

TOWN COUNCIL

DATE: 6 MARCH 2024

REPORT OF: TOWN CLERK

SUBJECT: DEVON AND TORBAY DEVOLUTION DEAL

PART I

RECOMMENDATION

The Town Council is recommended to note the report, and

- (a) Consider and determine whether to submit a corporate response
- (b) Consider and determine whether to make no corporate response, and
- (c) Consider encouraging individual Members to respond¹, should they wish to do so.

1. BACKGROUND

- 1.1 In England, devolution is the transfer of powers and funding from national to local government. It is said that the result of this ensures that decisions are made closer to local people, communities, and businesses they affect.
- 1.2 Devolution should not be confused with local government reorganisation (LGR) – the merging of existing tiers of local government into one, unitary authority (such as Cornwall Council, and Wiltshire Council). The last attempt at LGR in Devon was in 2008 and ultimately failed.
- 1.3 There are currently 10 combined authorities, nine of which have a mayor. The Levelling Up White Paper invited ten areas to come forward and negotiate devolution deals. Of these, York and North Yorkshire have agreed a Mayoral Combined Authority deal, and the East Midlands have agreed a Combined County Authority Deal. The White Paper also set out proposals for devolution to be deepened through opening negotiations for trailblazer deals with the West Midlands and Greater Manchester

¹ Members can respond by visiting <https://www.devontorbaydeal.org.uk/have-your-say/>

TEIGNMOUTH TOWN COUNCIL

Combined Authorities, giving these areas the opportunity to bid for further powers.

- 1.4 The Levelling Up White Paper makes a commitment that “every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution” by 2030, opening the possibility of devolution for the first time to all areas of England.
- 1.5 The proposed model² for Devon and Torbay (Plymouth City Council withdrew from negotiations) is that of a County Combined Authority. Combined authorities are corporate bodies formed of two or more council areas, established with or without an elected mayor. They enable groups of two or more councils to take decisions across boundaries on issues which extend beyond the interests of any one individual local authority. They are a legal body set up using secondary legislation (Combined Authority Orders) but are locally owned and must be initiated by the councils involved. You can find out more about this in the LGA’s publication *Combined authorities: a plain English guide*.
- 1.6 The Levelling Up and Regeneration Bill sets out proposals to introduce a new type of combined authority called a County Combined Authority (CCA). These CCAs will be very similar to existing combined authorities but can only be made up of county or unitary councils. District councils can be covered by the area of a CCA but will not be full (constituent) members of the CCA.
- 1.6 The types of deals available range from Level 1, to 3:
 - Level 1 – informal joint working between authorities
 - Level 2 – a single institution without an elected Mayor (e.g. Cornwall)
 - Level 3 – a form of LGR creating a single institution with a directly elected Mayor (e.g. existing Metro/Mayors).

2. THE PROPOSALS

- 2.1 The executive summary of the proposed devolution agreement includes:
 - *The formation of the Devon and Torbay Combined County Authority (CCA), including the creation of a leaders group led by a nominated chair, to provide overall vision and leadership, seek the best value for taxpayer’s money, and be accountable to local residents.*

² Full details of the proposals can be found at <https://www.devontorbaydeal.org.uk/document/devon-and-torbay-combined-county-authority-draft-proposal/>

TEIGNMOUTH TOWN COUNCIL

- *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, and the opportunity to provide input into Local Skills Improvement Plans.*
- *£16 million of new capital funding in this Spending Review period to support the delivery of local housing priorities, drive Net Zero ambitions and support green skills, and accelerate wider low carbon business transition across the Devon and Torbay area. This investment is subject to agreement of the relevant business cases.*
- *Greater collaboration between Devon and Torbay 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, Devon and Torbay 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. Devon and Torbay CCA have also secured 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.*
- *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 Devon and Torbay CCA, alongside the provision of a strong and independent local business voice which informs local decision making and strategic economic planning.*
- *A clear role for Devon and Torbay in local resilience and civil contingency planning, preparation and delivery.*

