – Appendix 2**
- ii) **Ask for Nominations Committee to carry out the recruitment of 2 new private sector Board Members addressing our gender balance etc**
- iii) **Ask the College principals to update FE representation and as part of the Governance/Effectiveness review at the end of the summer note the need to confirm the Chair's appointment**

3. Events – What's Going Well and What Isn't

Following the publication of the Levelling-Up White Paper, the LEP review has been completed and further details including recent comments from the Minister in a recent Westminster Hall debate have been included in Appendix 1. However, as yet we have still to receive the letter setting out core funding and functions. In the meantime, Devon, Torbay, and Plymouth have submitted an initial template for a non-mayoral (Level 2) Devolution Deal which says that they wish to fold all LEP functions into a new Combined Authority. Civil Servants have confirmed 'the long-awaited letter and a detailed 'Principles' annex is now agreed and we

expect it to go out this week'. Funding is also confirmed and will be part of the letter. If received, this can be updated at the meeting.

Levelling-up Fund Round 2 – this was announced following the publication of the Chancellor's Spring Statement with Torbay and Torridge the only Level 1 area identified in the HotSW area.

Enterprise Zones – significant inward investment enquiries continue for the Gravity site. Oceansgate has recently benefited from the finalisation of the Freeport Final Business Case and the launch of Plymouth Smart Sound which already has several use cases confirmed as the world's first 5G marine testbed.

UK Shared Prosperity Fund – announced as part of the spending review, there are potentially 14 separate UKSPF programmes across HotSW and potentially 29 across the SW. Whilst focused on places etc the fund is also replacing ESF skills funding, EAFRD (rural funding and local LEADER programmes), and business support programmes. Through their delivery plans, it will be important for Local Authorities:

- A) To consider how business support schemes might be pooled as appropriate
- B) To consider interventions that should be prioritised
- C) Consider whether they wish to adopt community-led local schemes (CLLD)

Hinkley PC and Nuclear Chain programme – clearly the Government is looking at additional nuclear new build at Sizewell and Wylffa has come back into the picture. The RAB enablement legislation is passing through Government reasonably quickly enabling Government to both potentially take a stake in development (so reducing risk) and reduce the potential borrowing costs of such a large capital outlay through institutional investors. We continue to push Government and the AMRC for supply chain funding...

Future Farming resilience – working across the Great South West, Devon County Council has submitted a bid to DEFRA (for £2.5m).

Growth Hub – BEIS have still to confirm funding support for the Growth Hub for 22/23 although the HotSW delivery is currently underwritten by the LEP enabling continuity of delivery for the coming months.

Strategic Infrastructure – the first A303 improvement scheme in 20 years (as opposed to planned maintenance) is now on site (from Ilchester to Sparkford) and there now is a potential pathway for the entire dualling of the A303 in the HotSW area with development funding etc included in RIS 3. National Highways have resubmitted the evidence to support the Stonehenge tunnel and essentially the Minister will reconsider. It is not yet clear whether this will require further public consultation and potentially another inquiry. Digital infrastructure remains a challenge with as yet little information on how Government intends to support hard-to-reach communities – a digital update will be provided at the July LEP meeting. Sub-regional Transport Boards have been funded by DfT for a further 3 years (although to do what remains still a little unclear).

Skills Advisory Panels – DfE have confirmed further funding (£55k) for 22/23 together with proposals for a future Local Skills Improvement Fund and Strategic Development Fund – see attached letter from Minister

West Somerset Opportunity Area – one of 24 areas nationally, that looks now to be in its final academic year of funding – its been extended twice. In total, the area will have received more than £7.7m to support social mobility – the area was identified as having the worst social mobility in the UK by the Social Mobility Commission back in 2018. The interventions were making good progress on their outcomes with the relevant cohorts but progress was decimated through Covid not least through poor digital connectivity both within the community and local settings. Much work is going on about legacy and learning lessons and certainly, the close working between schools, the voluntary sector, and council and health provision has been a key strength that is looking to be sustained. However, there remain some areas both in Devon and Somerset that

do not fare much better. The University of Exeter, supported by the LEP, is publishing a report on 28 April setting out the scale of the challenge and some key recommendations.

HotSW Careers Hub – the Skills and FE White Paper is still being enacted through Parliament but identifies the importance of the Careers Hub model in future DfE thinking – although not fully funded. Future funding has been a real challenge to local partners who are struggling to find the necessary support for match-funding CEC funding bringing into question future delivery. An update should be provided in the skills update.

SW Institute of Technology – was formerly launched at the House of Lords last month. It is currently chaired by Babcock.

Appendix 1 - LEP Evolution – April 2022

Minister Neil O'Brien (DLUCH) spoke at Westminster Hall debate in March as follows:

The short answer to my hon. Friend the Member for Hastings and Rye is that, through the White Paper, LEPs now have certainty about their overall role in the future and how they will fit together with mayoral combined authorities.

LEPs will continue to exist where there are no MCAs; where MCAs exist, they can be folded in as the business sounding board where they are co-terminus. Where there is a part-in and part-out LEP, we will respond to whatever the desires of local partners are. They will also shortly have the funding certainty that a number have Members have asked about because we will be writing to them very shortly. LEPs will continue to have a crucial role outside the areas where there are not electively accountable mayoral-type figures operating across strategic geography.

Following the LEP review, which has concluded, we have clarity about the end state that we want to get to and why we want to continue to have LEPs:

- a) for that convening role,
- b) the private sector expertise,
- c) and the ability to broker lots of different local stakeholders and drive forward a wider strategic vision for the area

In following up civil servants have confirmed “ We do expect LEPs will be integrated into institutions at L3 and L2 with the integration of functions, roles, and boundaries considered as part of negotiations, with LEPs supporting local leaders, where requested, to embed a private sector perspective into that conversation. I think a focus on the functions rather than the institutions is key here.”

A copy of the submission can be circulated and the SRO has agreed an update will be provided at the meeting.

Appendix 2 – Board Effectiveness and Governance Update

In our 22/23 business plan, we have highlighted that we will need to carry out a Board effectiveness review and Governance review in the summer in the light of:

- A) confirming the function of LEPs following the completion of the LEP review and publication of the Levelling-Up White Paper
- B) future operation in the context of emerging devolution and local government re-organisation

In addition, we will need to be cognisant that our 2017 cohort of Board Members will need to come to the end of their term in June 2023 avoiding if appropriate a major simultaneous exit of knowledge, skills, and talent.

Moreover, the Chair's initial 3-year term of office will also conclude in December 2022 and we will need to confirm (or not) his continuation as part of the effectiveness review.

In the interim, and to fulfill the commitments of our 12-month business plan, we need to update our existing Governance arrangements as follows;

- a) recruit into the 2 current independent Director vacancies recognising the need to renew our gender balance and diversity, our geographic and sector coverage
- b) we have asked the college principals to confirm future FE representation as John L's 3-year term will shortly conclude
- c) hold a Members meeting to agree to amendments to the Articles to retain the continuity of HE representation through at least the current changes.

Independent Director Recruitment

As part of our Effectiveness Review, the Nominations Committee will be asked to convene to recommend 2 independent Directors to ensure we are compliant with our diversity requirements. The former vice-chair was chair of the Nominations Committee so we will need a volunteer to chair this group; two other Board Members to participate would also be helpful (1 public/1 private).

About 12 months ago, to help with our diversity, we, with the other Business Representative Organisations, developed a pool of 15 leaders to go through a (Future Leaders) 6-month programme to help build up their skills and networks ahead of possible future recruitment. I am proposing that in the light of the uncertainty about future LEP activity etc we recruit from this pool which comprises people who have previously applied to be on the LEP Board and nominations from each of the BROs.

It will restrict our pool a little but seems fair to give these people a chance and also proportionate given the uncertain times

University Representation

In these uncertain times, we are proposing to amend our Articles to allow University representation to be sustained particularly as we seek to understand how that might be addressed through any County Deal. To change the articles requires a Members meeting and process as follows:

Essentially the Board makes a recommendation that the Members vote on. In detail

1. Issue notice to members call a general meeting: note the section pasted below on what needs to be in that notice

2. Notice should be 14 days but can be shorted if it is “agreed to by a majority of the members having a right to attend and vote at that meeting. Any such majority must together represent at least 90% of the total voting rights at that meeting of all the members.”
3. The Board will need to recommend the changes
4. The board meeting adjourns & members consider and vote. Show of hands is ok
5. Members will need to sign the resolution and return this (signing and returning by email is ok but all need to sign – not signing is taken as disagreeing with the resolution)
6. Once signed written resolutions are returned, the Chair confirms the changes and revised Articles sent to Companies House. In practice, this may be a few days after the Board meeting

The proposed changes red deleted/blue added) to Articles are as follows:

23.2 Subject to Articles 23.3 and 23.4 and 23.6, and Article 28, an HE Director is to hold office for a period of three years.

