



To:
All members of the
Corporate Policy and Resources
Committee

Please reply to:
Contact: Karen Wyeth
Service: Committee Services
Direct line: 01784 446341
E-mail: k.wyeth@spelthorne.gov.uk
Date: 23 November 2023

Supplementary Agenda

Corporate Policy and Resources Committee - Monday, 27 November 2023

Dear Councillor

I enclose the following items which were marked 'to follow' on the agenda for the Corporate Policy and Resources Committee meeting to be held on Monday, 27 November 2023:

12. Surrey County Deal

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The Committee is asked to agree the Position Statement attached as Appendix 1.

Yours sincerely

Karen Wyeth
Corporate Governance

To the members of the Corporate Policy and Resources Committee

Councillors:

J.R. Sexton (Chair)

J.T.F. Doran

L. E. Nichols

C. Bateson (Vice-Chair)

S.M. Doran

O. Rybinski

M.M. Attewell

M. Gibson

K. Rutherford

M. Beecher

K.M. Grant

H.R.D. Williams

J.R. Boughtflower

K. Howkins

Spelthorne Borough Council, Council Offices, Knowle Green

Staines-upon-Thames TW18 1XB

www.spelthorne.gov.uk customer.services@spelthorne.gov.uk telephone 01784 451499

J. Button

M. Lee

Substitute Members:

Councillors: D. Clarke, N. Islam, M. Bing Dong, A. Gale,
S.N. Beatty and M. Buck

Corporate Policy and Resources



27 November 2023

Title	Surrey County Deal
Purpose of the report	To make a decision
Report Authors	Cllr Sexton, Chair of Corporate Policy and Resources Committee Daniel Mouawad, Chief Executive
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	
Corporate Priority	Community Affordable housing Recovery Environment Service delivery
Recommendations	Committee is asked to: <i>Agree the Position Statement attached at Appendix 1</i>
Reason for Recommendation	Surrey County Council announced on 22 November 2023 that they have been asked to engage in discussions with central government on a Level 2 County Deal. This will potentially impact on how services are delivered at a strategic level, but also offers opportunities for closer working. In response, this Council needs to agree a Position Statement which sets out our views at this stage.

1. Summary of the report

- 1.1 This report is asking CPRC to agree a proposed 'Position Statement' in response to the recent announcement that Surrey County Council (SCC) have been asked to engage in discussions with central government on a level 2 County Deal (**Appendix 1**).
- 1.2 The report sets out some background for the benefit of new councillors, outlines the elements of the County Deal (no real clarity on detail), and sets out this Council's views on the basis of what little we know at this time.
- 1.3 The Position Statement is clear that this Council will always act in the best interests of our residents, and that we need to retain local control in delivering excellent services. It makes it clear that County need to really listen and work with us to understand the challenges that we face. As such, resource allocation should follow evidence of need, and this will need to address

historic under-investment in the borough (make good on SCC's 'No-one left Behind' Programme). The County also need to ensure that they enter into a proper meaningful two-way engagement process with the Council our residents and our communities in a way which is open and accountable.

2. Key issues

- 2.1 For some time, Surrey County Council have been developing a proposal for a County Deal (having moved on from an earlier proposition for a Unitary Authority). For the benefit of new councillors **Appendix 2** sets out the reports considered previously by this Committee, and their content. Committee members need to understand the scope of the areas under discussion in the past when considering how the opportunities at a Level 2 County Deal might play out (for example – waste and recycling, climate change, optimising funding or accommodating housing and homes).
- 2.2 It is also important to understand the only seat Spelthorne Borough has 'at the table' is membership of the Surrey Delivery Board which sits at the lowest governance level.
- 2.3 So, for example, there is only one Chief Executive and one Leader representing all the districts and boroughs across the whole of the County (currently Surrey Heath and Guildford respectively) on the Surrey Growth Board. This is a high-level board where key strategic decisions on direction of travel are made. We therefore currently have limited influence on shaping our future within the wider Surrey landscape.
- 2.4 On 22 November 2023 Surrey announced that they have been asked to engage in discussions with central government on a level 2 County Deal. This is a part of the Government's programme to accelerate and expand devolution across the country. Districts and Boroughs have no say in the matter – we do not have the choice to opt in or opt out. The County Council press release is attached at **Appendix 3**, and their FAQ's at **Appendix 4**.
- 2.5 A level two County Deal does not go as far as a Level 3, so there is no Directly Elected Person (otherwise known as an Elected Mayor), and it excludes certain powers reserved to Mayoral and Combined Authority areas. Instead, certain functions are being devolved to Surrey:

