

**Subject:** Update on Greater Brighton Devolution Bid  
**Date of Meeting:** 26 January 2016  
**Report of:** Chair, Greater Brighton Officer Programme Board  
**Contact Officer:** Name: Nick Hibberd Tel: 01273 29-3756  
Email: [nick.hibberd@brighton-hove.gov.uk](mailto:nick.hibberd@brighton-hove.gov.uk)  
**LA(s) affected:** All

**FOR GENERAL RELEASE****1. PURPOSE OF REPORT:**

- 1.1 The purpose of this report is to inform the Greater Brighton Economic Board ('the Board') of progress in relation to the development of the City Region's devolution bid since its last meeting on 13 October 2015.

**2. RECOMMENDATIONS:**

- 2.1 That the Board:

- (1) Note the contents of this report, and;
- (2) Receive a verbal update at its meeting on 26 January 2016 on the City Region's Ministerial challenge session, confirmed for 14 January 2016, and the recommended next steps in line with the feedback that is received.

**3. BACKGROUND AND CONTEXT:**

- 3.1 On 04 September 2015, the Board submitted the City Region's Devolution Prospectus ('the Prospectus'), [Platforms for Productivity](#), to the Secretary of State for the Department for Communities & Local Government (DCLG). The Prospectus was formally approved by the Board on 13 October 2015.
- 3.2 The proposals contained within the Prospectus are a natural progression from the Greater Brighton City Deal (2014) and the Coast to Capital Local Enterprise Partnership (C2C LEP) Growth Deal (2014). They are aimed at accelerating growth and seek the devolution of powers and funding and local flexibilities necessary for the City Region to create and sustain three platforms for productivity:
- **Economic productivity**, through the provision of infrastructure, housing and employment land and enterprise support;
  - **Social productivity**, through the creation of skills, living wage housing and the acceleration of the information/"sharing" economy to drive a vibrant social economy, and;
  - **Public service productivity**, through the radical redesign of public services and the introduction of new models of governance.

- 3.3 In total, 37 devolution proposals from across the Country were submitted to Government on 04 September 2015. This includes one from the Three Southern Counties (3SC), which comprises East Sussex County Council, West Sussex County Council and Surrey County Council, together with Mid Sussex District Council, Lewes District Council, Adur District Council, Worthing Borough Council and a range of other partners.
- 3.4 In acknowledging that key areas of the Greater Brighton and 3SC submissions raise issues of common interest and/or shared concern, a Memorandum of Understanding was agreed in September 2015 between Brighton & Hove City Council (as the Board’s Lead Authority) and the members of the 3SC. This recognises and reinforces the commitment – at Leader, chief executive and officer level – to working closely together on areas of alignment, namely; strategic transport, digital and skills.
- 3.5 On 12 October 2015, the Board received a letter from the Secretary of State for the DCLG inviting the City Region to a meeting to discuss the proposals contained within the Prospectus. To ensure readiness, the Board agreed on 13 October 2015 that the Greater Brighton Officer Programme Board (‘the Officer Board’) continue to develop the proposals and that consultants be appointed to support this work. Ian Parkes subsequently joined the Greater Brighton team temporarily and ResPublica were appointed in late October/early November 2015.
- 3.6 The Officer Board has developed and continues to populate, in partnership with the C2C LEP, the 3SC and wider partners and stakeholders, project templates for the City Region’s key policy areas as follows:

<b>TRANSPORT</b>	
Strategic Transport	Focusing on the main transport corridors and, with 3SC and the LEPs, calling for the establishment of a partnership with Department for Transport (DfT), Network Rail and Highways England that would see the planning, prioritisation and delivery of strategic transport dealt with in one place. Short and long terms improvements to the Brighton Main Line (BML) would be a priority, including exploration of a second BML.
Local Transport Infrastructure & Sustainable Transport	Focusing on infrastructure that both directly unlocks housing and employment and that stimulates a significant shift away from car journeys to more sustainable forms of transport, with a focus on cycling and modal interchanges. Backed by a five year funding settlement.
Effective Transport Networks	Making what the City Region has “work better”, with the spread of e-ticketing across all modes and improvements in both the bus network and information.