23.3 An Subject to Article 23.6, an individual may be reappointed as an HE Director in accordance with Article 23.1 for a period one or more periods of up to three years provided that his total period in office will be six years or less served consecutively or otherwise.

23.4 The Higher Education Sector Organisations are entitled to collectively remove a HE Director in the same way as they appointed him or her.

23.5 In the event that the Higher Education Sector Organisations do not (or are unable to agree as to how to) exercise their right of appointment under Article 23.1 the Directors may appoint up to two individuals who, in their reasonable opinion, are suitably qualified or experienced to serve as HE Directors such that, at any time, there are no more than two HE Directors.

23.6 Notwithstanding the provisions of Article 23.2 or 23.3, the Directors shall have the discretion to reappoint as an HE Director any person who holds office as a result of an appointment as an HE Director by the Higher Education Sector Organisations and who has already served at least one period in office of three years, for such period as the Directors shall specify in writing at the time of such reappointment (being one or more periods of up to three years). The Directors may remove an HE Director so reappointed by giving no less than 20 business days’ notice in writing to the Higher Education Sector Organisations, the relevant HE Director and the Company.

FE Representation

Supported by the AOC and in line with the agreed rotation process, we have asked the FE Principals to confirm their representation ahead of the July Board meeting.

Appendix 3 - DfE Skills Minister to Shevaun Haviland, The rollout of Local Skills Improvement Plans



Alex Burghart MP

Parliamentary Under Secretary of State for Skills

Sanctuary Buildings 20 Great Smith Street Westminster London SW1P 3BT
tel: 0370 000 2288
www.education.gov.uk/contactus/dfes

Shevaun Haviland, Director General, BCC

21 March 2022

Dear Shevaun,

The rollout of Local Skills Improvement Plans

As one of the country's key employer representative bodies (ERBs) I am writing to you to share my provisional plans for the national rollout of Local Skills Improvement Plans (LSIPs) and ask that you share these with your regional and local networks.

As you know, the Skills for Jobs White Paper set out an ambitious plan to put employers more firmly at the heart of the skills system to help ensure our businesses and people have the skills they need to thrive. LSIPs are a key part of us achieving this aim. Led by designated ERBs, the plans will set out the key changes needed in a local area to make technical skills training more responsive to employers' skills needs. By putting LSIPs on a statutory footing we are demonstrating our long-term commitment to the policy.

I am extremely grateful for the hard work that the individual Chambers of Commerce, supported by the British Chambers of Commerce, have put into testing different approaches to LSIPs via the eight Trailblazers and I look forward to seeing the Trailblazer LSIPs in two weeks' time. I am fully committed to bringing the benefits of LSIPs to all areas of the country and want to make sure that the elements of best practice from all the Trailblazers are reflected in the LSIP approach at a national level.

Eligibility

We are looking to appoint a range of ERBs to lead LSIPs across England. To be designated as the lead, an ERB would need to be reasonably representative of local employers and able to work with employers outside their membership, other ERBs, as well as the whole range of local stakeholders, including providers and local government. Further information on the eligibility and selection criteria will be set out in guidance at the time of launching the expression of interest process.

Timescales

Subject to the Royal Assent of the Skills and Post-16 Education Bill, my intention is to run an expression of interest process for employer representative bodies in all areas of the country in May. Following this, I expect the Secretary of State to be in a position to designate a first tranche of lead ERBs in early autumn, with further designations thereafter. My aim is that the majority of the country will have LSIPs developed and in place by summer 2023. Further information on timescales for the designation of ERBs, the development of LSIPs and the approximate level of funding available will be set out in the expression of interest guidance.

Local areas

While LSIPs will be developed by ERBs, they will need to be centred around the functional geographies that providers and other relevant stakeholders (including institutions with devolved powers) operate across to fully achieve their aims. The Levelling Up White Paper set an ambition to create more Mayoral Combined Authorities and new County Deals and I am aware that discussions are live and ongoing in many areas of the country. While my intention is for LSIPs to align with the geographies of devolution in the long-term, I intend to adopt the following approach for the rollout of LSIPs this year:

- In areas that already have devolution, LSIPs will mirror the boundaries of the Combined and Mayoral Combined Authorities (inc. the GLA).
- In other areas of the country, for the upcoming rollout and initial designation period, I will set the LSIP geographical boundaries to largely follow the existing Local Enterprise Partnership (LEP) geographies.

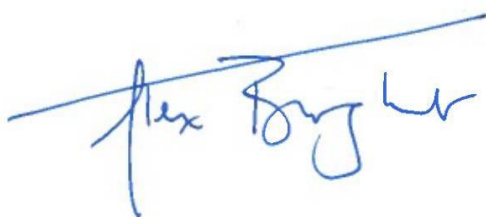
Further clarity on local areas will be set out in the expression of interest guidance and I will be writing to MCAs and LEPs to give them notice of my plans.

Funding to facilitate locally agreed changes to provision

In 2023-24 we intend to establish a new 'Local Skills Improvement Fund' to support providers to collaborate and collectively respond to LSIP priorities. In the interim, I am aware that in many parts of the country there are immediate skills challenges holding back employment and growth that need to be addressed now. So next month I plan to launch a one-year 'Strategic Development Fund' to provide upfront capital and programme funding to support providers to upgrade their facilities and provision. To ensure projects meet the needs of employers, providers will be required to draw on relevant analysis (including the Trailblazer LSIPs where appropriate) and demonstrate the support of ERBs in their applications. My department has contacted providers to give them similar advance notice of my plans.

The rollout of LSIPs is an opportunity for the business community to take a central role in ensuring the provision of skills is more aligned to our economy's needs and I strongly encourage you and your regional and local networks to facilitate strong applications from all areas of the country.

Yours sincerely

A handwritten signature in blue ink, reading "Alex Burghart". The signature is stylized with a long horizontal line above the name.

Alex Burghart MP, Minister for Skills



Department for Levelling Up, Housing & Communities

DEVOLUTION DEAL PROPOSAL

INTRODUCTION AND GUIDANCE

In the Levelling Up White Paper, the UK Government set a mission that, by 2030, every part of England that wants one will have a devolution deal, with powers at or approaching the highest level of devolution, with a simplified, long-term funding settlement.

The devolution framework published alongside the mission sets out a clear menu of options for places in England that wish to unlock the benefits of devolution. Each level of the framework provides an indication of the types and examples of powers and functions the Government would consider devolving, aligned to our primary areas of focus for levelling up. They are not a guaranteed, minimum offer; some powers will only be made available to institutions with directly elected mayors, while others will only be available across certain geographies, either functional economic areas or whole county geographies.

Further powers and responsibilities may also be negotiated on a case-by-case basis. Not every area will have the same powers and we want to continue to hear from areas on their priorities and innovative ideas. Places may deepen their devolution over time as their institutions mature and can accept greater responsibility.

Having been selected for negotiations, this document allows for devolution proposals to be set out with reference to the devolution framework published in the White Paper. It is intended to capture a summary of proposals. Responses will provide the starting point for negotiations on a devolution deal where proposals will be examined in more depth.

The document is split into three sections:

- Section 1 – Core information
- Section 2 – Leadership and governance
- Section 3 – Powers and flexibilities

Please complete all three sections and return to your Cities and Local Growth Unit Area Lead.