(1) Strategic role in *delivering* services

- *Host* for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies
- Opportunity to *pool services* at a strategic level,
- Opportunity to adopt innovative *local proposals* to deliver action on climate change and the UK's Net Zero targets,

(2) Supporting *local* businesses

- Local Enterprise Partnership (LEP) functions including *hosting* strategic business voice

(3) Investment Spending

- UK Shared Prosperity Fund planning and delivery at a strategic level (w.e.f April 2025: District and Borough Councils will individually have control until then)

(4) Local control of sustainable transport

- Ability to introduce bus franchising

(5) Giving adults the skills for the labour market

- Devolution of Adult Education functions and the core Adult Education budget
- Providing input into Local Skills Improvement Plans

(6) Local control of infrastructure decisions

- Homes England compulsory purchase powers (held concurrently)

- 2.6 The italics have been added for emphasis, and it is important to understand what these words could mean. '*Hosting*' for example is often defined as bringing budgets, staffing and ICT systems 'under one roof' through a lead authority, but with services delivered on the ground locally. The option of '*pooling*' could imply more of an equal partnership between the various Councils where resources and expertise are shared.
- 2.7 The list of six areas has been re-ordered slightly from the one issued by central government. The first three areas could potentially mean that services are 'moved up' to a strategic level and delivered in a different way or we receive/do not receive funding that currently comes to us. They all have the potential to have an adverse impact on local sovereignty, decision making and the level of resourcing we receive. Particular attention should be paid to these to ensure this Borough's interests are protected.
- 2.8 The second three are areas that are 'dropping down' from central government to county level – and are effectively new powers. They all have the potential to have a beneficial impact on the borough if as an authority we choose to engage with Surrey to positively influence resourcing and decision making. This Council's approach to these areas may well be different to the first three areas above.
- 2.9 Surrey have not given any indication of what this strategic role for delivering services might look like, nor the County Deal as a whole. They have made it clear they are looking to work in partnership with stakeholders (other councils, business, education, skill and health).
- 2.10 The County Deal will undoubtedly have an impact on how Spelthorne Council looks in the future, and what services it delivers. But the extent of that impact will depend on the strategic steer this Committee makes. Whatever decision this Committee make it is worth noting that we are at an early stage on the process (with imperfect information). It will therefore be necessary to caveat any decisions to safeguard this Council's position in case our view alters further down the line.
- 2.11 To assist new members of this Committee in their decision-making, this report sets out some examples (not exhaustive) of where working with Surrey County is not currently working for us, and where things are not happening but should be happening:
- 1) Grass verges were taken back by County on 1 April 2023 without any effective discussion before the decision was made. The quality and level of service is now much poorer.

- 2) On street parking was taken back by County on 1 April 2023 without any effective discussion before the decision was made. There has been a noticeable decrease in the serving of penalty notices and more indiscriminate parking.
- 3) Surrey have developed a Housing Strategy even though they are not responsible for delivering a housing function (this sits with Spelthorne). It can only seek to influence and has no official status at borough level.
- 4) There is no evidence that Surrey are serious about implementing the actions in the above strategy within their control - increasing affordable housing. We have been advised that whilst we will get first refusal on any site disposals, the very clear expectation is that it will have to be highly commercial and able to demonstrate best value. Affordable housing has effectively been ruled out of the equation.
- 5) Surrey have developed a Climate Change Strategy which this Council has acknowledged. However, as a Council we have our own Climate Change Strategy which has more focused action and deliverable outcomes. The County rely on our team to provide the data and implement their actions in our borough.