<b>GROWTH SITES &amp; HOUSING</b>	
Growth Sites & Public Assets	Establishing with Homes & Communities Agency (HCA) a Greater Brighton Land Commission to identify and bring forward surplus public sites and to establish an investment fund with HCA and other funding.
Housing Delivery	A range of measures and delivery mechanisms to accelerate and surpass housing delivery and with calls for significant local flexibilities, including Right to Buy receipts and HRA borrowing.
<b>ENTERPRISE</b>	
Enterprise	Development of a coherent package of business support across the City Region, with a focus on the priority sectors and the input of the universities.
<b>DIGITAL</b>	
Digital Infrastructure	To have Ultrafast (1 gigabit) in all business locations and nearly all urban locations (business and residential) and superfast (30mbps) in all other locations, including rural. Seeking devolution of the national broadband budgets in return for delivering Government's ultrafast aims.
Smart Specialisation	Support for the City Region's £1bn Creative Digital & Information Technology (CDIT) sector, focusing on keeping it at the leading edge of developments, including mobile 5G technology.
Public Service Reform & Digital Service Delivery	Making the resources that the City Region has "work better" and in particular pioneering new digital delivery models.
<b>ARTS, CULTURE AND HERITAGE</b>	
Culture, Arts & Heritage	Decision making on national, local and regional funding to be drawn together with local partners; ending year by year fragmented bidding uncertainty and thereby supporting this important sector, which draws in visitors, creates jobs and is an essential part of the success of the CDIT sector.
<b>SKILLS</b>	
Skills for Employment	Improving careers advice, increasing apprenticeships and making the further education, technical and vocational skills system work better following the current Further Education Area Reviews. Seeking devolvement of a number of national budgets.

- 3.7 The proposals are expected to deliver 24,000 jobs, 455,000 sqm of employment floor space and 22,500 homes over the next 10 years. They are a step on a longer journey to stronger local determination of policies and funding deployment across wider policy areas (potentially encompassing health and social care).
- 3.8 All devolution proposals must be “fiscally neutral” for Government. Where the City Region is seeking funding, it is mainly via the devolution of national pots or the retention of locally generated funds. Any additional funding asks are, in the majority of cases, via the Growth Deal mechanism or enhanced Coastal Communities Fund.
- 3.9 A summary table of the “offers” and “asks” of Government are attached as Appendix 1. Development of the City Region’s policy proposals remains a work in progress; the attached is a starting point for the City Region’s negotiations with Government. Nevertheless, they do reflect the input of partners and stakeholders, early feedback from Government officials and recent national policy developments, including the announcements made as part of the Spending Review 2015.
- 3.10 Government expects all devolution deals to deliver “collective and binding” decision making amongst partners. It has a preference for Combined Authorities and elected Mayors, but this has not been the only model adopted in the signed Devolution Deals thus far and the proposed deals currently being negotiated contain a wide range of models. The City Region is working closely with the 3SC on this issue and both are committed to undertaking a governance review, within which nothing will be ruled in or out. The principles will be: that form must follow function; that compatibility and collaboration with 3SC must be ensured, and; that the mechanisms and arrangements put in place are at a scale large enough to give weight to the issues and small enough to allow grip and delivery. From a Greater Brighton perspective, the Board is in place and there is a valid call to resist “fixing what isn’t broken” to allow a focus on delivery. The Governance Review will look at all the options and report in early March 2016.
- 3.11 Eight Devolution Deals have been signed to date: Greater Manchester; Leeds; Sheffield; Cornwall; Liverpool; Teeside; the West Midlands, and; the North East. There does not appear to be a “pass or fail” for devolution proposals; Government will negotiate a Devolution Deal with each group of authorities. However, Government has tiered these according to their apparent readiness to reach an agreement. Both Greater Brighton and the 3SC are in the next tier.
- 3.12 Greater Brighton’s bid for devolution will follow the national process; it will be subjected to one or more Ministerial challenge sessions, followed by a period of negotiation with Government officials before a “devolution deal” is signed. All bids will be ‘pressed hard’ on housing and governance. For Greater Brighton, extra attention will likely be devoted to the City Region’s relationships with the 3SC.
- 3.13 On 08 December 2015, the Board received confirmation from Government that the City Region’s Ministerial challenge session will, depending upon

parliamentary business, take place with Baroness Williams of Trafford on Thursday 14 January 2016.