TEIGNMOUTH TOWN COUNCIL

- 2.2 Once the CCA has been established, further devolved powers, and consolidated funding may be agreed over time and included in future legislation. This will be subject to the area's status as a Level 2 devolved area.
- 2.3 A period of consultation is currently underway and ends on 24 March. The Town Council may respond as a corporate body, if it so wishes. A copy of the consultation questions (highlighted in yellow) can be found at Appendix A.
- 2.4 It is unknown at the current time how town and parish councils will engage and interact with the CCA. Local councils currently have very limited opportunities to apply direct to Government for funding in respect of specific projects. The devolution of powers and funding will likely mean instead of applying to government, local councils will apply direct to the CCA if opportunities arise.
- 2.5 The levels of additional funding being passed down to the CCA are small in comparison to the to the budgets of the participating authorities. It is further noted that the governance and voting arrangements of the CCA are stacked in the favour of the participating authorities:
- 3 elected members per constituent council, including leader
 - 4 non-constituent district council members
 - 2 associate business / skills members
- 2.6 District councils therefore represent a junior partner to the devolution deal.
- 2.7 It is noted that the report considered by Teignbridge District Council at its Full Council meeting held on 27 February, noted that:
- “Community and involvement of local towns and parishes – the voice of the Devon Association of Local Councils (DALC) is a welcome one within the current ‘Team Devon’ arena, and we would strongly support the inclusion and recognition of town and parishes in the implementation and operationalising of the CCA. Housing, transport, jobs, skills and sustainability are strategic issues with often local or hyper-local solutions. The CCA should aim to be the bridge that demonstrates strategic intervention and scale, while empowering our communities’ ambition and aspiration”.*

TEIGNMOUTH TOWN COUNCIL

- 2.8 Larger town and parish councils across Devon are seeking a definitive and clear outline of principal authority statutory functions which can be borne in mind when considering the possibility of wider devolution of services in the future, should that happen.

Iain Wedlake
Town Clerk

TEIGNMOUTH TOWN COUNCIL

Appendix A

What is the Devon and Torbay Combined County Authority?

On 25 January 2024 the Government announced the potential for a devolution deal for Devon and Torbay. Devon County Council and Torbay Council have produced a draft proposal (the 'Proposal') and have agreed to consult on the Proposal to create a new entity called the Devon and Torbay Combined County Authority (CCA). The proposed CCA is a legal requirement to oversee new powers and funding devolved from Government for a range of local priorities including housing, jobs and training, and transport.

If the Proposal is implemented, existing funding and powers will move from central government to Devon and Torbay, with further powers also being available to the CCA. This will enable local voices to play a greater role in decision-making in the area to secure more investment and deliver better outcomes for local communities.

The Proposal would not mean removing or merging local councils. Each council would continue to exist and would still be responsible for public services in their area. Funding to establish the CCA would be provided by the Government.

Maximising our economic potential

We will make sure we have the skilled workforce our local economy needs for the future. We'll work to secure new investment to help create additional high value jobs.

- *The Deal would devolve the budget for adult education to the Devon and Torbay CCA. The CCA would be responsible for making funding allocations to adult education providers meaning we would have the flexibility to tailor provision to local needs and priorities.*
- *Funding for Free Courses for Jobs will also be devolved and ring-fenced.*
- *The CCA will work with the Devon and Plymouth Chamber of Commerce providing input to and supporting the development of the Local Skills Improvement Plan for the area. The Plan will help build a stronger and more dynamic partnership between employers and further education providers.*
- *The Department for Education will continue to work with Devon and Torbay to commission a local programme of Skills Bootcamps.*
- *We want to ensure that we retain a shared focus on careers education and advice for young people. The Government will work with the CCA and other partners to continue the work within the Careers Hub.*
- *The Department for Work and Pensions, through the Job Centre Plus and the Partnership teams, will work with the CCA on shared strategic priorities recognising the crucial link between local skills, education, health and workforce development.*
- *The CCA will take on the relevant functions and roles of the Heart of the South West Local Enterprise Partnership (LEP) in line with published guidance. We will work together so that the business voice is represented with Devon and Torbay.*
- *The Government will work closely with the CCA to make it easier for businesses to access the information, advice and support they need. This will draw on the Department for Business and Trade's global and sector offer.*
- *With the Department for Science, Innovation and Technology and UK Research and Innovation we will explore opportunities for closer long-term collaboration to strengthen Devon and Torbay's research and innovation capacity.*

TEIGNMOUTH TOWN COUNCIL

- We will look to make the most of the opportunities for further joint working around farming, fishing and coastal matters, building upon local good practice and programmes around farm resilience, aquaculture and renewable energy policy and practice.
- Exploratory conversations will be held between the CCA and the Department for Digital, Culture, Media and Sport and its Arms Length Bodies on the region's appetite and capacity for partnership working across the culture, heritage, sport, communities and visitor economy as applicable.
- We will have regular engagement with the Government on the digital connectivity delivery plans for the region, particularly where they involve hard to reach rural and coastal areas.

1. **To what extent do you agree or disagree with the proposal to maximise our economic potential through the Devon and Torbay Combined County Authority?**

(If you have any comments you would like to make around the proposal to maximise our economic potential, you will have the opportunity at the end of the questionnaire.)