3. Options analysis and proposal

Agree the Position Statement – Preferred Option

- 3.1 Even at this relatively early stage in the County Deal process, it is suggested the Council ‘sets out its stall’ so communities, residents, businesses and partners are clear on what are thoughts are. It should be noted that the Position Statement reflects the situation as of now, and is based on imperfect information and knowledge. The lack of clarity on what the County Deal actually means is a cause for concern, and until this is bottomed out a precautionary approach is the most sensible one to take.
- 3.2 Whilst there may be changes on some more detailed elements as we move forwards in discussion with Surrey, there are a number of high level principles which we do not anticipate will change. These set out our approach, and what we are committing to for our communities.
- 3.3 **Appendix 1** sets out the proposed Position Statement in full, but it is worth setting out below the headlines for the 10 key points:
 - 1) Work in the best interests of residents
 - 2) Local services retained where we deliver best
 - 3) Consider opportunity for new services
 - 4) Surrey to truly listen, engage and consult
 - 5) Work in partnership for our communities
 - 6) Maximise existing benefits
 - 7) Need for clarity from Surrey on what is proposed
 - 8) Decision based on evidence
 - 9) Resource allocation to follow evidence
 - 10) Use existing local governance structures for decision making

Agree an amended Position Statement

- 3.4 Having read the statement, the Committee could decide:
- 1) There are some elements they wish further emphasis added to (for example, is the need to retain local control sufficiently strong and clear?)
 - 2) There are elements which need to be taken out (for example, the Committee do not wish to deliver skills in the labour market locally?)
 - 3) There are some completely new points which need to be added in (for example, we want to set out now the Council's approach to a specific service area which may fall within a strategic level function?).
- 3.5 If this is the case, the Committee will need to set these out for discussion and agreement at the meeting.

Do not agree a Position Statement

- 3.6 Alternatively, the Committee could decide that agreeing a position statement this early on runs too great a reputational risk, particularly if the Council then had to change its stance down the line.
- 3.7 A suggested way of dealing with this concern is to caveat the Position Statement so it is clear that it applies at a certain date and on the basis of the only information we have at this current time (Surrey's press release set out in **Appendix 3**). This would sufficiently protect the Council's position should it alter in any way in the future.

4. Financial implications

- 4.1 The first point to make is that the County Deal does not involve any more or new money. Resourcing will either move 'down' from central government, 'across' from the Local Enterprise Partnership (LEP) or potentially 'up' from the Districts and Boroughs (e.g. Shared Prosperity Fund).
- 4.2 At this early stage, with so little detail, it is difficult to quantify the financial implications in any meaningful way. This is in large part because conversations have not yet started with Surrey on how they see the County Deal working, and the level of active engagement they wish to have with districts and boroughs.
- 4.3 The financial implications could range on a sliding scale from none (e.g. work in collaboration as we do now across projects or areas of work) through to significant (e.g. Surrey 'hosts' strategic services which could involve resources moving across to them, or Surrey provides more resources to address needs and these are then delivered at a local level).
- 4.4 What we do know, is that these decisions will almost certainly be made over the period of the Council's Medium Term Financial Strategy. This Committee therefore needs to always be aware that the strategy, and this Council's budget, are likely to be subject to fluctuation.
- 4.5 The Committee will be made aware of these implications as soon as there is any certainty over what the County deal changes will look like financially.

5. Risk considerations

- 5.1 The Committee will be aware that this authority has a Corporate Risk Register which went to Audit Committee on 27 July, and this Committee on 11

5.2 Risk category 9 headed “working arrangement across local government tiers” identifies the risks around the County Deal, current control actions and current mitigating actions. These will need to be developed further as the County Deal progresses. The risk score is currently 9, with a ‘Likelihood’ of 3 (likely) and an ‘Impact’ of 3 (major). The ‘amber’ score rating requires planned management action.

5.3 The first score will change to 4 (almost certain) once the County Deal is in place. This will move the score up to 12 and moves it into the ‘red’ score rating which requires prompt planned management action.

5.4 In the future decisions will need to be made at a strategic level by this Committee on the level of resource that may need to be diverted to address the matter.

6. Procurement considerations

6.1 There are no immediate procurement considerations. These will be addressed on an individual basis if and when collaboration and partnership opportunities arise and may result in joint procurement in some cases.

7. Legal considerations

7.1 There are no immediate legal considerations. These will be addressed on an individual basis if and when collaboration and partnership opportunities arise.

8. Other considerations

8.1 Any other considerations will be taken into account and addressed on an individual basis if and when collaboration and partnership opportunities arise.

9. Equality and Diversity

9.1 Individual Equality Impact Assessments will be undertaken if and when collaboration and partnership opportunities arise to ensure appropriate service delivery is maintained.

10. Sustainability/Climate Change Implications

10.1 Detailed assessments of sustainability and climate change implications will be undertaken if and when collaboration and partnership opportunities arise to ensure any service delivery aligns with the Council declaration of a climate emergency and our Climate Change Strategy.