3.14 Greater Brighton's 'pitch team' will comprise:

1. Cllr Neil Parkin  
*Chair of the Board and Leader of Adur District Council*
2. Cllr Warren Morgan  
*Leader of Brighton & Hove City Council*
3. Prof Debra Humphris  
*Vice-Chancellor University of Brighton*
4. Prof Michael Davies  
*Pro Vice Chancellor University of Sussex*
5. Nick Juba  
*Chief Executive City College Brighton & Hove*
6. Andrew Swayne  
*Chairman Adur & Worthing Business Partnership*
7. Phil Jones  
*Coast to Capital Board Member and Managing Director Wired Sussex*
8. Geoff Raw  
*Chief Executive Brighton & Hove City Council*

The 'pitch team' has been drawn from the City Region's local authorities, local enterprise partnership, business and further and higher education sectors to cover the ambitious programme developed by the Board.

3.15 The Ministerial challenge session will last for approximately 1 hour; it will comprise a 10 minute presentation by the City Region's 'pitch team', followed by questions from the Ministerial team. To aid the discussions, a Greater Brighton Devolution Brochure' has been produced and is attached as Appendix 2.

3.16 The Board will receive a verbal update at its meeting on 26 January 2016 on the City Region's Ministerial challenge session. This update will include recommended next steps, in line with the feedback that is received.

3.17 At the time of writing, Government officials have indicated that they aim to complete and sign this, Greater Brighton's first Devolution Deal, by March 2016.

#### **4. CONCLUSIONS:**

4.1 Over the coming months and in line with both the feedback received from the Ministerial challenge session and the guidance given by the Cities & Local Growth Unit and HM Treasury, the City Region's devolution proposals will be further refined and developed into Greater Brighton's full submission. This will ensure that the Board is in the strongest possible position to agree a Devolution Deal that will catalyse significant economic, social and public service change across the City Region.

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

Financial Implications:

- 5.1 There are no direct financial implications associated with this report. Should the devolution bid be successful the Devolution Deal will enable the region to capitalise on providing transport, growth sites & housing, enterprise, digital, skills and arts, culture & heritage investment through additional funding strategies.

*Finance Officer Consulted: Rob Allen, Principal Accountant, BHCC*

*Date: 05.01.16*

Legal Implications:

- 5.2 There are no immediate legal implications arising from this report. Depending on the outcome of the proposals a number of governance issues will need to be resolved in early course.

*Lawyer Consulted: Bob Bruce, Deputy Head of Law BHCC*

*Date: 23.12.15*

Equalities Implications:

- 5.3 None

Sustainability Implications:

- 5.4 None

Any Other Significant Implications:

- 5.5 None

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Appendix 1: Summary table of Greater Brighton's "Offers" and "Asks"
2. Appendix 2: Greater Brighton's Devolution Brochure

### **Background Documents**

1. None

**APPENDIX 1: Greater Brighton’s “Offers” and “Asks” (December 2015)**

Greater Brighton Offers	Central Government Asks
<b>TRANSPORT:</b> Addressing capacity, reliability and sustainability issues across the City Region’s transport network	
<b>Strategic Transport:</b> Bringing together planning, prioritisation and delivery of strategic transport in one place, focusing on the main transport corridors	
<ul style="list-style-type: none"> <li>• Establish a Sub National Transport Body with all national organisations and the Three Southern Counties (3SC)</li> <li>• Complete the Long-Term Strategic Infrastructure Plan</li> <li>• Create the Greater Brighton Investment Fund and agree delivery proposals</li> </ul>	<ul style="list-style-type: none"> <li>• Planning, decision making and investment for all strategic transport to be done in one single place</li> <li>• Commit to complete current plans for investment by Highways England, Network Rail and Environment Agency, principally the A27</li> <li>• Urgent action plan to address capacity and reliability on the Brighton Mainline</li> </ul>
<b>Local Transport Infrastructure and Sustainable Transport:</b> Delivering the infrastructure needed to unlock housing and employment and stimulating a significant shift away from car journeys to more sustainable forms of transport	
<ul style="list-style-type: none"> <li>• Sustainable and alternative transport, including a step change in cycling prevalence across the whole City region and better modal interchanges</li> <li>• Deliver local transport infrastructure that directly unlock housing and/or employment</li> <li>• Develop a Park &amp; Ride Scheme to relieve congestion and improve air quality</li> </ul>	<ul style="list-style-type: none"> <li>• A fair deal for local transport in the form of a 5-year commitment to devolve central government funding for transport</li> <li>• Growth Deal funding of £5m for the construction of a Park &amp; Ride site and the creation of the necessary bus and cycle priority routes and signalling</li> </ul>
<b>Effective Transport Network:</b> Making what we have “work better” across the City Region	
<ul style="list-style-type: none"> <li>• Further develop and roll-out Intelligent Transport Systems across all modes</li> <li>• Create a City Region Bus and Coach Strategy and invest in the region-wide bus network, including increasing the numbers of electric low emissions buses</li> </ul>	<ul style="list-style-type: none"> <li>• Network Rail and rail operator support for the creation of enhanced public transport interchanges and cycle hubs at railway stations across the City Region</li> <li>• Closer relationships with Network Rail, the Department for Transport and train operators to address overcrowding, reliability</li> </ul>

