Norfolk Devolution Deal

Subject to the statutory requirements referred to within this document, including the consent of Norfolk County Council and parliamentary approval of the secondary legislation implementing the provisions of this deal.



Department for Levelling Up, Housing & Communities



Signature Page

Michel Gove

The Rt Hon Michael Gove MP

Secretary of State for Levelling Up, Housing and Communities

Dehenna Davison MP

Minister for Levelling Up

CIIr Andrew Proctor

Leader, Norfolk County Council

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Introduction

- 1. The Government has set itself a mission that, by 2030, every part of England that wants a devolution deal will have a devolution deal, with powers at or approaching the highest level of devolution, with a simplified, long-term funding settlement. The 2022 Levelling Up White Paper makes clear the case for devolution as the engine room of improved productivity and reduced regional disparities. Devolution will be critical to delivering our twelve headline Levelling Up missions, strengthening local leadership to act more flexibly and innovatively to respond to local need, whether on transport, skills or regeneration.
- 2. In the White Paper, the Government published for the first time a devolution framework, which set out a clear menu of options for places in England that wish to unlock the benefits of devolution. This framework places a strong emphasis on the importance of high profile, directly elected local leadership, strong local governance, and joint working across sensible and coherent economic geographies. The most comprehensive package is a Level 3 deal, for areas with a single institution over a sensible geography, with the strongest and most accountable leadership, such as a single county or unitary council with a directly elected leader, or a mayoral combined authority (MCA)¹. The Level 2 offer is for devolution to single local government institutions without a directly elected leader, such as combined authorities, or a single upper tier local authority covering a functional economic area or the whole county geography with the leader and cabinet governance model. The Level 1 offer is for local authorities with looser joint working arrangements, such as a joint committee model.
- 3. This document sets out the terms of an agreement for a Level 3 Devolution Deal between the Government and Norfolk County Council subject to ratification by the Council and the statutory requirements for making the secondary legislation implementing the deal. This document describes both the offer of powers and budgets from the Government and the reforms and measures that Norfolk will need to deliver. Central to this is the election of a directly elected leader across the deal area, to champion the area's interests, deliver on local priorities, and be accountable to local people. The Directly Elected Leader would be the Leader of Norfolk County Council and be vested with all its executive powers and responsibilities, alongside new powers conveyed to Norfolk County Council by this deal.
- 4. Norfolk County Council will undertake a public consultation on the deal proposals with other public sector partners including district and borough councils, as well as local communities and business. The statutory requirements include the council consenting to the legislation and Parliament approving it. Once this legislation is approved and made, the devolution deal will be confirmed.

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¹ Subject to the provisions on alternate titles making it through the passage of the Levelling up and Regeneration Bill and the bill receiving royal assent.

- 5. Norfolk County Council and Government are hereby minded to agree an historic devolution deal which will provide powers and funding to enable Norfolk to level up, raise living standards for its communities, and make a full contribution to the UK economy. The deal shows how levelling up can be done in practice with clear alignment to the 12 headline Levelling Up missions and long-term, devolved funding underpinning it.
- 6. Taken from the Old English "North Folc" meaning land of the north people, known also as the East Angles, Norfolk is a county steeped in history. The county was occupied by the Iceni until the end of the 1st century AD when the Romans developed roads, ports and farming. Celtic Queens, Roman Empires, Saxon and Viking rule, world wars and modern history have all since shaped the county into that which we see today.
- 7. Norfolk continues to evolve and is still a thriving example of rural British life. With a past of prosperous landowners and proceeds from trade with the continent, many fine buildings, castles, stately homes and churches in Norfolk were built and can still be explored today. The city of Norwich fuses culture and heritage, both modern and historic, as a central hub for the region's visitors and inhabitants. Norwich was also named as England's first UNESCO City of Literature in 2011.
- 8. Norfolk is the fifth largest shire county in England³ by area, with a population of just over 916,000⁴, projected to grow to 1m by 2036⁵. With its diverse and outward looking economy, over 100 miles of coastline, Areas of Outstanding Beauty, its historic and cultural assets, rural landscapes and coastal communities, market towns and three urban centres, Norfolk boasts a unique and distinctive identity, strengthened by its people's passion and pride of place⁶. Norfolk is also one of the largest county economies, worth £19bn² and ranking 15th for jobs (389,000 employees) and 10th for business numbers (39,500 businesses), with 6 Enterprise Zones. With two award-winning Universities: Norwich University of the Arts and the University of East Anglia, ranked in the UK top 25⁶ and World Top 200⁶ universities, Norfolk is ranked in the top 20 counties in the UK for the quality of its research outputs.
- 9. Norfolk has the vision, appetite and ability to deliver significant growth. Its diverse economy and sector specialisms mean that it is well equipped to make telling

² https://www.discovernorfolk.co.uk/story/norfolk-history-11/

³ ONS Open Geography Portal, Standard Area Measurements (2016) for Administrative Areas in the United Kingdom (2019)

⁴ ONS, Analysis of Population Estimates Tool for UK, 2020

⁵ ONS, Population Projections for Local Authorities

⁶ Norfolk & Suffolk Economic Strategy, New Anglia LEP

⁷ https://www.ons.gov.uk/economy/grossvalueaddedgva/datasets/regionalgvaibylocalauthorityintheuk

⁸ The Times/Sunday Times 2020 and Complete University Guide 2020

⁹ The Times Higher Education World University Rankings 2020

contributions to the major challenges facing the world in the 21st century: food and energy security, healthy ageing, climate change, and rapid technological advances. Norfolk's strengths, which they wish to build upon, are diverse and powerful including:

- An all-energy coast at the centre of the world's largest market for offshore wind, which together with Suffolk, generates over half of the UK's offshore wind power capacity and is worth about £1bn per annum¹⁰.
- A world-leading research base at the forefront of global food and health research and the renowned Norwich Research Park hosting some 3,000 scientists and clinicians¹¹.
- A fast-growing digital creative and IT sector¹², important to the Norfolk economy both in its own right and in its importance in driving productivity across all sectors.
- The A11 corridor from Norwich to Cambridge a world class destination for advanced manufacturing and engineering, supported by the Hethel Centre in Norfolk - the region's advanced manufacturing and engineering hub.
- Norfolk's first-class cultural heritage and environment means tourism supports around 70,000 jobs and is worth £3.4bn to the economy per year¹³. It also contributes to Norfolk's overall quality of place that can attract significant inward investment.
- 10. Whilst the county's mixed economy rural, coastal and urban brings key strengths, it also brings with it specific strategic challenges, and low population density results in higher costs to delivering economic and social infrastructure, and essential service delivery.
- 11. Norfolk's employment figures are among the best in the country, but skills and productivity levels are below the national average, and whilst Norfolk housing ranks as some of the most affordable in the country, house prices continue to outstrip average earnings. In many places, Norfolk lacks the necessary infrastructure, transport network and digital connectivity to develop strategic sites for housing and business growth. Despite being a significant producer and distributor of energy, growth opportunities are significantly constrained due to lack of energy capacity, and as one of the driest counties of the UK, Norfolk experiences growing pressures on water resources, with people and places experiencing the effects of a changing climate that are increasing flooding incidents.

