

NORTH LINCOLNSHIRE COUNCIL

COUNCIL

A DEVOLUTION DEAL FOR NORTH LINCOLNSHIRE

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 This report asks the Council to support draft proposals for devolution for Greater Lincolnshire and to enter into negotiations with Government to seek a devolution deal at the earliest opportunity.

2. BACKGROUND INFORMATION

- 2.1 The levelling up white paper sets out the Government's ambitions for devolution across England and provides the framework for devolving powers to local economic geographies. The white paper is being enshrined in legislation through The Levelling Up and Regeneration Bill currently in Parliament.
- 2.2 A first wave of new devolution deals is being negotiated between the Government and upper tier councils with deals already announced in Nottinghamshire, Derbyshire and North Yorkshire.
- 2.3 A second wave of deals is expected to be negotiated in 2023 and would provide upper tier councils with an opportunity to seek the transfer of a range of new powers and budgets from Government that can be targeted to local need, used to boost growth in the local economy and level up Greater Lincolnshire.
- 2.4 Working together, Lincolnshire County Council, North Lincolnshire Council and North East Lincolnshire Council, the seven district councils across Greater Lincolnshire, business and key stakeholders have developed options for a devolution deal for the economic geography of Greater Lincolnshire. This has been informed by:
- Collaboration across all 10 Councils in Greater Lincolnshire to develop a long-term vision for greater Lincolnshire to deliver a better future for the communities, visitors, and businesses of Greater Lincolnshire. A copy of the vision document is attached as appendix B.
 - Business Engagement through the Greater Lincolnshire Local Enterprise Partnership to gauge the interest, understanding and desire for devolution from local business.

- Involvement of all 10 Councils in Greater Lincolnshire including discussions with council leaders and a series of meetings of chief executives to refine proposals for devolution to meet the needs of all parts of the historical county.
- Officer level workshops to explore the detail of skills, innovation, investment and infrastructure asks and principles for devolution.

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- 2.5 Engagement across Greater Lincolnshire has informed the development of proposals for devolution set out in the draft *Devolution Greater Lincolnshire: Growth | Energy | Food* document which is attached to the report at Appendix A.
- 2.6 The proposals seek to achieve the maximum level of devolution for Greater Lincolnshire to bring greatest benefit for Greater Lincolnshire's residents and deliver on the area's ambitious strategies for growth across key sectors that would lead to more high skill, high wage jobs.
- 2.7 The focus of the proposed deal would be to:
- Boost growth and productivity in key sectors and supply chains by levelling up infrastructure to create high skill, high wage jobs.
 - Increase living standards and opportunity by levelling up skills and access to employment and new high skill, high wage jobs.
 - Target investment to level up our towns and places to deliver sustainable growth
- 2.8 Key sectors of the Greater Lincolnshire economic geography are also of strategic importance to the UK and devolution for Greater Lincolnshire will support wider UK objectives for levelling up, energy security, food security and achieving net zero.
- 2.9 A devolution deal for Greater Lincolnshire will be subject to negotiation with Government and the council is invited to consider the proposals for devolution as basis for engaging with Government officials to secure a future deal.
- 2.10 Many of the areas benefitting from devolution have gone on to negotiate additional deals with the Government that build on their initial success. The Greater Lincolnshire proposals for devolution are considered the appropriate asks for a first deal aligned to the powers that are currently available in the devolution framework. If successful they would provide a platform to negotiate further deals to deliver on wider aspects of the Greater Lincolnshire vision in the future.