SECTION 1: CORE INFORMATION

Local Authority / Local Authorities with which the deal will be negotiated	<p>Devon County Council, Plymouth City Council, Torbay Council, Mid Devon District Council (representing the 8 Devon District Councils of Mid Devon, Exeter City, South Hams, West Devon, Torridge, North Devon, East Devon and Teignbridge).</p> <p>The Negotiation Team will be led by the leader of Devon County Council</p>
Negotiation leads and contact details (political and officer level)	<p>Councillor John Hart Leader, Devon County Council john.hart@devon.gov.uk</p> <p>Tracey Lee, Chief Executive, Plymouth City Council, Tracey.Lee@plymouth.gov.uk</p> <p>Phill Adams Programme Lead, Devon, Plymouth and Torbay Devolution Deal Phill.adams@devon.gov.uk Tel: 07854 797304</p>
Ideal timescales to agree and implement a deal (please note any material considerations)	<p>Devon, Plymouth and Torbay Devolution Deal Partners would like to agree and implement a deal from 1 April 2023.</p> <p>To facilitate this, our partnership has mobilised capacity to work intensively with Government on Deal negotiation over the next six months, and believes that it will be able to successfully implement any agreed deal from early 2023 (subject to negotiation being completed during the Autumn).</p> <p>At present, partners believe that there are only two material considerations which may impact on this timetable:</p> <ol style="list-style-type: none"> 1) Devon, Plymouth and Torbay are seeking a Non-Mayoral / Upper Tier Combined Authority under Level 2 of the Levelling Up White Paper. We understand however that supplementary legislation is likely to be required to achieve this. This may however delay our ability to formally adopt any final governance arrangement until the legislative process is complete. 2) Plymouth City Council is due to hold local elections in May 2022. Whilst partners do not currently believe this will lead to a substantive change in appetite for the Deal process, it is clearly of note. <p>With reference to the above, local partners are currently seeking to mitigate both factors as far as practicable. This includes discussions with all parties within Plymouth City to ensure continuity where possible, and we will ensure that shadow arrangements are ready to be stood up at the appropriate point should the legislative process take longer than anticipated.</p>

Dates of upcoming local government elections	Plymouth City Council – May 2022 Exeter City Council – May 2022
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SECTION 2: LEADERSHIP & GOVERNANCE MODEL

Please outline core information about your proposal, including which level of devolution you want to pursue (with reference to the devolution framework), across what geography and with what leadership and governance model.

Section 2 not to exceed 2 pages.

Which level of the devolution framework does your proposal current sit in?

Please indicate the level of the framework at which you are seeking to agree a deal, or state if you intend to decide this during the course of negotiations. If you are in the latter category please complete the remainder of this template on the basis of a level 3 deal, indicating which proposals you would expect to be available only with a level 3 deal.

Devon, Plymouth and Torbay are seeking to agree a deal at Level 2.

We consider this to be the best devolution model to adopt for a large functional economic area with a diverse mix of urban, rural and coastal communities and a varied geographical, political and governance make-up.

We believe that there is a compelling rationale for a number of those functions that are currently limited to Level 3 to be included within our deal.

Describe your proposed leadership and governance model. Please include reference to:

- (a) the institution you wish to receive devolved powers (e.g. mayoral combined authority, upper tier local authority);
- (b) the membership of the institution (e.g. constituent authorities and non-constituent members);
- (c) the leadership for the institution (e.g. directly elected mayor or otherwise);
- (d) the governance board for the deal (e.g. cabinet and its membership); and
- (e) any required changes to implement these structures (e.g. council resolution on changing governance model).

If you are as yet undecided about which level of the framework you are seeking a deal, please set out the governance you would propose under different scenarios (e.g. level 2 or level 3 deal).

Devon, Plymouth and Torbay (the partners) are proposing that relevant powers are devolved to a new form upper tier combined authority. This new combined authority's Executive Group / Cabinet will comprise of the Leader of Plymouth City Council, the Leader of Torbay Council, and agreed representatives from Team Devon, which will be made up of the Leader of Devon County Council and representation from the Devon District Council Forum. Leadership of the District Forum rotates on an annual basis between District Council Leaders within Devon, which will provide clear line of sight between the Combined Authority and individual district areas.

In taking forward this approach, the partners intend to create a cabinet model for the new delivery body which is representative of the area's local authority structure, geography and population. The balancing of membership as set out seeks to provide for a strong and stable governance model moving forward, whilst the inclusion of Devon District Forum membership provides for a strong linkage between Devon's district councils and the activities and governance of the wider Combined Authority.

To ensure clear and strong leadership, the cabinet model envisaged will be led by a selected leader from within the partners, giving Government the clear accountability and single point of contact it has requested through the White Paper. This role will be initially taken up by the leader of Devon County Council, acting as lead member on behalf of the wider Combined Authority Cabinet group.

To reinforce the accountability and responsive of this leadership model, the partners also intend to adopt a representative scrutiny model within the new Combined Authority. If Government replicates the existing

Combined Authority approach to scrutiny, this would initially be made up of a representative sample of members from Devon County, Plymouth City and Torbay Councils. However, partners would be keen to explore the potential for District and other stakeholder membership to be included in future scrutiny arrangements to ensure thematic and geographic rigour through the process, and providing a wider opportunity to influence policy development. This would seek to replicate and build upon the good practice already achieved through the cross-authority model in place between partners within the Heart of the South West.

As part of this approach, the partners are also keen to explore the incorporation of a range of formally adopted sub-boards / scrutiny boards within any emerging Combined Authority structure. This would include thematic leadership boards with an explicit focus upon Economic Development, Innovation, Climate Change, Skills and Employment, Health and Care, Housing and Transport. In some instances, this may involve working with an existing board (for example, the Peninsula Sub-National Transport Board, Local ICS Board, or Forthcoming Local Skills Improvement Partnership), or integrating and expanding an existing Board or organisational structure into a constituent element of the new Combined Authority. It is the intention of the Combined Authority that these will provide a clear voice for business and other crucial stakeholders within any new structure.

Outside of the formal Combined Authority Structure, partners within the Devon County Council administrative area also intend to formalise their own partnership governance arrangements through the establishment of a Joint Committee for the County to underpin its membership of the Combined Authority and relevant governance structures and boards. This will bring together the eight Devon districts, Devon County Council, National Parks and Devon Association of Local Councils to discuss and agree key areas of interest/concern in advance, informing the stance of the two Devon County area representatives on the Combined Authority Cabinet.

In developing the above governance arrangements, we have had regard to the four core tests which our devolved bid must pass:

- **Effective leadership**

A combined authority with a strong leader will provide a clear decision-making structure that maintains the sovereignty of all the councils within geographic Devon. The relationships that have been developed over several years will be strengthened, with a voice within the structure for district partners as has worked so effectively during the local government response to the pandemic

- **Sensible geography**

Devon, Plymouth and Torbay sit within geographic Devon which is locally recognised as an area of shared identity, place and community, and which operates as a functional economic, housing and planning area day to day. The proposed combined authority would cover a population of 1.2m, larger than all but five of the currently adopted MCAs.

- **Flexibility**

Our ambitions are such that we are seeking to adopt a range of powers, flexibilities and funding devolved from across the devolution framework. We are clear about the needs of our area and the actions that we want to take to meet them. We have a strong understanding however that one size will not fit all in Devon, Plymouth and Torbay, and will need to be able to shift and flex to meet the needs of every community we serve, from our largest city to our smallest rural and coastal settlements.

- **Appropriate accountability**

We are already working with a range of key stakeholders in developing our bid, building on the strong partnership work that exists across multiple levels. This includes seeking to build upon the existing Productivity Strategy and the Local Industrial Strategy, taking relevant elements from the previous Heart of the South West geography. We will be transparent and accountable to our stakeholders as

well as the general public as we move through the devolution process, seeking to incorporate their needs within our emerging governance and operational structures.

We collectively believe that the above approach allows us to both sustain our current success in joint working across local government tiers within the Devon, Plymouth and Torbay area, as well as meet the Government's requirement for a strong and inclusive governance model. In addition, we feel the inclusion through sub-board and scrutiny arrangements of wider members and partners, notably the business community, will us to strengthen and better align currently fragmented and often underperforming functions behind a single and strong leadership model.

In bringing forward our proposals, we are also mindful of our existing close working relationships with Somerset, Cornwall and Dorset. Through our devolution deal, it is our intention that we will seek to sustain and build on this history of partnership working, including through shared initiatives like the Great South West. However, we feel devolution now offers us a unique opportunity to strengthen our own capacity to deliver on growth and prosperity for the communities, business and residents of geographic Devon.

The above proposed approach is however reliant on Government's legislative programme to move forward, with the shape of the final upper tier / non-mayoral combined authority likely to influence our ability to deliver the model outlined. Subject to the passing of relevant legislative tools however, and agreement of an acceptable devolution deal approach for the area, constituent councils intend to seek adoption of relevant measures / resolutions around supplementary governance through late winter / early spring, and will operate in shadow form at the earliest opportunity.