¹⁰ (2021) Energy Sector Recovery and Resilience Plan, New Anglia Local Enterprise Partnership, https://newanglia.co.uk/wp-content/uploads/2021/05/New-Anglia-LEP-Energy-Recovery-and-Resilience-Plan-V5.pdf

¹¹ Norwich Research Park, https://www.norwichresearchpark.com/on-the-park

¹² New Anglia Local Enterprise Partnership, https://newanglia.co.uk/sectors/digital-creative-and-ict/

¹³ (2020) *Economic Impact of Tourism – Norfolk 2019*, Visit Norfolk, https://www.visitnorfolk.co.uk/wp-content/uploads/2021/11/Economic-Impact-of-Tourism-Norfolk-Report-2019.pdf

- 12. Norfolk and the Government have already collaborated across a number of interventions to promote growth, skills, infrastructure upgrades, and net zero solutions including:
 - £65.4m in Town Fund, Future High Streets Fund, and Community Renewal Fund
 - £271m shared with Suffolk through Getting Building Fund, Growth Deal and Growing Places Fund
 - 6 Enterprise Zones that combined with Suffolk zones have created over 4,400 jobs through to 2021¹⁴.
- 13. The Norfolk County Deal will unlock significant long-term funding and give local leaders greater freedom to decide how best to meet local needs and create new opportunities for the people who live and work there. The Government recognises that devolution is a journey, not a one-off event. This agreement is the first step in a process of further devolution and will pave the way for future conversations as part of an ongoing dialogue. As institutions mature, they can gain greater responsibility, and Norfolk will be able to deepen their devolution arrangements over time, subject to Government agreement. The Government will continue to work with Norfolk to use the county's unique economic, environmental and delivery strengths to drive opportunity for all and support residents in fulfilling their potential
- 14. Developing this ongoing partnership with Government is important to maximising the benefits of Norfolk's Devolution Deal. The Government commits to using the platform of this deal to work with Norfolk to support inclusive economic growth in towns, cities and rural areas whilst tackling the climate emergency, on our journey to 2030.
- 15. As an area with a Level 3 devolution deal, Norfolk will be a key partner of central government to drive regional growth and productivity, joining the existing areas with a Level 3 devolution deal in engagement with the Government from the date of this deal.

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¹⁴ https://newanglia.co.uk/wp-content/uploads/2021/06/FINAL-Enterprise-Zones-five-year-report.pdf

Summary of the Devolution Deal between the Government and Norfolk County Council

The Government and Norfolk County Council are minded to agree a devolution deal which will provide the area with new powers and funding to increase opportunities and living standards through inclusive growth and productivity improvements.

A devolution agreement is contingent upon Norfolk County Council proceeding through the steps necessary to meet the governance criteria required for a Level 3 devolution deal.

This devolution agreement includes:

- Control of a £20million per year allocation of investment funding over 30 years, 40% capital and 60% revenue, to be invested by Norfolk County Council to drive growth and take forward its priorities over the long term.
- Almost £7m for the building of new homes on brownfield land in 2024/25, subject to sufficient eligible projects for funding being identified.
- £5.9 million of capital funding in this Spending Review period to support the delivery of housing, regeneration and development priorities Norfolk. This investment is subject to agreement of the relevant business cases.
- New powers to drive the regeneration of the area and to build more affordable homes including compulsory purchase powers and the ability to establish Mayoral Development Corporations¹⁵.
- An integrated transport settlement starting in 2024/25. Government will work
 with Norfolk to agree an integrated multi-year transport settlement at the next
 Spending Review, at which point opportunities for expanding the integrated
 transport settlement offer will also be explored.
- New powers to shape local skills provision to better meet the needs of the local economy and local people, including devolution of the core Adult Education Budget, as well as input into the new Local Skills Improvement Plans.
- A commitment to explore a local partnership with Great British Railways so that the Norfolk County Council directly elected leader can help to shape and improve local rail services.
- Norfolk County Council will continue to engage district authorities on the delivery of the UK Shared Prosperity Fund through the Norfolk Investment Framework Steering Group. Representatives include portfolio holders for each district authority and Town Deal Board Chairs.
- Norfolk County Council will plan and deliver the UK Shared Prosperity Fund (UKSPF) from 2025/26, to boost skills, pride in place and support businesses, which could include investing in:

¹⁵As Norfolk wishes to make use of a title other than mayor, it should be noted too that 'Mayoral Development Corporation' is the type of body corporate established by statute but that the word 'mayoral' does not need to be included in the name given to any development corporation the elected leader might wish to establish.

- creating further opportunities for residents and local businesses by increasing skills and labour market dynamism
- o improve the provision of efficient and effective public service delivery to a spatially diverse population,
- o strengthening and future-proofing key business sectors, and
- o protecting Norfolk's economic and cultural assets from climate change
- A county council resolution to change executive governance to the model described in statute as the directly elected 'mayor and cabinet executive' governance model; a resolution to make use of the 'elected leader' alternate title¹⁶ and following this, the election of a directly elected leader to provide overall vision and leadership, seek the best value for taxpayer's money, be directly accountable to the county's electorate and to receive new powers on transport, housing and skills. The elected leader will provide overall leadership of Norfolk County Council and will be vested with all its executive powers.
- The future integration of New Anglia Local Enterprise Partnership to ensure there continues to be a strong and independent local business voice which informs local decision making and strategic economic planning. The integration will be evidence-led, collaboratively developed and focussed on delivering the best economic outcomes for Norfolk.