Agreeing a Devolution Deal

- 2.11 The Levelling Up and Regeneration Bill sets out the levels, requirements and process for devolution. New powers and funding would be devolved from Government to a new county combined authority and the maximum level of devolution – level 3 – would only be achieved if this also included a directly elected mayor.
- 2.12 This new type of combined authority has an initial prescribed voting membership of the mayor and upper tier councils, identified as constituency members. It can also involve a range of stake holders including district councils and businesses as non-constituency members, scrutiny committee members and advisory boards.
- 2.13 In return for devolution of powers the Government expects the county combined authority to provide strong and effective leadership; flexibility; and appropriate accountability. The proposed East Midlands mayoral county combined authority for Nottinghamshire, Nottingham, Derbyshire and Derby provides a high-level model accepted by Government as meeting these principles and leaves significant element of the governance to be determined by the new organisation once formed.
- 2.14 The Government has set out that devolution deals should be led by upper tier councils. In preparation for any negotiation upper tier councils will continue to engage with district councils, businesses, the education sector and other stakeholders to develop the strongest possible devolution proposition and negotiating position for Greater Lincolnshire. This will include building on initial local discussions to negotiate and agree the governance arrangements and principles for a mayoral county combined authority within the constraints of the legislation.
- 2.15 Members will be asked to formally consider progress at a number of decision points including agreement to:
- seek a deal and enter into negotiation with government (this report)
 - consult on a draft devolution deal following negotiations with Government (future report)
 - the final deal and to establish a mayoral county combined authority (future report).
- 2.16 If successful, residents across Greater Lincolnshire would be invited to elect a mayor in 2025.

3. OPTIONS FOR CONSIDERATION

- 3.1 Option 1: To support the draft proposals for devolution for Greater Lincolnshire and to enter into negotiations with Government to seek a devolution deal at the earliest opportunity.
- 3.2 Option 2: To not support the draft proposals for devolution for Greater Lincolnshire.

4. ANALYSIS OF OPTIONS

- 4.1 Option 1: Supporting the draft proposals for devolution for Greater Lincolnshire will enable us to enter into negotiations with Government to seek a devolution deal which would provide upper tier councils with an opportunity to seek the transfer of a range of new powers and budgets from Government that can be targeted to local need, used to boost growth in the local economy and level up Greater Lincolnshire.
- 4.2 Option 2: Not supporting the draft proposals for devolution for Greater Lincolnshire will prevent North Lincolnshire Council entering into any negotiations with Government to seek a devolution deal.
- 4.3 Due to the correlation of increased devolution and economic performance of regions as cited in the Levelling Up White Paper and the resulting new powers from central government coupled with enhanced and more sustainable funding streams option 1 is the preferred option.

5. FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)

- 5.1 There are no direct resource implications associated with this paper. Any future activity linked to this proposal will be subject to its own resource analysis and commensurate decision making process

6. OTHER RELEVANT IMPLICATIONS (e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)

- 6.1 This proposal aligns to all four Council priorities particularly enabling economic growth and renewal.

Similar to 5.1 above subsequent project / initiative delivery will be subject to their own commensurate decision making and EIA impact.

7. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

7.1 This paper relates to agreement to enter into negotiation based around the complementary Devolution document attached as appendix A. Subsequent policy change and / or service delivery will be subject to their own risk and impact analysis.

8. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

8.1 This proposal builds on extensive consultation with all relevant Local Authorities, MPs, the business community, local stakeholders and Government officials. Details are contained within the appendices.

8.2 The Governance Scrutiny Panel received a briefing on these proposals at its meeting on 17 November 2022" and the panel "Recommended to Council – (a) That the Devolution Deal for Greater Lincolnshire, as presented at the meeting, be formally agreed and supported by North Lincolnshire Council, and (b) that the Leader of the Council and Deputy Chief Executive be thanked for their attendance, verbal presentation and for answering members' questions".

9. RECOMMENDATIONS

9.1 It is recommended that full Council supports: -

9.1.1 Engagement with government officials to secure a devolution deal for Greater Lincolnshire on the basis of the draft devolution prospectus at Appendix A.

9.1.2 In principle, devolution to a mayoral county combined authority for Greater Lincolnshire; and

9.1.3 Continued engagement with key stakeholders with a view to Appendix A being further developed and enhanced as the basis of the devolution bid to government to ensure that Greater Lincolnshire is in as strong a position as possible to secure a deal.

DEPUTY CHIEF EXECUTIVE & EXECUTIVE DIRECTOR COMMERCIAL

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Background Papers used in the preparation of this report –

Summary of business engagement
East Midlands Devolution Deal

Appendix A – prospectus, B - vision