SECTION 3: POWERS AND FLEXIBILITIES

The devolution framework provides an indication of the types of powers and functions that will be considered for each devolution level. These are not minimum offers. Some powers and flexibilities may only be available to certain institutions or geographies. There will also be scope to negotiate further powers and flexibilities on a case-by-case basis.

Section 3.1 provides space to outline which powers and flexibilities listed in the devolution framework you are seeking, and to provide further details where relevant. This is only intended to capture a summary of your proposals. Responses will provide the starting point for devolution deal negotiations, in which we will examine the detail of your proposals in more depth. Please also provide your reasons for not seeking any powers or flexibilities which are available at the level of the framework at which you are pursuing a deal, as this will help us better understand your asks.

Section 3.1 aims to ensure we receive comparable submissions from areas against the devolution framework. However, we recognise that not every area will require the same powers and we want to continue to hear from areas on their priorities and innovative ideas. Section 3.2 provides space to outline powers and flexibilities you are seeking that are not specified in the framework.

Please outline where relevant how your proposals will achieve greater financial efficiency, administrative streamlining and / or more joined up services in an area. All powers and responsibilities will be negotiated on a case-by-case basis.

SECTION 3.1: POWERS AND FLEXIBILITIES SPECIFIED IN THE DEVOLUTION FRAMEWORK

Section 3.1 not to exceed 6 pages.

Please note, all powers and flexibilities will be negotiated on a case-by-case basis.

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.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Local partners will be seeking to work together through any new Combined Authority arrangement to further develop their shared strategic approach. This would include:

- a shared Clean Growth Charter and Energy Plan;
- a new shared Economic Development / Innovation Strategy (building on the content of the LEP's previous Local Industrial Strategy and Productivity Plan);
- a shared Housing Investment and Availability Strategy (building on the work of the Devon Housing Taskforce);
- a shared Local Transport Plan / Transport infrastructure Prospectus (working in conjunction with the Peninsula Sub-National Transport Board); and
- wider Environmental Strategies including Local Nature Recovery Strategy

We would also welcome an opportunity for a roundtable discussion between key Government agencies and the partners on the unintended consequences of clashes between individual departmental strategic requirements. For example, the current disconnection between the building policies of DLUHC and flood risk policy of DEFRA, or the lack of alignment between strategic growth intentions and national infrastructure investment via National Highways.

Opportunity to pool services at a strategic level.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Whilst we believe this option should be included within the final legislative mechanism/s put forward by Government for devolution, we feel that this power is already available to constituent authorities within Devon, Plymouth and Torbay, with several current examples of pooled delivery across the area (Trading Standards).		
Opportunity to identify innovative local proposals that help deliver action on climate change and UK's Net Zero targets.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Partners in Devon, Plymouth and Torbay would welcome an opportunity to work with Government around local action to address climate change and achieve net zero. Of particular interest would be the following policy areas:

- An opportunity to develop a Devon, Plymouth and Torbay Partnership to oversee the private sector programme for retrofit of housing stock to link in with Housing Associations / Registered Providers and local authority stock improvements.
- Establish a joint Homes England/Combined Authority 'Zero Carbon Homes Investment Fund', devolving existing Homes England funding packages, to support registered providers, house builders and developers in areas of comparably lower house values like Devon, to meet the additional development costs of achieving net-zero housing.
- The potential for the Combined Authority to use rebates on Council Tax and Business Rates to incentivise building retrofit, as was previously explored by government in East Devon and which received support from the community.
- Local flexibility to flex building regulations to require development to build to prevailing standards at the time of construction, not the standards in place at the time of planning award.
- The potential to form a Devon Energy Innovation Agency in partnership with Government, similar to that established in Manchester. The agency would receive the area's allocation of energy-related funding schemes from Government to operate as a single funding pot.
- Ensuring that individual local authorities have the ability to establish a business parking levy, to raise funds for transport infrastructure.
- Additional opportunities to develop and accelerate local innovation and development activity around clean mobility, including clean maritime propulsion system and sustainable aviation, building on existing and potential innovation assets within Exeter, Plymouth and North Devon / Torridge.
- Flexibility for local authority areas to borrow against future Community Infrastructure Levy receipts to help fund infrastructure projects that help the area mitigate and adapt to the effects of climate change
- Allocation of the area's share of defined funds to operate through a more streamlined and coordinated arrangement linked to a new Trees for Devon strategy. These funds would include the Woodland Creation Planning Grant, England's Community Forests – Trees for Climate Grants, England Woodland Creation Offer, Local Authority Treescapes Fund, Urban Tree Challenge Fund.
- Seeking to maximise the value of current and emerging initiatives with a focus on wider natural capital, including the Northern Devon Biosphere approach.
- Flexibility to influence the detailed design, targeting and, within Protected Landscapes (subject to the transfer of the necessary resources), the practical delivery of the new package of Environmental Management Schemes.

- Local allocation of part of Defra's Flood and Coastal Risk Management Grant in Aid to the Combined Authority to support flood resilience measures as an extension to its existing resilience programmes
- Seeking to work with Defra, the Environment Agency and our higher education institutions around Future Farm resilience. This would include opportunities to innovate and demonstrate our core disciplines in agritech, land and catchment management, aquaculture and arboriculture, and other environmental mitigation and adaption approaches that can contribute to future farming resilience, food security and local carbon management approaches.

SUPPORTING LOCAL BUSINESSES

Local Enterprise Partnership functions including hosting strategic business voice.

Yes
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No
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Local authority partners intend to fold in the current functions of the Local Enterprise Partnership within the Devon, Plymouth and Torbay area into any new arrangement. This will include the creation of a new Combined Authority Business Leadership Board, seeking to draw from local business representative organisations and serving Local Enterprise Partnership Board members. The board will be responsible (in conjunction with the Combined Authority's Cabinet) for the shaping and setting of the Combined Authority's approach to Economic Development / Economic Prosperity matters, guardianship of the area's economic development plan (building on the content of the current Local Industrial Strategy) and providing a strong business voice at the heart of new arrangements.

As part of this new arrangement, the Combined Authority will also fold in all relevant residual business support, skills, innovation, inward investment, sectoral development and wider operational functions currently carried out by the HotSW LEP within the Devon, Plymouth and Torbay area, simplifying the delivery landscape and working in unison with its constituent authorities. This approach will require close joint working with Somerset, as the current accountable body for the LEP, to agree forward mutually agreeable arrangements for residual assets, financial liabilities and operational responsibilities as required.

In line with the folding in of relevant powers, partners are seeking continuation and amalgamation of the relevant proportion of associated funding streams for at least the first three years of the CA's operation, including consistent levels of core funding currently assigned to the LEP, and core funding assigned to the ongoing operation of the Growth Hub.

LOCAL CONTROL OF SUSTAINABLE TRANSPORT

Control of appropriate local transport functions, e.g., local transport plans*

Yes
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No
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The authorities are keen to work with Government on the future development of guidance for, and production of, a Local Transport Plan that aligns with national and regional policies and plans. This will focus on decarbonisation of transport but also seek to increase productivity and support health and wellbeing outcomes. This will focus on both addressing the particular challenges faced within the area's rural and coastal communities around connectivity, as well as upon maximising opportunities and the regeneration within our cities and market towns.

Across the Combined Authority geography, there has been a collaborative response to the climate emergency, which has culminated in the production of a Devon Carbon Plan. This is a roadmap for how Devon will reach net zero by 2050 and includes action on economy and resources, energy supply, food, land and sea, the built environment and transport. With Local Transport Plans expected to have a greater focus on decarbonisation, we believe that the Carbon Plan provides a strong foundation for further collaborative effort including developing shared local transport plan policies and objectives, linked to the Carbon Plan and adopted Local Plans.