More detail on these commitments is given in the main body of the document below.

Building on this framework, Government and Norfolk County Council commit to working together in the coming months and years to deepen devolution, strengthen ties between the local area and government partners, and work collaboratively to deliver the Levelling Up missions across Norfolk.

Further powers may be agreed over time and included in future legislation. Involvement in and benefit from other Government processes is not precluded by a devolution deal.

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¹⁶ Subject to the provisions in the Levelling Up and Regeneration Bill on alternate titles receiving royal assent.

Governance

- 16. Strong local leadership is essential for delivering better local outcomes and more joined up public services. It provides a focal point for innovation and local collaboration with local accountability. The Government's devolution framework, as set out in the Levelling Up White Paper, states that a Level 3 devolution deal the highest-level deal with the greatest powers requires a directly elected leader.
- 17. As part of this agreement, therefore Norfolk County Council will move to adopt what is described in statute as the directly *elected 'mayor and cabinet* executive' governance model¹⁷ subject to a resolution of Full Council on the 12th December 2023¹⁸ giving the people of Norfolk a direct say in who will take forward the new opportunities created by this ambitious devolution deal.
- 18. Subject to the Levelling Up and Regeneration Bill (with its current provisions on titles) receiving Royal Assent and coming into force, and subject to council resolution, Norfolk would call the directly elected person, who would otherwise be known as an elected mayor, the "elected leader" of the County Council. The same 'subject to the bill receiving Royal Assent and resolution by full council' caveat applies throughout the deal document where reference is made to the elected leader.
- 19. Norfolk County Council will hold their first elected leader election on Thursday 2nd May 2024 coinciding with the county wide Police & Crime Commissioner election. The second election will be held on Thursday 3rd May 2029 coinciding with all-out County Council elections, making the first elected leader's term 5 years. The second term, and the term of the leader thereafter shall be 4 years. The electorate will be registered local government electors in the area of Norfolk County Council.
- 20. The elected leader will appoint a Cabinet made up of the elected leader and between 2-9 members of the Council, of which one will be appointed deputy leader.
- 21. The elected leader will provide overall leadership of Norfolk County Council and will be vested with all its executive powers. The elected leader may choose to delegate function(s) to the Cabinet or, to members of the Executive; where this is the case, the member to which a specific directly elected leader-function has been delegated will exercise that function on behalf of the elected leader. More generally, members of the Executive may also act to support and advise the elected leader in the exercise of directly elected leader functions. The Council's

¹⁷ One of the acceptable forms of Local Authority governance as set out by the Local Government Act 2000 (Chapter 2).

¹⁸ The earliest Norfolk County Council would be able to resolve to change their governance arrangements under current legislation is the 11th December 2023. Assuming provisions (Clause 66) in the Levelling Up and Regeneration Bill that afford local authorities to apply to have a governance change moratorium waved receive royal assent it may be possible for NCC to make their resolution earlier. The 15th September 2023 is the earliest point NCC could resolve and achieve a May 2024 election.

independent remuneration panel will recommend allowances payable to the elected leader.

- 22. To access level 3 powers and flexibilities, it is important that devolution deals are based on geographies that local people recognise, as well as being sensible economic areas with a single institution in place across that geographic footprint.
- 23. Norfolk has a single institution, namely the County Council, that covers the whole geography of Norfolk. This is an established, democratic structure, able to adopt a governance model that includes a directly elected leader accountable to Norfolk's electorate, with a long history of serving the people of Norfolk, it is, therefore, best placed to be the institution over which the new elected leader will have control and to which powers are devolved from Westminster.
- 24. Norfolk County Council shares the government's view that the involvement of city, district and borough councils will be pivotal to the success of the devolution deal.
- 25. Norfolk County Council considers the Norfolk Public Sector Leader's Board an important vehicle through which city, district and borough councils together with other public, private and voluntary sector leaders can join in creating a renewed vision for Norfolk in the context of successful delivery of the devolution deal. Norfolk wishes to work across all sectors with a view to creating a non-statutory Norfolk Leadership Board, building on the Public Sector Leaders' Board, to contribute to the development of the County Deal strategy, and any subsequent deals, and oversee its implementation and delivery. Norfolk County Council also recognises the importance of a strong business voice in driving economic growth, and will continue to ensure they are fully represented through Business Boards, and reflected in the deal's implementation and oversight.
- 26. The County Council wishes to act collaboratively and in partnership with all of the city, districts and boroughs councils involved. In particular the exercise of the functions below will be with the consent of the relevant planning authorities in whose area the function is being exercised:
 - a. Ability to establish a Mayoral Development Corporation¹⁹,
 - b. Homes England compulsory purchase powers.
- 27. Functions contained in this deal document will be devolved to Norfolk County Council by the Government, subject to a number of conditions, including the adoption of what is described in statute as a directly elected 'mayor and cabinet executive' governance model. Some of these functions will be exercisable by the elected leader and some by the Council.
- 28. Norfolk County Council are to be given powers in relation to:

¹⁹ As Norfolk wishes to make use of a title other than mayor, it should be noted too that 'Mayoral Development Corporation' is the type of body corporate established by statute but that the word 'mayoral' does not need to be included in the name given to any development corporation the elected leader might wish to establish.

- Economic development and regeneration functions.
- Adult education and skills functions.
- Housing functions relating to compulsory purchase (subject to the consent of the local planning authority affected by the exercise of the function), plus provision of housing and land, land acquisition and disposal, and development and regeneration of land.
- 29. The directly elected leader for Norfolk County Council will autonomously exercise their new functions with personal accountability to the electorate, devolved from Government and set out in legislation. These functions are to be:
 - Power to designate a Mayoral²⁰ Development Area and then set up a Mayoral Development Corporation (see consent requirements below at paragraph 54).
 - Homes England housing and land acquisition powers (see consent requirements below) to support housing, regeneration, infrastructure and community development and wellbeing.
- 30. Where functions are delegated to the Cabinet and full council where it is a full council matter that body will vote on functions that have been devolved via the council's usual governance method. Any questions that are to be decided by the council's executive are to be decided by a simple majority of the members present and voting, unless otherwise provided for in legislation.
- 31. Norfolk County Council will be scrutinised and held to account for their devolution deal by the Council's Scrutiny Committee. The Chair of Scrutiny Committee will be appointed by council and will be an opposition member, normally the Leader of the main opposition party, and shall not be a member of a registered political party of which the directly elected leader is also a member.
- 32. The Government recognises that Norfolk County Council has further devolution ambitions, including around housing, digital connectivity, energy infrastructure, flooding and water course management among others. The Government and Norfolk County Council will continue their dialogue on these matters and any further deeper devolution deal will be subject to agreement with Government.
- 33. The Levelling Up White Paper committed the Government to produce a reformed accountability framework for all areas with a devolution deal in England. The Government, Norfolk County Council and other areas with devolution deals will work together to determine how this can best work in practice, so that we can improve the consistency of data and reporting, streamline our approach to focus on clear and transparent outcomes and ensure the right mechanisms are in place to promote good practice, as well as address serious concerns. This is to ensure that local people have confidence that devolution is leading to improvements in their area. This framework will apply to Norfolk as well as all existing areas that have agreed devolution deals and all future areas.