<ul style="list-style-type: none"> <li>• Develop region-wide routes and improve journey planning</li> <li>• Spread e-ticketing, covering all modes across the whole City Region</li> </ul>	<ul style="list-style-type: none"> <li>• and performance on the City Region’s rail services</li> <li>• Department for Transport support to accelerate and extend Brighton &amp; Hove’s integrated e-ticketing pilot</li> </ul>
<b>GROWTH SITES &amp; HOUSING:</b> Increasing the number and range of homes available for our workforce and creating new space for our businesses to start-up and grow	
<b>Growth Sites and Public Assets:</b> Identifying and bringing forward surplus public sites and establishing an Investment Fund to enable delivery	
<ul style="list-style-type: none"> <li>• Develop a Greater Brighton Housing &amp; Property Investment Plan, building on the Greater Brighton and Coastal West Sussex Local Strategic Statement</li> <li>• Create a Greater Brighton Joint Land Commission, comprising public sector bodies, the Homes &amp; Communities Agency and other Government departments, to promote and secure development</li> <li>• Develop a single approach to a brownfield sites register</li> <li>• Establish the Greater Brighton Investment Fund</li> <li>• Work with the new Homes &amp; Communities Agency/Network Rail organisation to bring forward station site developments to deliver new homes and employment space</li> <li>• Deliver our Enterprise Zone at Newhaven</li> </ul>	<ul style="list-style-type: none"> <li>• Give locality the ability to determine local planning fees to enable full cost recovery</li> <li>• Commit to the creation of the Greater Brighton Joint Land Commission, with the Homes &amp; Communities Agency and other public sector land owners such as the Department of Health and Ministry Of Defence</li> <li>• Devolve Homes &amp; Communities Agency Funding, as a 10 year revolving fund, into the Greater Brighton Investment Fund</li> <li>• Growth Deal funding for a small number of fast delivery prioritised sites, to bring forward homes and employment space in the next 5 years</li> </ul>
<b>Housing Delivery:</b> Accelerating and surpassing planned housing delivery, creating new mechanisms and vehicles to allow sites to be brought forward	
<ul style="list-style-type: none"> <li>• Create the Greater Brighton Housing Company</li> <li>• Deliver 1,000 new homes on a living wage rent and ownership basis</li> <li>• Improve the quality and capacity in the Private Rented Sector</li> <li>• Deliver first time homes initiative across all tenures, include Starter Homes</li> </ul>	<ul style="list-style-type: none"> <li>• Maximise sites for new homes, including contributing land to assemble larger, more viable brownfield packages of sites</li> <li>• Support Greater Brighton to deliver a range of first time homes, including Starter Homes and self-build</li> <li>• Help build the capacity and supply in the Private Rented Sector, by exploring the option to treat VAT as zero rated on land purchases</li> <li>• Devolve local flexibility for the use of Right to Buy Receipts, to fund more new homes</li> </ul>