<p>In producing the plan, we are also keen to pursue a discussion around how Government funding for local transport could be provided as a multi-year transport settlement.</p>		
<p>Ability to introduce bus franchising</p>	<p>Yes <input checked="" type="checkbox"/></p>	<p>No <input type="checkbox"/></p>
<p>The partners wish to explore with Government the potential for local bus franchising and adoption of related powers.</p> <p>At present, each of the constituent upper tier authorities within the area have produced a Bus Service Improvement Plan (BSIP) to improve travel choice and encourage mode shift to support decarbonisation targets. Consistent across the plans is the focus on better meeting our customer's needs with higher frequency of services, better value fares, more destinations served, and services being better integrated with other modes. All authorities have also formed an Enhanced Partnership with their bus operators, which is a commitment to working together to improve local bus services. Through the development of our BSIPs, we have also worked cross-boundary with our neighbouring authorities. For example, recognising the similar characteristics of the counties and types of journeys being made, Devon County Council has worked closely with Cornwall Council to establish a shared and consistent approach to the development of a bus service network hierarchy, setting out common principles for the provision of urban, interurban and rural services. There is also strong cross-boundary travel demand on some journeys in the far South West, particularly between Cornwall and Plymouth and so Cornwall, Devon County, Plymouth City and Torbay Councils have committed to the development of a regional Bus Passenger Charter. We are also working together on a joint Devon and Cornwall ticket proposal to provide seamless, multi-modal travel across the Peninsula, which we believe is an attractive proposition due to the largely self-contained geography of the area.</p> <p>More detailed analysis would clearly be needed to determine whether franchising would be a financially viable operating model across the Combined Authority area; however, having the option to pursue franchising over and above the Enhanced Partnership is supported by the authorities as we have seen the financial leverage that it has achieved elsewhere in the country. Given the close working with Cornwall Council and the development of a regional Bus Passenger Charter, it may be that taking a Peninsula-wide approach would make a more compelling case for a stronger public transport offer for residents across Devon and Cornwall. We are particularly keen through this approach to reinforce access to employment, education and learning across the County, linking to other themes This would also link with the Devolution deal for Cornwall which set out the options for future delivery of public transport in our neighbouring County.</p>		
<p>Defined key route network*</p>	<p>Yes <input checked="" type="checkbox"/></p>	<p>No <input type="checkbox"/></p>
<p>Whilst restricted to Level 3 areas, partners would welcome an early discussion with Government around what is to be included and how this is to work in non-metropolitan areas. In context, the strategic route network in the South West, and particularly between Cornwall and Devon, is full integrated. As such it is not clear how Government will separate out individual key routes between Level 2 and 3 areas.</p> <p>It is also unclear how the KRN designation will relate to the Major Road Network (MRN). The MRN was introduced in 2018 and is a middle tier of the country's most economically important 'A' roads providing connectivity from the local road network to the Strategic Road Network (SRN). Devon, Plymouth and Torbay Councils have worked with Somerset County and Cornwall Councils to develop a prioritised list of MRN improvements at a Peninsula Transport STB level for funding through the National Roads Fund programme. All of these routes would be expected to form part of the KRN; however, discussion would be needed to establish whether other strategically important or busy A and B roads should be considered, i.e. noting the local desire for the A386 North-South connectivity in Devon to be strengthened.</p> <p>We would therefore welcome a pragmatic discussion around this ask. With each Combined Authority in the South West having responsibility for the KRN, there would be scope for greater efficiencies and better value for money to be achieved, for instance through having a single asset management plan with</p>		

streamlined contractual and delivery arrangements. The collaborative approach would also be in line with the Well-managed Highway Infrastructure Code of Practice and would offer the opportunity for a more consistent method of operation of the network across boundaries, for instance on the A386 (Tavistock to Plymouth), A379 (Teignbridge and South Hams market towns to Torbay and Plymouth), A385 (Totnes to Paignton) and A380 (Newton Abbot to Torbay) corridors. This would improve the overall experience for people travelling through the area, with customers benefitting from a consistent quality of infrastructure, better information and improved reliability and safety on our roads.

Priority for new rail partnerships with Great British Railways – including local rail offer, e.g., services and stations.

Yes
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No
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Whilst we understand the Government's preference to restrict this option to Level 3 areas alone, we believe that it will be difficult to achieve in the South West without including areas outside of Level 3.

In context, the three upper tier authorities in Devon, Plymouth and Torbay have been working in collaboration with Somerset County Council and Cornwall Council to make the case for a more resilient, better-connected railway with more capacity and comfort on trains so as to safeguard the region's economy and drive prosperity across the Peninsula, through the Peninsula Rail Task Force. Working with the rail industry and engaging with MPs and stakeholders, the Peninsula authorities have been effective in speaking with one voice, which has helped deliver over £400m of investment to improve our railway.

Through Peninsula Rail Task Force and its umbrella body the Peninsula Transport Sub National Transport Body (STB), the region has developed strong working relationships with Network Rail and the train operators to develop its regional priorities for rail. Shortly, the STB will be publishing its rail strategy covering the five Peninsula local authorities and there are complementary corridor studies in development with Network Rail including a Bristol to Exeter Strategic Study (complete) and a Peninsula Rail Corridor Strategic Study* (in development). Further to this, the STB has been engaging with Great British Railways Transition Team (GBRTT) and feeding into the early stages of the Whole Industry Strategic Plan (WISP), setting out the Peninsula's ambition for rail in meeting customer's needs, delivering financial sustainability, contributing to long term economic growth, levelling up and improving connectivity.

On this basis, it would make sense for continued engagement with GBRTT at the Peninsula level rather than at a Cornwall or Devon, Plymouth and Torbay Combined Authority geography.

Multi-year integrated settlement covering core local transport funding for local road maintenance and smaller upgrades.

Yes
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No
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Whilst restricted to Level 3 areas, we are unclear how this will differ from the current approach, or why Government would not wish to do this in every area.

In 2021, partners with the area received a 3-year settlement as above. This has allowed us to take a true asset management approach with better value for money and better outcomes anticipated. Having a multi-year settlement also allow us to better plan the maintenance of our asset, enabling different conversations with the supply chain and our contractors as well as with our customers. It also delivers greater efficiencies both in terms of the delivery of our works and in our communications with affected and interested parties.

Historically, planning such works on a year-by-year funding announcement presents challenges. The implications of peaks and troughs in funding can have a significant impact on the supply chain and particularly smaller contractors. For instance, the lack of certainty might not give contractors the confidence to invest in new equipment or if they do, there is a significant financial risk that the following year the funding has been cut and the inability to recoup the outlay. One-off boosts in funding are welcome but can be difficult to manage as design resources are often fully utilised and mobilising the supply chain to deliver the works at short notice can be hard, especially if all authorities across the country are under the same time-constrained pressures. A multi-year settlement also strengthens the existing relationship with CECA, offering more confidence in the pipeline of projects over a longer period.

It is not clear therefore why DfT would seek to backtrack on this current approach and shift towards a less effective one-year announcement cycle, which neither benefits Government nor localities. We would welcome any clarification on the thinking and approach surrounding this offer.

GIVING ADULTS THE SKILLS FOR THE LABOUR MARKET

Devolution of Adult Education functions and the core Adult Education Budget.

Yes



No



Partners are seeking the devolution of all adult education functions and leadership of the Adult Education Budget into the Combined Authority with full flexibility to tailor and support identified skills gaps to boost productivity and spread opportunities. We are exploring the best delivery approach to achieve this, with the establishment of a new Adult Education Programme team based within the Combined Authority as one option, resourced by utilising relevant transferred overhead funding. We are developing our thinking by building upon learning from existing models adopted already through the Mayoral Combined Authorities. This would include an early discussion around the devolution of subcontracting decision making as part of AEB devolution, and how DfE would like cross boundary matters to be resolved where they occur (being mindful that Cornwall and Devon will both be devolved administrations).

More widely, we are also keen to explore what DfE / ESFA consider to be in scope within the wider 'Adult Education' function. Local partners, for example, are already delivering geographical ringfenced Bootcamp funding, working with DfE Prime contractors around the geographically split National Careers Service contract, discussing the provision of the Multiply scheme, and awaiting further news on the Skills Element of the forthcoming Shared Prosperity Fund. We would ideally seek for each of these elements to be included in any final deal,

In addition, we would also welcome an early conversation around how the skills related elements of the Shared Prosperity Fund may be accelerated to ensure continuity across core 'people based' services currently supported through the European Social Fund post 2022/23. We are aware from conversations with delivery partners that capacity and delivery continuity is likely to be put at risk by any gap in funding availability in 2023/24, with a cliff edge for funded services before SPF is likely to be available. We would welcome an opportunity to explore how this might be avoided in the intervening period through the devolution deal.

We would therefore welcome an early discussion with DfE / DWP around what they envisaged as being in scope around Adult Education for a Level 2 area.

Providing input into Local Skills Improvement Plans.