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34. The proposals in this devolution deal are subject to ratification by Norfolk County Council through their normal executive decision-making processes. The implementation of the deal will require consultation with other public sector partners including city, district and borough councils as well as local communities and business on the proposals. Implementation is also subject to the Secretary of State for the Department for Levelling Up, Housing and Communities being satisfied that the required statutory requirements have been met, the consent of the council and parliamentary approval of the required secondary legislation. If Norfolk County Council does not resolve to adopt what is described in statute as the directly 'elected mayor and cabinet' governance model, this devolution deal agreement does not hold.

LEP Integration

- 35. The Levelling Up White Paper announced the Government's intention to support the integration of LEP functions and roles into local democratic institutions to ensure a strong business voice at the heart of local decision making. Further guidance on how integration should happen was published on 31 March 2022. This deal confirms the integration of New Anglia LEP functions and Business Boards into Norfolk County Council and Suffolk County Council, subject to Government endorsement of an integration plan and agreement from New Anglia LEP.
- 36. Norfolk County Council will work collaboratively with New Anglia LEP and partners to ensure that there continues to be a strong, diverse and independent local business voice in Norfolk to inform local decision making and strategic economic planning. Norfolk and Suffolk County Councils will be supported to take on all the functions and roles set out in section 10 of the guidance on LEP integration published in March 2022. Any long-term future funding for the integration of LEP functions and roles will be subject to future funding decisions and business planning. The Government reserves the right to modify the functions and roles set out in section 10 of the guidance on LEP integration.

Finance and Investment

- 37. Norfolk County Council will create a fully devolved funding programme covering all budgets for devolved functions ("Norfolk Investment Fund"), accountable to Norfolk County Council.
- 38. Norfolk County Council will use the Norfolk Investment Fund to deliver a programme of transformational long-term investment. The Government agrees to allocate [£20 million] per annum for 30 years, [40% capital and 60% revenue], which will form part of the Norfolk Investment Fund. This will be subject to five-yearly gateway review assessments to confirm that the investment has contributed to economic growth and levelling up. Once the Order is made conferring powers to Norfolk County Council and the county has its Assurance Framework signed off, Norfolk may have access to the Investment Fund prior to the election of a directly elected leader, subject to the agreement with the Government of suitable caps.
- 39. The costs of Norfolk County Council will be met from the overall resources of Norfolk County Council. To support Norfolk County Council in the early stages of this deal, the Government will provide £250,000 capacity funding in 2023/24 once the establishing legislation is made and the Assurance Framework confirmed with the Government and £500,000 in 2024/25. Any future capacity funding will be subject to Spending Review, in line with arrangements for other devolution deals. Additional activities or capital allocations from government will be supported by revenue allocated to Norfolk County Council in line with practice for existing areas with a Level 3 devolution deal.
- 40. Norfolk will be the lead local authority for the planning and delivery of the UKSPF (or 'the Fund') from 2025/26 if there is a continuation of the Fund and the delivery geographies remains the same. The Norfolk UKSPF allocation - which is set to rise to £6.63 million in 2024/25 - will be subject to a future Spending Review and reconfirmation of overall UKSPF policy and delivery arrangements from 2025/26. If the delivery model remains the same as the current Spending Review period, it is anticipated that the Norfolk County Council will have overall accountability for the funding and how the Fund operates in the area, with wide flexibility to invest and deliver according to local needs. In carrying out this role, it will need to engage with local partners, including district and borough councils. Norfolk County Council will continue to engage district authorities on the delivery of the UKSPF, and other funds such as the Rural England Prosperity Fund, through the Norfolk Investment Framework Steering Group. Representatives include portfolio holders for each district authority, sector and industry leads, in addition to Town Deal Board Chairs. Norfolk will develop a proposal for governance of the UKSPF in advance of the funds being available.

Labour Market and Skills

Adult Education

- 41. Norfolk faces a growing productivity and wage gap with other parts of the country. Despite some of the highest levels of employment in England, with 77.3% of people in employment versus 75.4%²¹, a significant number of current job vacancies remain unfilled, with Norfolk businesses citing skills as one of the biggest issues facing the economy. Only 32.7% of Norfolk residents have a NVQ4+ qualification compared with 43.1% nationally, Norfolk has also been identified as the weakest area for productivity in East Anglia.²² Boosting adult skills, wages and closing the productivity gap could add significant value to the Norfolk and regional economy.
- 42. Government will fully devolve the Adult Education Budget (AEB) to Norfolk County Council from academic year 2025/26 subject to readiness conditions and parliamentary approval of the required secondary legislation conferring the appropriate functions. These arrangements do not cover apprenticeships or traineeships, even though the latter is funded through the AEB.
- 43. Prior to full devolution taking place the Government will work with Norfolk County Council to support their preparations for taking on the relevant functions, including offering implementation funding on a 'matched-funded' basis and awarded through a business case process.
- 44. Upon devolution, Norfolk County Council will be responsible for making allocations to providers and the outcomes to be achieved, consistent with statutory entitlements. The Government will not seek to second guess these decisions, but it will set proportionate requirements about outcome information to be collected in order to allow students to make informed choices.
- 45. The Government will consult with Norfolk County Council on a funding formula for calculating the size of the grant to be paid to Norfolk County Council for the purpose of exercising the devolved functions.
- 46. In order to proceed with devolution, the Government needs to be assured of the following readiness conditions:
 - a. The Secretary of State for Education and appropriate accounting officer are assured that Norfolk County Council is operationally ready to administer AEB and is satisfied the required statutory tests have been met.
 - b. Parliament has legislated to enable transfer to Norfolk County Council of the current statutory duties on the Secretary of State to secure appropriate

²¹ Norfolk Insight Employment Rates 2022-23

²² https://www.norfolkinsight.org.uk/economy-and-employment/#/view-report/9e93e3faae4c449084e459fcd86e88d0/ iaFirstFeature/G3

- facilities for further education for adults from this budget and for provision to be free in certain circumstances.
- c. Agreement to a memorandum of understanding between the Department for Education and Norfolk County Council that provides appropriate assurance that the named parties will work together to ensure the future financial stability of the provider base, including for sharing financial risk and managing provider failure.
- d. Learner protection arrangements are agreed between parties.

