Report of Portfolio Holder for Economic Development and Asset Management

DEVOLUTION DEAL

1. <u>Purpose of Report</u>

To update Cabinet on the progress of devolution deal discussions in Nottinghamshire and Derbyshire.

2. <u>Recommendation</u>

The Committee is asked to NOTE the report and ENDORSE the continuing involvement of the Council in discussions to secure a devolution deal for Nottinghamshire and Derbyshire.

3. <u>Detail</u>

The Policy and Performance Committee was informed on 2 December 2021 that on 29 October 2021 in the Economic Prosperity Committee, Leaders of Districts, the City and County Councils in Nottinghamshire agreed a proposition to be forwarded to government for consideration which would form the basis of a County Deal for our area. A list of potential benefits for Broxtowe was included in the report on the agenda of 2 December 2021. Since that time discussions have widened to include authorities in Derbyshire.

The Levelling up White Paper was published on 2 February 2022 and a summary of the content and implications for Broxtowe was included on the Jobs and Economy Committee agenda for 31 March 2022.

A "strong governance" model operating at level 3 of the options available within the white paper is the only deal likely to secure from the government an investment pot with significant resources to address the levelling up needs of our area. The proposition will not create an additional layer of governance, but instead will bring the governance that currently sits at national government level down into the East Midlands, much closer to businesses and communities.

Place making functions are proposed to be delivered through the existing local authority arrangements that are better placed to deliver functions for which they are statutorily responsible and as close to communities as is practicable. Within the geography, local government currently operates at a number of levels, including inter-Council partnerships, at various place-based partnerships across boundaries and within defined Council administrative boundaries at upper and lower tiers.

Discussions are continuing as to how to frame governance proposals which are inclusive of district councils as much as possible within any new legislative limitations. The preferred governance model for an East Midlands Mayoral Combined Authority (MCA) will identify a mechanism for including district and borough councils in the geography. This model will respect the existing sovereignty of these lower-tier local authorities. Individual councils are also proposed to be able to continue to exercise choice about participation at sub-MCA tiers of partnership working.

Discussions have progressed through the submission of a pre-set template making propositions to government about how the deal would operate in Nottinghamshire and Derbyshire. The schedule of potential benefits for Broxtowe has therefore been updated (in italics) in appendix 1 with an indication for how developing proposals may benefit the people and area for Broxtowe.

4. Financial Implication

Among the nations and regions of the UK, public spending per person is lowest in the East Midlands- at £12,113 10% below the UK average. The East Midlands is therefore significantly underfunded compared with other regions, especially those with devolution deals.

5. Legal Implications

The core legislation relating to the Devolution deal is the Local Democracy Economic Development and Construction Act 2009 (as well as other legislation).

6. Background Papers

Nil

APPENDIX

Opportunities for Broxtowe to benefit from a County Deal.

There is a proposal as part of the devolution deal to ask for a long-term investment fund to the East Midlands MCA, of a scale comparable with mayoral combined authorities of a similar population size.

Education and Skills

The council has ambitions to secure government investment to create a national skills academy as part of the ambitious proposals of the EMDevco. *The EMDevco is referenced in the proposition to government as a potential key vehicle through which government may invest in our area.*

Areas in Broxtowe where skills levels are lower also include Eastwood and Stapleford and parts of Kimberley. Levelling up investment (which the council may be more likely to receive if the council participate in a county deal) may specifically address this problem by improving access to education and skills progression in these areas. Levelling up bids will be submitted for Eastwood and Kimberley in accordance with the government's deadline which will be before the creation of any new MCA. It will also be planned to submit an investment plan for Broxtowe to potentially benefit from the UKSPF funding which is earmarked for our area. (£2,584,477). As part of the devolution deal, City, District and Borough Councils will be at the heart of determining the local priorities for the UKSPF investment plans.

The rolling out of successful collaborations to approve skills in other areas (e.g. Nottingham Trent University with Mansfield and Ashfield) may be more easily facilitated in the context of a county deal. *It is proposed to request more local control over* Further and higher education funding as part of the devolution deal, and apprenticeship funding.

Transport

Development of the Chetwynd barracks site and the Toton area of strategic growth requires significant investment in infrastructure to unlock the land for housing development which is far more likely to be deliverable through a county deal and the EMDevco delivery vehicle than otherwise.

The council desires to see the more northern parts of the borough better connected to major employment opportunities. This requires transformative investment in connectivity and release of economic potential both towards the South (M1 corridor, the A610) and towards areas like Amber Valley.

It is proposed to ask for a longer term (five year) transport settlement. This could make it easier to achieve support for funding key connectivity projects such as a new station at Toton and better connectivity between North and South, East and West.

Land and Housing

Currently some sites are unable to be brought forward for development because there are viability issues or issues where land remediation is required – for example allocated housing sites in Kimberley at the Depot. Most sites now in the north of Nottinghamshire are coming forward with Viability reports and justification that they cannot meet the S106 payments we ask for. *Viability shortfall concerns and the need to address these has been raised in devolution discussions. There is also the possibility the Council could benefit from a brownfield funding allocation, and a housing enabling pot of funding.*

Large scale deals across Nottinghamshire can help to secure investment from government to tackle such problems whereas acting alone the Council will struggle to achieve this.

There is a possibility that compulsory purchase powers may be made more locally determined.

Environment

Securing the council's ambitions for carbon reduction require cross boundary collaboration to achieve maximum effect. (e.g. better sustainable transport infrastructure investment to shift travel modes to walking and cycling and to improve air quality). This sort of investment has to be joined up across local authority boundaries.

This council's area would stand to benefit from the creation of a proposed East Midlands local area energy plan, helping to accelerate our progress towards becoming a net carbon zero area.

Some environmental initiatives such as engagement of local communities, large scale tree planning, solar panel installation, electric vehicle infrastructure are most efficiently done collaboratively using economies of scale.

The Council's ambitions for wholescale investment in and improvement of networked green and blue infrastructure in the area of the Erewash Valley, extending Northwards and Southwards stand a much better chance of being funded in partnership and can form part of a much larger vision for improving wellbeing in an area through improved access to the Countryside for everyone in Nottinghamshire. A comprehensive approach to tackling local nature recovery with a focus on green and blue infrastructure and maximising benefits for people, wildlife and our economy is proposed.

The implementation of new statutory duties such as collection of food waste if done jointly across Nottinghamshire will be more efficient and consistent. A joint approach to collecting food waste in Nottinghamshire is being pursued.

Economy and Infrastructure

Work to improve our towns (Beeston, Stapleford, Kimberley, Eastwood) is an ongoing endeavour to enable them to develop diversify and thrive whilst resisting the threats of a trend to online retailing. Learning from other towns, sharing expertise and skills is more possible within structures which are collaborative and the development of larger scale packages of town centre support are more likely to be funded by government if we have a county deal. Whilst this council has and is acting as far as we can individually to intervene in town centres and catalyse improvement there is always more which could be done.

Ensuring that the Borough has access to the fastest form of broadband connectivity is best done through collaboration and at scale.

Collaborating in a county deal with a strong leadership model may attract the step change in government investment for our area, and help realise the potential of the vision for job creation and next generation sustainable living envisaged in our EMDevco proposition. It is important that this includes ensuring access to job opportunities and skill progression for those people who live in the northern parts of Broxtowe. Improvements in connectivity are important to achieve that ambition.

Social

Funding could be secured to enable greater social mobility improved life chances for young people and greater local control of a youth investment fund.