Yes



No



Working with the Devon and Plymouth Chamber of Commerce and local provider partners, plans for a Greater Devon Local Skills Improvement Partnership are well developed and currently awaiting next steps from Government through the finalisation of the Skills Act. As part of this approach, partners have already discussed an integrated role for a Combined Authority in the delivery and development of any associated plan, seeking to draw upon Devon County Council's current leadership of the area's Skills Advisory Panel and labour market intelligence assets, as well as our business led local Employment and Skills Boards.

We would therefore welcome an early conversation around how the planned LSIP might be fast-tracked for approval, and the role of the Combined Authority and wider partners formalised under the Leadership of the Chamber. We would also like to understand any plans for future funding for intelligence capacity building currently routed through the Skills Advisory Panel, and how any new arrangement might support this crucial role.

Role in designing and delivering future employment programmes.

Yes



No



Whilst restricted to Level 3 areas, we would like to discuss how Level 2 areas might become involved in future DWP co-design and development of provision. We are particularly keen to develop tailored solutions to our particular labour market and workforce gaps to support those furthest from the labour market recognising the multiple and complex needs to move individuals closer to employment, building on the strong relationship, and formal partnership structures we each have recently agreed with the Department. We also feel this exemption will lead to fragmentation and poorer impacts locally if the majority of AEB and UKSPF funding are to be devolved, but DWP specific programmes (i.e. those most closely integrated with devolved skills and employment investment) remain independently and nationally designed and run.

We have engaged with regional DWP colleagues around the need for better alignment and tailoring for non-metropolitan areas, with some concern from within the Department that the current national contracting approach is not effective for much of the South West.

Given this, we would welcome an early discussion on including this within our deal.

LOCAL CONTROL OF INSTRUCTURE DECISIONS

Homes England compulsory purchase powers (held concurrently)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
We would like to discuss with the Government the rationale for restricting this and other Homes England powers to Level 3 areas. Given the Government's requirement to deliver additional housing numbers, and local challenges within the South West, we feel that devolution must offer a meaningful package of controls and options for accelerating local delivery. Whilst we understand the rationale behind restricting certain elements, it is not in the best interest of Government to slow potential options for housing delivery.		
We would welcome an early discussion around how we might agree a fully devolved housing approach as part of our deal.		
Ability to establish Mayoral Development Corporations (with consent of host local planning authority)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
As a Level 2 area, this is not an applicable power or duty.		
Devolution of locally-led brownfield funding	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
As set out above, we believe that this power should be available to both Level 2 and 3 areas. This should include locally led brownfield funding, devolved powers around land assembly and compulsory purchase (particularly in relation to city and town centres), local flexibility around viability matters and wider strategic engagement with Homes England. We believe that through devolution to all areas with an agreed deal, the Government has an opportunity to significantly enhance and accelerate its efforts around housing building and regeneration, both of which appear prominently in the Levelling Up missions. We would welcome an early conversation around a housing package to be integrated within our deal		
Strategic partnerships with Homes England across the Affordable Housing Programme and brownfield funding	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
We would welcome an early conversation around this offer.		
Whilst we understand the principles around restricting the strategic partnership approach to Level 3 areas, it is unclear how this will work in practice or why it should be restricted. As an area, we already have a close working relationship with Homes England, and we believe that extending strategic partnership working to Level 2 areas would actually be in the best interest of Homes England, reducing local capacity requirements and improving alignment and utilisation of expenditure in the Devon, Plymouth and Torbay area. This could be quickly achieved through a tripartite agreement for the area		

covering DLUHC , Homes England and the new Combined Authority seeking to accelerate housing delivery, work together around urban and rural affordability, and allow us to better meet Government's aspirations on housing as well as local need.

Linked to this, we would also welcome an early conversation about how we might collectively seek to deliver upon the ambitions and asks set out within the recently published 'Homes for the South West: Building for the Future' prospectus. This would include options for joint working around public sector land reform, additional funding opportunities and wider policy flexibilities.

KEEPING THE PUBLIC SAFE AND HEALTHY

Clearly defined role in local resilience* (subject to National Resilience Strategy)

Yes

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No

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Whilst we have no immediate asks related to this matter, Devon, Plymouth and Torbay would welcome an early conversation with Government around which specific powers and role it has in mind in relation to this devolved area.

Mayoral control of Police and Crime Commissioner functions where boundaries align^

Yes

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No

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As a Level 2 area, this is not an applicable power or duty.

Where desired, offer Mayoral Combined Authorities a duty for improving the public's health (concurrently with local authorities)

Yes

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No

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As a Level 2 area, this is not an applicable power or duty. We would however welcome a wider discussion about the potential for constituent local authorities to pursue a range of additional public health matters, including around local alcohol licensing, service delivery in harder to reach rural and coastal communities, challenges around the 'summer surge' and green prescribing.

STRATEGIC ECONOMIC INVESTMENT

UK Shared Prosperity Fund planning and delivery at a strategic level

Yes

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No

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As a Level 2 Combined authority, we will take forward a joined up approach to Shared Prosperity Fund planning and delivery across the Devon, Plymouth and Torbay area. This would build upon the work already undertaken by District and Unitary colleagues across the Devon, Plymouth and Torbay area, adopting a shared approach to Shared Prosperity Fund design, allocation, prioritisation and management through the Combined Authority from 2023/24 onwards. We would therefore welcome an early discussion with Government around how this transition from existing to future arrangements is to be handled, and the role that Government wishes the Combined Authority to play.

Associated with the delivery of the Shared Prosperity Fund, we would also welcome a discussion around a number of linked matters. This includes how the release of ringfenced funds for skills activity might be fast-tracked locally, to address growing concerns over a funding cliff edge in 23/24, and how funding is to be designated more widely, recognising the specific challenges faced in 6 out of the 11 local authority areas within Devon, Plymouth and Torbay which currently perform worse than Cornwall on GVA and other indicators. As a base principle, we are seeking funding levels that at least provide parity with the previous EU settlement, and within our most vulnerable communities / worst performing areas, parity with the level of funding awarded to Cornwall.

Long term investment fund, with an agreed annual allocation

Yes

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No

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Whilst reserved for Level 3 areas within the Levelling Up White Paper, we would welcome an early conversation about the rationale for this approach within Level 2 areas. Given relevant leadership and delivery structures for the Shared Prosperity Fund are to be adopted anyway for Level 2 areas through any deal process, and long-term allocations are to be announced for individual areas as part of the SPF

process, it is not currently clear why only Level 3 areas will be able to secure agreed annual allocations / longer term investment funding agreements. We would extend this to other funds as well, such as local transport funding, housing funding and sector / innovation specific funding such as the UK Seafood Fund.

FINANCING LOCAL INITIATIVES FOR RESIDENTS AND BUSINESS

Ability to introduce mayoral precepting on council tax*

Yes

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No

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As a Level 2 area, we do not currently wish to pursue a discussion around precepting powers.

We would like to discuss with Government however any plans within the South West to introduce local Council Tax flexibilities to address second homes ownership issues. We believe that these should not be a matter for individual deals, but instead a power provided more generally, reflecting the urgent need for action across the region.

Ability to introduce supplement on business rates (increases subject to ballot)

Yes

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No

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As a Level 2 area, we do not currently intend to pursue a discussion around business rates powers.

We would like to discuss with Government however any plans within the South West to introduce additional flexibilities around second homes ownership and business rates. If such measures are to be introduced, we feel it should be an option open to the entire local authority community, as opposed to limited to Level 3 areas alone.

* Refers to functions which are only applicable to Combined Authorities.

^ Refers to functions which are currently only applicable to Combined Authorities.

SECTION 3.2: OTHER PRIORITIES NOT SPECIFIED IN THE DEVOLUTION FRAMEWORK

We want to continue to hear from areas on their priorities and innovative ideas. Please outline any powers and flexibilities you seek which are not specified in the devolution framework, along with any projects or initiatives you wish to discuss as part of the devolution deal. You may wish to align these proposals with the 12 levelling up missions announced in the White Paper.

Section 3.2 not to exceed 6 pages.

OTHER POWERS OR FLEXIBILITIES

As part of our strategic approach to the development of our Devolution Deal, we have identified 8 core themes (Housing, Skills and Education, Transport and Infrastructure, Economic Development, Innovation, Health and Care, Climate Change and Regeneration and Place) which we believe, with appropriate action, can lead to a step change in the economic prosperity, community cohesion and levelling up of our area. We feel that through concerted action led by the Combined Authority, we will also be strongly placed to contribute to Government's 12 missions.