Skills and Employment

- 47. Local Skills Improvement Plans (LSIPs) will set out the current and future skills needs of the area and how local provision needs to change to help people develop the skills they need to get good jobs and increase their prospects. They will build a stronger and more dynamic partnership between employers and further education providers and allow provision to be more responsive to the skills needs of employers in local labour markets.
- 48. Working with the designated Employer Representative Body, utilising and sharing the local labour market intelligence and analysis developed²³, Norfolk County Council will support and provide input into the LSIP for the area.
- 49. Norfolk County Council will be considered alongside other areas with a Level 3 devolution deal at future Spending Reviews with regard to the devolution of skills funding.
- 50. The Government recognises the challenges facing Norfolk, with coastal and rural communities experiencing a complex range of issues, such as poor connectivity, including digital coverage, affordable housing and, in places, access to services and further education provision. There is a need to develop and deliver targeted programmes to address the unique and very different challenges across such a large and diverse county. Norfolk will work in partnership to develop proactive support for these groups through ongoing engagement with local Department for Work and Pensions Jobcentre Plus.
- 51. The Government and Norfolk County Council will also work together to better target employment support by understanding and utilising publicly available local labour market intelligence and analysis²⁴. As part of the development of the economic framework, the Government is committed to working together on the county's strategic priorities and supporting the development of the county's economic framework.

²³ This includes analysis produced previously by the New Anglia LEP and its Skills Advisory Panel (funded by a Department for Education grant up until March 2023)

²⁴ This includes analysis produced previously by the New Anglia LEP and its Skills Advisory Panel (funded by a Department for Education grant up until March 2023)

- 52. The Department for Work and Pensions and Norfolk County Council will work together on Norfolk's strategic priorities for employment through enhanced engagement by way of:
 - a. Membership of the joint Department for Work and Pensions and Department for Education Mayoral Combined Authority Advisory Group.
 - b. Regular engagement with the regional Employer and Partnership team in Jobcentre Plus, and strategic labour market partnership teams.
- 53. The Department for Work and Pensions will also consider what role Norfolk County Council could have in the design and delivery of future contracted employment programmes.

Housing and Land

- 54. Norfolk County Council will have broad powers to acquire and dispose of land to build houses, commercial space and infrastructure, for growth and regeneration. The County Council, working with its partners, including planning authorities and Homes England (where relevant), will be able to invest to deliver housing for the area.
- 55. Norfolk County Council will have land assembly and compulsory purchase powers, subject to the agreement of the local planning authority where the relevant land is located, and to the consent of the Secretary of State for Levelling Up, Housing and Communities.
- 56. The directly elected leader will have the power to designate a Mayoral Development Area and, with the agreement of the relevant planning authority/ies, to create Mayoral Development Corporations²⁵ to support delivery on strategic sites in Norfolk. This power may be exercised only with the consent of the planning authority/ies in the area in which the Development Corporation is to be established.
- 57. The area will be awarded £6.98million of devolved capital funding in 2024/25 to support the building of new homes on brownfield land, subject to sufficient eligible projects for funding being identified. To effectively deliver the best outcomes, Norfolk will work in collaboration with district and borough councils.
- 58. To support Norfolk County Council to identify and bring forward a pipeline of housing projects, the Government will also provide £382,000 in capacity funding across 2023/24 and 2024/25.
- 59. Government will also work with Norfolk County Council to build on the success of the One Public Estate model to better understand and utilise public land in the area. This will include considering how best to engage with Norfolk when planning for changes to public estates in the county.
- 60. The Government will also provide up to £5.9 million of capital funding in this Spending Review period to support the delivery of housing, regeneration and development priorities Norfolk, subject to final business cases.

Working with Homes England

61. The County Council will work with District Councils and other relevant partners to identify local priorities.

²⁵ As Norfolk wishes to make use of a title other than mayor, it should be noted that 'Mayoral Development Corporation' is the type of body corporate established by statute but that the word 'mayoral' does not need to be included in the name given to any development corporation the elected leader might wish to establish.

- 62. Norfolk County Council and Homes England are committed, with the support of DLUHC, to working collaboratively combining their skills and capacity to unlock the barriers to affordable housing delivery, regeneration and wider housing growth through the development of a pipeline for the county. This will be underpinned by a clear Action Plan setting out workstreams, timescales and milestones, as well as respective roles and responsibilities.
- 63. Homes England and DLUHC will explore the potential for investing in the delivery of this pipeline through current and future funding streams, including the Affordable Housing Programme.
- 64. Homes England, DLUHC, and Norfolk will also collectively explore how wider measures including viability assessments and the planning system could better support Norfolk's plans to increase much needed rural affordable housing supply, and in partnership test how the developing Homes England rural strategy could assist in this.

Transport

65. Norfolk County Council is already responsible for transport planning and delivery and will continue to exercise these functions and powers.

Transport plans

66. In line with best practice as set out in new local transport plan guidance planned for early 2023, Norfolk will update their existing area-wide local transport plan by March 2024 to be finalised by the elected Leader. Norfolk will be provided with an additional £250,000 in revenue funding in both 2023/24 and 2024/25 to accelerate this work and implement quantifiable carbon reductions to the higher standard recommended in related guidance. The investment in local transport planning and the consolidated transport budget will provide Norfolk with the opportunity to design a pipeline of transport schemes.