	<ul style="list-style-type: none"> <li>• Raise the cap on HRA borrowing to allow funding for developments for housing</li> <li>• Permit Greater Brighton local authorities to retain a greater proportion of the growth dividend</li> </ul>
<b>ENTERPRISE:</b> Developing a coherent package of business support across the City Region, with a focus on priority sectors and input of the universities	
<ul style="list-style-type: none"> <li>• Maintain and enhance our Navigator Growth Hub</li> <li>• Create a coordinated programme of business support, drawing together all available funding</li> <li>• Develop a highly targeted programme of support for high growth, high innovation businesses in the City Region’s key sectors, working with the City Region’s two universities and local and national services</li> <li>• Promote international trade, working with UKTI</li> <li>• Build on our Business Finance initiatives with Coast to Capital, offering loans, grants and equity funding</li> <li>• Deliver supply chain initiatives to help smaller firms grow their markets</li> <li>• Deliver the Bio-Innovation Facility on the University of Sussex’s Falmer Campus, with £60m investment from the University</li> </ul>	<ul style="list-style-type: none"> <li>• Devolve business support budgets, including European Regional Development Funding for enterprise and greater influence over the UKTI service in the City Region</li> <li>• A derogation from the capital expenditure-only requirements of the Local Growth Fund to create a revenue stream to support the Growth Hub development and business support more generally. <i>This has been granted for the Sheffield Devolution Deal</i></li> <li>• Ring-fenced retention of business rates at growth centres that can be invested to support growth</li> <li>• Examine and rationalise all enterprise funding streams as part of a joined-up approach to Enterprise and Innovation support</li> <li>• Local Growth Funding of £6m for the creation of the Bio-Innovation Facility</li> </ul>
<b>DIGITAL:</b> Ensuring continued investment in broadband and mobile connectivity to enable the City Region’s communities to be fully inclusive and businesses to be globally competitive	
<b>Digital Infrastructure:</b> Implementing the infrastructure to match the City Region’s ambition – digital is one of the City Region’s strongest USPs	
<ul style="list-style-type: none"> <li>• Roll-out ultrafast in all business and urban areas and superfast to rural and hard to reach areas and develop “final stretch” solutions for difficult to reach areas</li> </ul>	<ul style="list-style-type: none"> <li>• Devolve Broadband Delivery UK and Department for Culture, Media &amp; Sport’s Next Generation Access investment and incentive budgets to deliver faster speeds to a shorter timescale</li> <li>• Access to the new Broadband Investment Fund to deliver better</li> </ul>

connectivity for the same money

**Digital Smart Specialisation:**

Supporting the City Region's £1bn Creative Digital & IT sector, keeping it at the leading edge of developments and pioneering new digital delivery models to aid public service reform and delivery

- Deliver the Digital Catapult Centre Brighton and establish two 5G test hubs, ready for the launch of 5G in 2020
- Generate £2m of additional income for the Digital Catapult Centre Brighton over 5years
- Create a Greater Brighton Creative Industries Council, mirroring the national body set-up by the Department for Culture, Media & Sport
- Put the Digital Catapult Centre Brighton on a sounder financial footing, investing £1m over three years
- Put Greater Brighton City Region partners in the driving seat for the research and innovation audits

**CULTURE, ARTS AND HERITAGE:**

Ending year by year fragmented bidding for this sector, which draws in visitors, creates jobs and is an essential element of the City Region's CDIT sector

- Create a multi-agency coordination mechanism for existing grant funding streams
- Continued development and investment in green infrastructure and environmental assets, enhancing the leisure and recreation offer of the Brighton & Lewes Downs Biosphere and the South Downs National Park to residents and tourists
- Deliver a programme of initiatives needed for a world-class natural environment for residents and visitors, including investment in new leisure, tourist, and interpretive facilities
- Devolve powers to convene public and quasi-public service bodies, including the Heritage Lottery Fund, Coastal Communities Fund and Arts Council England, to jointly determine funding applications
- Continue to fund projects and support initiatives from the Greater Brighton partners that promote the functions of the Biosphere Reserve and aims and purpose of the South Downs National Park

**SKILLS:**

Making better use of our skilled and qualified workforce and ensuring that every young person can find a job and career that provides stretch and reward

Improving careers advice, increasing apprenticeships and making the further education, technical and vocational skills system work better

- Establish an Employers Skills Board
- Create a Greater Brighton Education & Skills Promise, to provide seamless education and skills pathways
- Set-up a Greater Brighton Apprenticeship Company, putting employers in the driving seat
- Maximise the resources across the adult skills sector, promoting greater efficiency and better links between providers and employers
- Reduce to zero the number of young people not in education, training or employment

- Devolve all careers and associated funding to end fragmentation
- Devolve the Apprenticeship Grant for Employers and a proportion of the new Apprenticeship Levy
- Put local devolution partners in the driving seat for implementing the Sussex Post 16 Education & Training Review findings
- Devolve commissioning and accountability for the Work & Health Programme, Youth Contract and other worklessness programmes