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Addressing our housing pressures

In partnership, we will deliver additional investment in affordable housing schemes for local people, reducing homelessness. Greater Community Land Trust-led delivery will support rural and coastal affordable housing delivery.

- *The CCA will work with Homes England, with the support of the Department for Levelling Up, Housing and Communities, to combine our skills and capacity to reduce the barriers to affordable housing delivery, regeneration and wider housing growth. We will develop a shared development pipeline which will be underpinned by a clear action plan.*
- *There will be potential investment through current and future funding streams, including the Affordable Homes Programme and Brownfield, Infrastructure and Land Fund.*
- *The CCA will explore, collectively with Homes England and the Department for Levelling Up, Housing and Communities, how wider measures, such as facilitating greater Community Land Trust-led delivery, could better support our plans to increase much needed rural and coastal affordable housing delivery, especially across small sites.*
- *Part of the Government's capital commitment to the CCA will be available to support the development of a small sites Green Homes investment programme.*
- *The Government has recognised the differentiated nature of local housing markets across Devon and Torbay and work that is underway by the Devon Housing Commission.*
- *The CCA will have access to additional land assembly powers for housing, regeneration and economic purposes. It will work in partnership with the Government on additional solutions for individuals who are homeless and on the challenges around second homes and holiday lets.*

2. **To what extent do you agree or disagree with the proposal to address our housing pressures through the Devon and Torbay Combined County Authority?**

(If you have any comments you would like to make around the proposal to address our housing pressures, you will have the opportunity at the end of the questionnaire.)

TEIGNMOUTH TOWN COUNCIL

- *Strongly agree*
- *Agree*
- *Neither agree nor disagree*
- *Disagree*
- *Strongly disagree*
- *Don't know*

Improving local transport

We will strengthen our joined-up approach as equal partners, helping to improve the efficiency and co-ordination of public transport. Shared responsibility for strategic transport will support economic growth.

- *The CCA will become the Local Transport Authority for Devon and Torbay taking on the strategic coordination role and accountability for the associated responsibilities and local public transport powers*
 - *As the Local Transport Authority, the CCA will develop an area-wide Local Transport Plan. The Department for Transport will use this Plan as a basis for future local transport investment*
 - *The CCA will design and deliver a pipeline of transport interventions which align with Devon and Torbay's wider priorities including local growth, improving transport user experience, decarbonisation and reducing environmental impact.*
 - *The CCA will be accountable for the receipt and allocation of Government local transport funding to Devon County Council and Torbay Council, whilst highways funding will go directly to those councils as highways authorities. The operational responsibility for highways will remain with constituent councils.*
 - *Peninsula Transport Sub-National Transport Body (STB) will develop its Regional Centre of Excellence, which will offer bespoke capability and tools to support to all LTAs in the STB area.*
 - *As the Local Transport Authority, the CCA will be responsible for:*
 1. *Bus Service Improvement Plans*
 2. *Enhanced Partnerships*
 3. *Subsidised bus services*
 4. *Concessionary fare schemes*
 - *Where practical, the CCA will work towards streamlining Devon and Torbay's engagement with commercial bus operators and coordinate existing separate arrangements into a single Enhanced Partnership. If the CCA considers that bus franchising is likely to deliver better outcomes, Government will consider conferring franchising powers to the CCA.*
3. **To what extent do you agree or disagree with the proposal to improve local transport through the Devon and Torbay Combined County Authority?**
(If you have any comments you would like to make around the proposal to improve local transport, you will have the opportunity at the end of the questionnaire.)
- *Strongly agree*
 - *Agree*
 - *Neither agree nor disagree*

TEIGNMOUTH TOWN COUNCIL

- Disagree
- Strongly disagree
- Don't know

Meeting our net zero ambitions

We will unlock Devon and Torbay's huge green economic potential, with more investment in green business growth and attracting inward investment to the area. Our transition to a net-zero economy will be accelerated, capitalising on our area's world-leading expertise in green science and technology.

- Part of the Government's capital commitment to the CCA will be available to support business to invest in green business transition activity. This will offer Devon and Torbay's business community an opportunity to both modernise and decarbonise activity at a faster rate.
- The capital commitment will also enable the CCA to support the development of green skills capacity building within the further and higher education sector.
- The CCA will work with Government on planning our future energy system for net zero.
- The CCA will become the heat network Zoning Co-ordinator, playing a key role in the delivery of heat decarbonisation infrastructure. The Government will support the CCA to take forward heat network zoning in collaboration with the private sector to utilise all available low carbon heat sources.
- The CCA will work with the Government to explore the benefits of and design options for a place-based approach to delivering retrofit measures.
- We will be provided with opportunities to work with the South West Net Zero Hub to explore sources of funding for projects within our area.
- The CCA will work with Government on local environment policies to support the delivery of England's new Environmental Improvement Plan. Devon and Torbay will be considered as a test-bed geography for future policies such as new carbon codes for soils and the restoration of marine habitats.