Consolidated transport budget

67. The directly elected leader will be responsible for a devolved and consolidated integrated local transport budget for the area of Norfolk, consisting initially of the local highways maintenance funding (both the Pothole Fund and Highways Maintenance Block) and the Integrated Transport Block. The integrated transport settlement will be available to Norfolk following the first directly elected leader election in May 2024, for the final year (2024/25) of the current Spending Review period. The Government acknowledges that Norfolk desire longer-term certainty that the integrated transport settlement will continue beyond 2025 and will therefore work with Norfolk to agree an integrated multi-year transport settlement at the next Spending Review. At this point, opportunities for expanding the integrated transport settlement offer will also be explored.

Roads 8

- 68. The Government acknowledges the challenges Norfolk faces with transport connectivity as a large rural area. The Government also recognises the aspirations of Norfolk to improve public electric vehicle charging infrastructure across the county, which would increase the uptake of electric vehicles in the county and reduce carbon emissions by supporting all motorists in making the switch. Government is introducing a new £450m local electric vehicle infrastructure (LEVI) scheme for local authorities to support local EV infrastructure delivery and will work with Norfolk to ensure the area is well placed to respond once funding arrangements are announced.
- 69. The Government has provided £98.1m to deliver the Third River Crossing in Great Yarmouth and will continue to support delivery of this scheme until its scheduled completion in 2023. The Government has also conditionally approved a £26.2m contribution to the A140 Long Stratton Bypass, subject to Full Business Case; and

- will consider the business case proposals for the Norwich Western Link and the A10 West Winch Housing Access Road.
- 70. Government is committed to improving the Strategic Road Network serving Norfolk. As part of the Road Investment Strategy 2, the government has committed to delivering improvement to the A47 through the following schemes; Blofield to North Burlingham dualling, North Tuddenham to Easton dualling, Thickthorn junction improvement, Great Yarmouth junctions improvement.

<u>Buses</u>

- 71. Norfolk County Council is implementing an initial Enhanced Partnership to deliver high quality bus services as part of an integrated local transport system. If Norfolk concludes that bus franchising is likely to deliver better outcomes, the Government will consider conferring franchising powers from the Transport Act 2000 where Norfolk demonstrates they have the capability and intention to deliver their chosen franchise model and that franchising will deliver better services than their enhanced partnership without needlessly delaying benefits to passengers. In any partnership or franchising arrangements, Norfolk should seek within available resources to facilitate the delivery of smart, simple integrated ticketing across all local modes of transport in the county. Norfolk will continue to work with relevant partners Transport East, bus and rail operators, Great British Railways and the Department for Transport to realise this ambition.
- 72. As per the commitment in the National Bus Strategy the Government is working on the reform of the Bus Service Operators Grant (BSOG). Following the reform of BSOG should Norfolk request BSOG be devolved to them the Department will work with Norfolk to devolve BSOG to them in line with the consultation outcome.
- 73. The Government recognises Norfolk's aspiration to improve local bus services. To support the delivery of Norfolk's Bus Service Improvement Plan, the government has provided a funding allocation of up to £49.5m.
- 74. The Government recognises Norfolk's aspiration to decarbonise local bus services. To support, this the government has provided £3.2m for the purchase of 15 electric buses to the local bus network in Norfolk, part of the Zero Emission Bus Regional Areas (ZEBRA) funding.

Rail

75. Government will support Norfolk in seeking a new rail partnership with Great British Railways, once established, so that their priorities can be taken into consideration in future decisions regarding their local network. Norfolk, alongside existing Level 3 authorities, will be considered a priority for these agreements which will provide the ability to influence the local rail offer. Local priorities will need to be coordinated and compatible with surrounding areas and the needs of the national network.

Active Travel

76. Norfolk will work with Active Travel England (ATE) on any future walking and cycling schemes to ensure schemes are delivered to high standards, including compliance with Local Transport Note 1/20 (LTN 1/20). All cycling and walking schemes should be approved by ATE as complying with appropriate design guidance, including LTN 1/20.

Net Zero and Climate Change

- 77. Norfolk's councils are committed to addressing and mitigating the impact of climate change, as well as to contributing to Government's Net Zero targets. A Norfolk Climate Change Partnership (NCCP) was set up in January 2020 to work across the local system on climate change issues, with the specific aim of helping develop Norfolk into an exemplar in tackling climate change by decarbonising local authority assets and supporting the decarbonisation of the Norfolk economy, as well as protecting and enhancing its natural environment.
- 78. As part of its Net Zero Strategy, the Government recognises that devolved and local government can play an essential role in meeting national net zero ambitions. Local leaders in Norfolk and elsewhere are well placed to engage with all parts of their communities and to understand local policy, political, social, and economic nuances relevant to climate action. This is why the devolution framework grants places the opportunity to adopt innovative local proposals to deliver action on climate change and the UK's net zero targets.
- 79. Government recognises Norfolk's aspiration to bring forward clean hydrogen projects to support the UK's transition to net zero. The UK Hydrogen Strategy (2021) set out a comprehensive approach to scaling up the hydrogen economy, and in the British Energy Security Strategy (2022) Government doubled its ambition to up to 10GW of low carbon hydrogen production capacity by 2030, at least half of which will be from electrolysis, with up to 1GW of electrolytic hydrogen production projects operational or in construction by 2025. Support is available through the Industrial Decarbonisation and Hydrogen Revenue Support (IDHRS) scheme, which will fund the allocation of hydrogen business model contracts to both electrolytic and CCUS-enabled projects from 2023; and the £240 million Net Zero Hydrogen Fund, which launched in April this year. Government encourages projects in all parts of the UK, including in Norfolk, to engage with these opportunities, which we would explore in future discussions with Norfolk in due course.
- 80. The Local Net Zero Forum, chaired by the Department for Business, Energy and Industrial Strategy, is cross-Government and brings together national and local government senior officials. Through representative organisations on the forum the Local Government Association (LGA), Association for Public Service Excellence (APSE), Core Cities and the Association of Directors of Environment, Economy, Planning & Transport (ADEPT) Norfolk will get the opportunity to discuss local net zero policy and delivery issues in the round.