In pursuit of this outcome however, we feel that there are a number of additional areas and actions sitting outside of the Levelling Up White Papers devolution menu through which we could accelerate our progress, should Government be willing to work with us further. Whether by improving housing delivery and quality, accelerating green development, improving business advice and investment services or enhancing or better aligning local investment into infrastructure, we feel that the Government now has a wider opportunity within the Devon, Plymouth and Torbay area to work with us to fulfil our shared objectives.

With this in mind, we would welcome an early conversation on the following additional topics, powers, flexibilities and asks:

Skills and Education

- ***Devolution of the Careers Service and Apprenticeship Advisory Services for Adults and Young People to the locality, including relevant Youth Services funding*** – Allowing us to create a seamless single point of contact and delivery for Careers, Information, Advice and Guidance Services within the Devon, Plymouth and Torbay Area, and enhance levels of aspiration and progression across education and the workforce, ensuring strong employer engagement.
- ***Piloting of additional flexibility around devolved skills funding to allow for supplementary uses determined by the Local Skills Improvement Partnership, notably transport costs*** – Allowing individual providers and / or the Combined Authority to support additional delivery costs which are unique to the rural / urban environments within Devon, Plymouth and Torbay, including funding to support free travel for 16-18 year olds.
- ***Consideration of the devolution of Higher Education Outreach Funding*** – Aligning with Careers Services, seeking to enhance the quality and reach of outreach advice and guidance to improve aspiration of young people, working with employers.
- ***Consideration of designation of our highest need schools within the Education Investment Area approach, including the designation of Plymouth as an EIA+ pilot*** – Further supporting both investment and reduce fragmentation within our school system, enabling it to align to our place based and economic strategy. This will include seeking to build upon existing initiative, such as Exeter's Education Alliance 'Living Lab' approach.
- ***Engagement / a codesign role in the allocation of Further Education Capital Programme Funding within Devolved Areas*** – Seeking to work with DfE around better shaping / supporting local providers around future provision, ensuring that investment will meet local business need. Including options to create a new locally-led fund to support our LSIP objectives and maximising funding including UKSPF and moving towards a longer term allocation approach, with a movement away from a principal focus on condition.

- **Clarification over the future funding of the Skills Advisory Panel, which currently supports local labour market intelligence, and its integration with the emerging Local Skills Improvement Partnership** – Seeking to clarify the future role of the Skills Advisory Panels for partners, and ensuring that the intelligence gathering undertaken by the SAP can be sustained and shared with any new LSIP arrangements looking ahead.

Business Support / Economic Development

- **An early opportunity to engage with the British Business Bank South West over how the £200m currently offered to the region can be maximised within Devon** – Seeking to work with the British Bank to accelerate local investment and productivity improvements linked to national lending.
- **Prioritisation of the area's businesses for forthcoming funding from the British Business Bank and Innovate UK, including tailored support for our Enterprise Zones, Science Parks and other priority locations** – Seeking to maximise the economic impact of our highest value research, development and investment assets for UK plc, and seek to accelerate investment in R&D and wider economic growth.
- **Provision of a dedicated, funded Freeport Innovation Service, including co-located DIT / Innovate UK account manager/s** – Seeking to draw upon existing capacity within DIT / InnovateUK to enhance our advice and guidance around export, innovation and investment.
- **Integration of skills and workforce development capacity within the Devon Growth Hub** – Seeking to build upon the integration of the Growth Hub within the Combined Authority, and reinforcing its capacity as a one stop shop for SME's and larger business around business advice, workforce advice and wider productivity enhancement.

Innovation and Sector Development

- **Recognition by BEIS, Innovate UK and DIT of Devon, Plymouth and Torbay's areas of nationally significant research and development expertise, including Plymouth as a Centre of Excellence for Marine Autonomy and Exeter as a hub for Environmental intelligence** – Building on our unique strengths within these two areas, including our knowledge assets and national laboratories, and seeking to maximise investment in our capacity for the benefit of levelling up, in support of national competitiveness and supporting wider action climate change and our shared pursuit of net zero.
- **A role in co-design of Innovate UK calls related to marine autonomy, environmental intelligence and photonics** – Reflecting our specific local strengths and UK leading role in these innovation sectors, working together to ensure that targeted investment is fit for purpose and accelerates progress around core research and development / private sector capacity.
- **Joint working on the South West Technopole approach** – With an agreement to work together to explore the concept and wider innovation ecosystem. This would include exploration of support for local strengths and capacity within agritech, photonics, sustainable aviation and offshore renewable energy innovation and development, working closely with our innovation assets within Higher and Further Education.
- **Early engagement with Defra and Environment Agency around additional support for improving Future Farm Resilience, including opportunities for demonstration projects around specific areas of strength (catchment management etc)** – Recognising the importance of the agricultural and food and drink sector to the area, working together to realise and demonstrate best practice and maximise new funding opportunities. This ask overlaps with the Climate Change approach set out above, seeking to further bring together capacity within BEIS, Defra, Innovate UK, the Environment Agency and our Universities / Higher Education Institutions.

Housing

- **Explore with Government the creation of a locally led Residential Property Company** – offering discounted/reasonable secure rent accommodation for a range of workers including some ‘key workers’ and helping to ease recruitment and retention problems and cost of living impacts and with the ability to innovate with new models of funding. For instance, using the model to allow greater local investment and control over the new town in East Devon / new strategic settlements being proposed, or better utilising land in public ownership. The approach may also provide a testbed for retraining around retrofit skills and other clean technology approaches
- **A wider package of specific housing and affordability measures to be directly included within the Deal / be explored and expanded upon over the next three years** - Key measures to include:
 - Designation of the Devon, Plymouth and Torbay area as a low affordability zone, allowing for the introduction of additional social rent as designated by DLUHC.
 - Up rating of Local Housing Allowance to prevent local people caught in the revolving cycle of temporary accommodation and the subsequent impact on other services and life opportunities.
 - Exploration with Government of the asks set out through the recently published ‘Homes for the South West: Building for the Future’ prospectus including options around land reform, additional investment, and greater flexibility to improve the supply of quality, affordable and sustainable homes.
 - The potential for additional flexible powers to better manage private rent/holiday let licensing and enforcement in the area. Measures might include:
 - Discussions on new regulations for AirBnB and similar service provider properties
 - Planning consent needed for change of use of property from private rent to holiday let to give greater local housing market control
 - Additional council tax multiples for second homes in areas of active housing need
 - Ability to set a maximum number of days property can be let short term for in any one year (as per the 90-day limit in London)
 - Increased local regulation powers of lease-based housing such as supported housing for vulnerable clients to improve the quality of support
 - Using individual locations within the area (e.g Plymouth and Teignbridge) as a testbed for piloting the Government’s emerging approach to planning reforms, for example the decentralisation of planning application fees, or the conversion of town centre locations.
 - A change to the viability assessment approach used through planning, to incorporate a legal requirement to share actual costs and incomes, using an “open book” approach, and consideration on national guidance on what gross profit margin is deemed acceptable.
 - Greater flexibility for individual planning authorities of S106 funding to enable delivery of more affordable housing across the area in accordance with evidence of need, rather than tight proximity controls as is currently the case.
 - Local freedoms around the expenditure spend on rough sleeping and homelessness grants to maximise impact.
 - Discussion with Government around local flexibilities within the most demand housing areas to the Right to Buy policy, assisting areas to retain assets and receipts as part of a package of measures to relieve the local housing crisis.

- Exploration of the potential for future improvement funding flexibility for individual LAs to support private property renewal, for example from the Warm Homes Fund or LADS.
- Piloting within the Combined Authority, the HSE new governance arrangements in relation to the new requirements of the Building Safety Bill.

Transport and Infrastructure

- **Creation of a Transport Single Pot for the area** – Increasing the Department for Transport capital funding delegated to local authorities to improve upon the inefficiencies with delivery through the current disjointed funding initiatives.
- **Devolution of long-term funding for active travel programmes** – To allow the area to more effectively consider the delivery of Local Cycling and Walking Infrastructure Plans. This would include seeking to build upon the Government's headline strategy Gear Change, establishing a partnership approach with Active Travel England.