4. To what extent do you agree or disagree with the proposal to meet our net zero ambitions through the Devon and Torbay Combined County Authority?

(If you have any comments you would like to make around the proposal to meet our net zero ambitions, you will have the opportunity at the end of the questionnaire.)

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Delivering investment in Devon and Torbay

There will be local democratic accountability for big investment decision in the local economy. Business and skills representatives will have a strong voice and a direct route to locally-elected decision-makers.

- From 2025/2026, the CCA could have delivery responsibility for the UK Shared Prosperity Fund (or its successor). In doing so, the CCA will engage with constituent councils, district councils and other local partners to make sure that the needs of residents can be effectively addressed.

TEIGNMOUTH TOWN COUNCIL

- £16 million of capital funding will be provided to the CCA from the Government to support local priorities. This will accelerate Devon and Torbay's transition to a net-zero economy. It will help us to capitalise on our expertise in environmental science and technology, with a focus on new green jobs, homes, skills and business growth. Alongside this we will seek to attract additional private sector investment into these areas.
- The CCA would have direct control over £11 million per year of funding for adult education until 2030. This will enable us to create up to 50,000 new training and re-training opportunities.
- There will be democratic control of Local Enterprise Partnership assets and funding.

5. **To what extent do you agree or disagree with the proposal to deliver investment in Devon and Torbay through the Devon and Torbay Combined County Authority?**

(If you have any comments you would like to make around the proposal to deliver investment in Devon and Torbay, you will have the opportunity at the end of the questionnaire.)

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Creating a strong and sustainable local economy

We will support high growth business sectors such as marine engineering, defence, photonics and digital, as well as our traditional strengths of tourism, agritech and food production. Through creating a strong and sustainable local economy, we can increase productivity and pay across Devon and Torbay.

- Part of the Government's capital commitment to the CCA will be made available to enable the development of crucial coastal and marine energy infrastructure to allow for the transition to low carbon shipping. This will complement existing planned Levelling Up investment in Northern Devon and Torbay.
- The CCA and VisitEngland will work with the accredited Local Visitor Economy Partnership for the region to help further develop the region's visitor economy, harnessing the region's potential to grow domestic and international visitor spend and encouraging visits throughout the year.
- The Government and the CCA will seek to maximise the impact of our core sectors through:
 1. Aligning activity around our High Growth Opportunities including marine manufacturing, specialist innovation assets and the photonics sector;
 2. Maximising opportunities linked to Floating Offshore Wind development;
 3. Fully realising opportunities within the Advanced Engineering and Manufacturing sector;
 4. Working closely with the Department for the Environment, Food and Rural Affairs around the agritech and fishing sectors;
 5. Exploring the potential of the small but nationally significant health and life sciences cluster

TEIGNMOUTH TOWN COUNCIL

6. **To what extent do you agree or disagree with the proposal that it will support industries that are important to Devon and Torbay?**

(If you have any comments you would like to make around the proposal to create a strong and sustainable local economy, you will have the opportunity at the end of the questionnaire.)

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Delivering Our Ambitions

We will implement streamlined management and decision-making arrangements with a strong business and skills voice to address the big opportunities and challenges for Devon and Torbay. These arrangements will need to accord with the provisions of the Levelling-up and Regeneration Act 2023.

In order that powers and funding are available, suitable management and decision-making arrangements must be put in place. These arrangements provide the Government with assurance that funding will be spent appropriately, and statutory functions will be delivered effectively and efficiently.

To achieve this, our proposals include the integration of the Heart of the South West Local Enterprise Partnership (insofar as they relate to Devon and Torbay) with wider structures and the formation of a new Devon and Torbay Growth Board. There will also be a Skills and Employment Board created. This will help ensure there continues to be strong and independent local business and skills voices that inform local decision-making and strategic economic planning.

The governance model proposed would build upon existing structures and recognises the significant role for the eight district councils (who would be able to nominate two representatives to the proposed CCA alongside the creation of a Team Devon Joint Committee to further strengthen local partnership working arrangements).

7. **To what extent do you agree or disagree with the proposed delivery arrangements for the Devon and Torbay Combined County Authority?**

(If you have any comments you would like to make around the delivery proposal, you will have the opportunity at the end of the questionnaire.)

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Your comments

8. **If you have any comments you would like to make about the proposals for the Devon and Torbay Combined County Authority, please tell us using the space below.**