Networks

81. Government recognises the need to increase Norfolk's electricity network capacity to meet future electricity demand. The county is a major contributor to the UK's clean energy generation, with the Dudgeon and Sheringham projects providing over 700 megawatts generating capacity and enough clean electricity to power over seven hundred thousand homes. As set out in the Electricity Networks Strategic Framework, Government is committed to ensuring that areas with a

- devolution deal, including Norfolk, have a meaningful role in planning the national future energy system for net zero, alongside other local areas as appropriate.
- 82. Government and Ofgem are working together to consider the role local and regional energy planning could play in delivering net zero and supporting efficient network planning, including considering the respective roles of national government, regulator, local government, a Future System Operator, distribution network operation and other key stakeholders for energy planning.
- 83. Government is committed to ongoing collaboration with the aim of addressing detailed policy and regulatory barriers to increasing network coordination. Through the Offshore Transmission Network Review (OTNR), Government is seeking to develop an increasingly coordinated offshore transmission network to minimise the impacts to the community and the environment, reduce costs, and support the acceleration of offshore wind deployment.

Buildings

84. The Government commits to explore the potential benefits of and design options for a place-based approach to delivering retrofit measures, as part of HMG's commitment in the Net Zero Strategy to explore how it could simplify and consolidate funds which target net zero initiatives at the local level where this provides the best approach to tackling climate change. This work will involve inviting Norfolk to work with Government through the relevant representative organisations to consider if such an approach could accelerate the meeting of net zero goals and provide better value for money.

Clean heat

85. Government has confirmed its intention to establish heat network zoning in England. Under the zoning proposals, Zoning Coordinators within local government will be able to designate areas as heat network zones where heat networks are going to be the most cost-effective way to decarbonise heating and hot water within the zone. This will enable Norfolk County Council to assume the role of heat network Zoning Coordinator for its locality, and play a key role in the delivery of heat decarbonisation infrastructure. This includes requiring certain buildings to connect to heat networks within the zones. Government is committed to have heat network zoning in place by 2025.

Net zero infrastructure

86. The UK Infrastructure Bank ("the Bank") will increase infrastructure investment across the UK by partnering with the private sector and local government to help tackle climate change and support regional and local economic growth. The Bank's advisory service, when launched, could offer advice and support to local stakeholders, including Norfolk County Council, to help deliver on their objectives, including driving investment into net zero infrastructure and innovative local projects. It can also act as a convenor, bringing together local actors for collaborative projects, and where appropriate identifying where projects can be aggregated to achieve greater impacts.

Green jobs

87. Through the Green Jobs Delivery Group, Government is working to ensure that workers, businesses and local areas, including Norfolk, are supported through the net zero transition. Norfolk now has the opportunity to deliver green skills interventions at a local level through having a greater role in delivering the Adult Education Budget and UK Shared Prosperity Fund.

Nature Recovery

- 88. Norfolk County Council has provisionally agreed to act as the responsible authority for the preparation of the Local Nature Recovery Strategy (LNRS) for the area. Formal appointment of responsible authorities will be made following publication of relevant regulations and guidance and confirmation of funding. The Strategy will: map the most valuable existing habitat for nature; map proposals for creating or improving habitat for nature and wider environmental goals, and; agree priorities for nature's recovery. Defra agree to consider the role of Norfolk County Council in the LNRS in due course.
- 89. Government will work with Norfolk to ensure that local environmental policies, including Norfolk's LNRS, support the delivery of Government's 25 Year Environment Plan. Government recognises the ambition of Norfolk to pilot innovative climate mitigation and adaptation initiatives and will consider Norfolk as a test-bed geography for future policies including feasibility studies to create recyclable investment models, drawing on support for investment as outlined in this deal.

Flooding

90. Norfolk has convened the Norfolk Strategic Flooding Alliance (NSFA) which brings together all agencies and partners involved in planning for and responding to flooding in Norfolk. Government recognises that an integrated approach to flood risk and water resources management can benefit the needs of communities, businesses and the environment across Norfolk. Government would therefore encourage the ambitions of the NSFA and Norfolk County Council for closer working with the Environment Agency, Internal Drainage Boards and other Risk Management Authorities to a deliver a joined-up approach to watercourse regulation for flood risk mitigation, building on the strong collaborative working with Water Resources East on water supply and security. This will not change the role and responsibilities of existing Risk Management Authorities.

Digital

91. The Government recognises that high quality digital connectivity is crucial for future economic growth and productivity in Norfolk. While rollout of broadband and mobile infrastructure will be delivered nationally through DCMS, the Government will engage with Norfolk on a regular basis, including on delivery plans in the county, particularly where they involve hard to reach rural areas. The Government is committed to achieving nationwide coverage of gigabit capable broadband by 2030 and to ensuring that rural areas are not left behind including in Norfolk. Procurements covering Norfolk commenced in April 2022, and regular Project Gigabit programme updates will be provided quarterly by Building Digital UK, covering progress in delivering for communities across the area. The Government also commits that it will support Norfolk's digital connectivity ambitions through the upcoming Wireless Infrastructure Strategy, which will set out a strategic framework for the development, deployment and adoption of 5G and future networks.

Culture and Heritage

- 92. Norfolk County Council, together with key local stakeholders and partners, will work with a partnership of Arm's Length Bodies of the Department for Digital, Culture, Media and Sport's (DCMS) Arm's Length Bodies to build on the council's significant track record of developing and delivering ambitious place-based strategies to realise the county's rich cultural potential.
- 93. This will include looking across culture, heritage, sport and visitor economy initiatives and identifying opportunities for a joined-up, strategic approach and will be taken forward with reference to Culture Drives Impact, the recently published Norfolk and Suffolk Culture Board Manifesto. Building on Norfolk's outstanding cultural strengths and assets, this collaborative strategic approach will support Norfolk's cultural partners to deliver an exceptional cultural offer, thus maximising the contribution of culture and heritage to placemaking, local communities and sustainable economic growth across Norfolk. For example, Norfolk will work with DCMS and Historic England on developing the legacy of Heritage Action Zone investments, the protection and enhancement of Norwich Castle, the Broads and Fens, and renewing the county's pride and place in further priority places, including Norwich. Similarly, by building stronger strategic relationships with DCMS and Arts Council England regarding the Levelling up For Culture Places and Arts Council Priority Places, Norfolk can work more impactfully and ambitiously to deliver vital levelling up interventions.
- 94. The visitor economy is another area where Norfolk will benefit from stronger partnership working. The tourism sector is one of the major economic contributors to the county, supporting more than 70,000 jobs and contributing about £3.4bn annually to the local economy. Building on more than ten years of concerted partnership work to further develop both their cultural and sustainable tourism offers, Norfolk County Council wishes to work even more closely with tourism partners, including Visit East of England (VEE), their strategic destination management organisation to create and deliver an ambitious and forward-looking strategy and plan for Norfolk to become both a 'must-see cultural destination' and the most sustainable and inclusive tourism destination in the UK by 2030. In line with the objectives set out in the Government's Tourism Recovery Plan, DCMS will also work with the accredited Local Visitor Economy Partnership for the region to help develop Norfolk's visitor economy, with a view to harnessing the regional potential to grow domestic and international visitor spend, increase access to the sector and reduce seasonality.