Climate Change

- **Devolution of existing and forthcoming Green / net zero investment funding (PSDS, GHG LAD, Sustainable Warmth, LCSF) to devolved areas** – Seeking to devolve existing green energy and wider net zero funding to the locality to accelerate progress. This will also seek to draw upon and maximise our environmental intelligence capabilities.

Regeneration and Place

- **Explore with Government and local partners the potential for a locally led Development Company** - Giving more local control to address growth and housing and economic needs and funded by new financial models to accelerate delivery with greater influence. Options could also include the establishment of a revolving (recyclable) infrastructure fund to cash-flow infrastructure.
- **Devolution of funding and land assembly/compulsory purchase powers for wider regeneration activity in cities and towns** – Complementing Government's wider approach to housing development through the provision of powers and flexibilities to better manage place making and regeneration efforts across the area. This may include a discussion with other devolved areas around the future of Town Deal and Future High Streets funding.
- **Identification and joint working with Government around piloting 'opportunity zones' within the locality** – Seeking to work with the new Combined Authority around the regeneration / levelling up of a limited number of coastal, market town, rural and city centre / urban ward locations to incentivise private sector expenditure and intensively tackle deprivation.
- **Introduction of discounted public works loans board rates for economic growth projects** – Seeking to maximise already available lending capacity to accelerate economic progress and development, building on the model to Local Enterprise Partnerships in previous years.
- **Provision of supplementary licensing powers, in codesign with local partners, to address obesogenic environments** - Allowing for better place making through management of key local matters such as density of take aways etc.

Digital

- **Codesign of Project Gigabit Type A nationally led contracts and delivery** – Devolving more of the accountability and decision making for developing linked investment to local level to deliver additional full fibre coverage, including capacity and resources linked to digital utilisation and uptake.
- **Devolution and reconstitution of the Digital Skills Partnership to fit new governance arrangements** – Seeking to build upon the partnership existing membership and activity and provide a forward focus around digital literacy, digital professions and digital progression.

Great South West

- ***An early discussion with Government, in conjunction with Cornwall and wider partners, around next steps and proposed role for the Great South West*** – Seeking to build upon its 4 priorities (Rural development, marine autonomy and sector development, strategic transportation links and tourism and destination management).

OTHER PROJECTS OR INITIATIVES

In addition to the powers and flexibilities already outlined, partners would welcome an aligned conversation around the following funding / asks which could form part of any final deal document / approach:

Skills and Education

- ***Additional support for educational attainment within those areas with the most acute need*** – Seeking to build upon the Government proposed fairer funding for schools approach.
- ***Exploration of an Apprenticeship Levy Underspend Retention Pilot for Devon, Plymouth and Torbay*** – Building on the model established in the West Midlands, and seeking to address the specific challenges identified by local businesses within the area technical skills gap and progression to NVQ Level 3 and above.
- ***Act as pilot area for a new national recruitment and skills campaign for harder to fill roles in tourism and health and social care*** – Seeking to work within existing funding to find new ways to support recruitment and progression, with an emphasis of career escalators and opportunities. This would include explicit support for an strengthened health and social care escalator approach, delivered through the South West Institute of Technology, working within an expanded remit.
- ***Link future employment and skills programmes into delivery of locally-led housing programmes such as Retrofit and local housing development*** – Seeking to work collaboratively with housing association / registered provider partners and other developers to harness skills funding capacity to accelerate construction activity and wider green development

Innovation and Sector Development

- ***Support for the findings of the MIT REAP study within Devon, Plymouth and Torbay, with a focus on supporting new facilities and capacity linked to Marine Autonomy, Environmental Intelligence and the development of the Southwest Technopole*** – Funding to be prioritised from the already announced Green Sector Innovation Fund, additional funding for InnovateUK, and resources due to be made available shortly through ARIA.
- ***Development of a STEMM career development platform that enhances knowledge transfer and graduate training opportunities in the South West*** – Seeking to build upon our innovation and STEMM assets and improve retention and utilisation of competencies across the area.

Housing

- ***Seek to use the area as a test bed for delivery models to tackle non decent private sector rented homes*** - with a focus on retrofit and low carbon outcomes, using relevant funding streams to incentivise quality improvements which improve individual places.
- ***Use the area to pilot the introduction of the Future Homes and Buildings Standard (2025)*** - including operational emissions to ensure homes are as near to net zero as possible.
- ***Consideration of a pilot for key worker housing in the South West*** – Seeking to provide a test bed for Government policy around accelerated affordable housing provision for essential workers.

- **Piloting of a shared strategic land function to underpin a pan area approach to the securing of strategic land for Housing and associated infrastructure** - Resourced from within existing organisations, but working in collaboration with a clear and streamlined governance framework.

Climate Change

- **Joint working to develop a net zero supply chain network** – Working with Government to develop a net zero supply chain pilot, with an emphasis on demonstrating the commercial benefits.
- **Exploration of a domestic retrofit loan scheme and / or a Retrofit Single Investment Pot** – Working with Government to explore the opportunity for a dedicated retrofit development fund, providing improved confidence and certainty to supply chain development and sector expenditure. Ideally this would operate of a medium-term basis (5 years)

Digital

- **National commitment to look flexibly at spectrum conditions to reach hard and very hard locations** - Securing 5G pilot opportunities for rural locations working with the market to complement the Digital Sound programme.
- **Co-design of a local voucher top-up scheme** – leveraging national investment and local investment opportunities to develop community-led full fibre local solutions.
- **Co-design engagement with DCMS, DfE and other departments to secure full fibre solutions for public building and other hubs** – Building on our experience through the Plymouth Local Full Fibre Network.
- **Secure investment into digital and fibre engineering, fibre planning and fibre design capabilities and qualifications, careers advice and progression pathways and skills provision aligned to Skills Academy request** – Working with our provider community and LSIP partners to maximise the provision of digital infrastructure skills and competencies in the South West
- **Co-design and investment in digital utilisation support, advice and guidance to businesses and communities as part of business support activity** – Seeking to align digital capability and national advice services with the local business support off set out through the Growth Hub recognising the urgency of this need.
- **Exploration of the Digital Services Fund for accelerated digital transformation** – Working with public sector partners to further explore the potential for efficiencies and additional joint working around digital transformation.

Regeneration and Place

- **Investment to deliver an expended Community Wealth Building Programme** – Working in full collaboration with VCSE sector, M/SME's, Social Impact organisations and the community to enhance third sector delivery of services. This would include a focus on people led change with DHSC / DLUHC around public health approaches, as well as seeking to maximise any future Community Wealth Fund established by Government through the dormant assets programme.
- **Piloting of double devolution approaches with Devon, Plymouth and Torbay, with a focus on local place making** – Working closely with the Association of Local Town Councils to consider opportunities for local community enhancement, service delivery and wider investment.

Health and Care

- **A discussion around health funding allocations for Primary Care Networks in the most deprived areas** – Seeking to discuss how those working in areas of higher deprivation can access improved resources to help them focus on the health inequalities they are trying to tackle

- ***Seeking to work with DHSC around future workforce development and recruitment of the Health and Social Care sector*** – Working through initiatives such as Devon's LoveCare approach to provide a testbed for recruitment, retention and training approaches which Government may wish to roll out nationally.
- ***Opportunities to pilot cross sector innovation, including preventative approaches around nutrition and diagnostic technology*** – Working with ICS Board and other partners around shared efficiencies and cost reduction / capacity enhancements.
- ***Public health alcohol condition for making licensing decisions*** – Seeking to pilot local controls around licensing to improve local public health

Transport and Infrastructure

- ***Joint planning and coordination of investment for electric charging infrastructure*** – Working with Government at the Peninsula level to consider a strategic investment programme through existing and future funding streams. This could also include consideration of the needs for long distance travellers on the strategic road network.
- ***A partnership approach with the Combined Authority as a 'living lab' to pilot national initiatives in the area set out in the National Heat and Buildings Strategy, Hydrogen Strategy, Bus Back Better Strategy and 'Transport Decarbonisation'*** – Seeking to fast track and demonstrate zero carbon and net zero approaches, technologies and initiatives in a hybrid urban / rural setting.
- ***Improved local connectivity between Cornwall and Plymouth*** – Seeking enhanced investment / joint approaches to maximising the use of the Tamar Bridge and Torpoint Ferry connecting the Devon Torbay and Plymouth and Cornwall economy, through either direct financial support from National Highways or additional flexibilities around local charging.