Innovation, Trade and Investment

- 95. Through the deeper devolution trailblazer deals announced in the Levelling Up White Paper, Government will bring together a holistic package of powers, roles, functions and strategic relationships to grow the private sector at a local level.
- 96. The trailblazers are designed as a blueprint for other Level 3 devolution deals, and Government will draw lessons from this approach to make a similarly broad and holistic offer to Norfolk in due course. This offer aims to build the resilience of businesses and households in Norfolk to cost of living pressures, strengthen Norfolk's global competitiveness and empower local entrepreneurs.
- 97. This offer will explore the following, and potentially other, options to:
 - a. Empower Norfolk to be able to secure greater private investment in local priorities.
 - b. Strengthen Norfolk's local innovation capacity to help realise the potential of local innovation assets and the innovation potential of small and medium enterprises.
 - c. Help to realise the global export potential of local businesses in Norfolk and maximise the local benefits of international trade.
 - d. See Norfolk play a greater role in supporting local businesses to improve their productivity.
 - e. Engage Norfolk in the delivery of digital infrastructure and potential economic and public service applications of data and data science.
- 98. Through this work, Norfolk will be able to further support the growth of its local economic strengths, particularly in agri-tech and food production. Norfolk's world-class scientific community is at the forefront of finding solutions to the contemporary challenges of climate change and food security. The University of East Anglia is home to the Tyndall Centre for Climate Change, a pre-eminent institute for climate research and viable pathways to a net zero future. Furthermore, Norwich Research Park brings together four institutes internationally recognised for their cutting-edge research in plant science, genetics and microbiology. Among them is the John Innes Centre, a key contributor to the agri-science advances that spurred the green revolution, and which continues to develop globally significant disease and climate resilient crop varieties.
- 99. Looking ahead, Norfolk's vibrant research cluster is well-placed to realise the potential for innovation that the Genetic Technology (Precision Breeding) Bill will unlock for shaping our future food system in a changing climate. The Government is committed to relocating roles out of Greater London and closer to the policy issues they are addressing, as set out in its Places for Growth programme. The relocation of policy and senior roles will benefit communities across the UK enabling more diversity of thought into policy making leading to better-informed policy, built on an understanding of the impacts across the UK and drawing on a more diverse range of experiences, skills and backgrounds. The Government will continue to work with departments on the potential for any future relocations of Civil Service roles to Norfolk as part of the Levelling Up agenda.

Public Service Reform

- 100. Government supports Norfolk County Council and its partners in their collective ambition for public service reform. Government commits to working with the County to explore initiatives to improve delivery of public services jointly with its constituent authorities, such as how best to support residents with multiple complex needs. Where appropriate, and as part of its Levelling Up agenda, Government will also consider devolving further powers to Norfolk to support public service reform, in relation to its statutory duties.
- 101. The Government recognises the importance of good infrastructure in achieving its levelling up ambitions and in supporting communities to get the best outcomes. The Department for Health and Social Care have received an expression of interest from the Queen Elizabeth Hospital Trust in Kings Lynn to be considered for the next eight new hospitals in the New Hospital Programme. These submissions are currently under review, and DHSC is aiming to make a decision about the selected eight schemes later this year.
- 102. Good quality data is essential for understanding local need and the place-specific issues affecting people in an area. As part of the Government Statistical Service's Subnational Data Strategy, the Government is working to improve the dissemination of subnational statistics to empower local decision makers, including in Norfolk, to use data-led evidence to respond to local priorities.
- 103. Norfolk County Council will work with the Government to understand the existing barriers to data sharing and utilisation in their area, and explore where improvements to the quality of, or access to, data could support them in achieving Norfolk's local ambitions.
- 104. Norfolk, in partnership with the Government, will work with the Norfolk Police and Crime Commissioner to agree an appropriate arrangement to ensure close collaboration and productive joint working on public safety.

Norfolk's commitments underpinning the Deal

- 105. Norfolk will work with the Government to develop a full implementation plan, covering each policy agreed in this Deal, to be completed ahead of implementation. This plan must be approved by the Government prior to delivery and will be supported by Capacity Funding referred to in paragraph 37 of this Deal. Any issues of concern with the subsequent delivery of this deal will be escalated to ministers and leaders to resolve, in keeping with the letter and spirit of devolution.
- 106. Norfolk County Council will be required to evaluate the impact of the Norfolk Investment Fund. Norfolk and the Government will jointly commission an independent assessment of the economic benefits and economic impact of the investments made under the scheme, including whether the projects have been delivered on time and to budget. This assessment will be funded by Norfolk County Council, but agreed at the outset with DLUHC and HM Treasury, and will take place every five years. The next five-year tranche of funding will be unlocked if the Government is satisfied that the independent assessment shows the investment to have met the objectives and contributed to economic growth. The gateway assessment should be consistent with the HM Treasury Green Book, which sets out the framework for evaluation of all policies and programmes. The assessment should also take into account the latest developments in economic evaluation methodology. The Government would expect the assessment to show that the activity funded through the scheme represents better value for money than comparable projects, defined in terms of a benefit-to-cost ratio and considered in the strategic context of local ambitions for inclusive growth across the whole geography.
- 107. As part of the implementation of the deal, Norfolk County Council and the Government will agree a process to manage local financial risk relating to the deal provisions.
- 108. Prior to the first directly elected leader elections, the Government will work with Norfolk County Council to give the public and stakeholders including Parliament a clear understanding of: the powers and funding that are being devolved to Norfolk; where accountability sits as a result of this deal; and how decisions are made.
- 109. Norfolk County Council will continue to adhere to their public sector equality duties, for both existing and newly devolved responsibilities.

THE END