11. Timetable for implementation

11.1 The announcement from government was only made on 22 November. Surrey have been asked to engage in discussions with central government on a level 2 County Deal. No firm dates have been given by central government or the County in their press release and FAQ’s on when any County Deal might come into effect.

12. Contact

12.1 Daniel Mouawad, Chief Executive dcm.cex@spelthorne.gov.uk

12.2 Lee O’Neil, Deputy Chief Executive l.oneil@spelthorne.gov.uk

12.3 Terry Collier, Deputy Chief Executive t.collier@spelthorne.gov.uk

Background papers: There are none.

Appendices:

Appendix 1 - Spelthorne Borough Council Position Statement October 2023

Appendix 2 – Surrey County Deal – to date

Appendix 3 – Surrey press release – County Deal

Appendix 4 – Surrey FAQ's

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SPELTHORNE BOROUGH COUNCIL POSITION STATEMENT ON THE LEVEL 2 SURREY COUNTY DEAL – November 2023

Historically, Spelthorne Council has not been well served by Surrey County Council. There is a perception amongst our communities that we are a forgotten part of the County, and as a result have not received the resources, time and investment relative to our needs. The County Deal offers an opportunity to reset the relationship.

There is currently a total lack of clarity and information around what the County Deal will mean for Spelthorne. Whilst no date for implementation has been given, as a Council we need to be clear to our communities, residents and businesses what our position is.

This Position Statement therefore sets out some over-riding principles that we will apply to this Council's decision-making process on the County Deal moving forwards.

1. **Best interests** - We will always work in the best interests of our communities, residents and businesses who we understand the best. We will actively challenge Surrey on how they believe they will be better able 'to achieve the best quality of life'. They will need to demonstrate on the basis of their past successes.
2. **Local services** - Where it makes sense for a service to be delivered locally this should continue to happen, especially where we have a track record of delivering a high-quality service targeting our needs (known as subsidiarity).
3. **New services** - Where it makes sense, we will consider what options there might be for delivering some of the new areas of responsibility which have been given to County at a local level (known as double devolution)
4. **Listen, engage and consult**- Surrey needs to truly listen to and understand the needs our communities by fully engaging with Spelthorne Council, our residents and our communities on a 'level playing field'. It must be a proper meaningful two-way dialogue which is open and accountable. It must not be just be paying 'lip service'.
5. **Partnership** - Surrey need to work in true partnership with this Council to deliver what is required for the benefit of our communities, residents and businesses.
6. **Maximise benefits** - We should maximise the value of what is already in place rather than automatically move to embrace the new.
7. **Clarity** - Surrey needs to provide early clarity on what is meant by terms such as 'hosting' and 'pooling' of strategic services so this borough and its communities fully understand the implications and can plan accordingly.
8. **Evidence** - We will work to ensure that all decisions around any hosting or pooling of services are based on what the evidence shows and what this borough needs, rather than a 'one size fits all' countywide approach. Surrey will need to ensure they fully deliver their 'No-one Left Behind' programme within this borough. (Spelthorne has a number of high indices of deprivation compared to the remainder of Surrey).
9. **Resources** - We will work ensure that resources follow what the evidence and need shows for our borough. Surrey will need to ensure the resourcing and funding allocations will enable them to fully deliver their 'No-one Left Behind' programme within this borough. (Spelthorne has historically seen chronic under-investment compared to need).
10. **Local governance** - We will work to ensure that there is no duplication of existing governance structures at county level where they already exist locally (so our Healthy Spelthorne Board should be used for resource and funding decisions)

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Surrey County Deal – to date

CPRC 29/01/21
<p>Identified opportunities for working with other Surrey Councils (in response to possible threat of a Surrey Unitary Authority). Committee noted the report Councillor Collaborative Working Group agreed</p> <p>https://democracy.spelthorne.gov.uk/documents/s39751/CPRC%2029.11.21%20-%20Opportunities%20for%20collaborative%20working%20final.pdf</p>
CPRC 20/04/22
<p>Update on the potential Surrey County Deal (by Spring 2023) and what this could mean for Spelthorne. Focus on the governance arrangement which were either in place on were being set up (Spelthorne only has a seat at the Delivery Board which is at the lowest governance level). Committee agreed to positively engage with Surrey regarding collaborative working</p> <p>https://democracy.spelthorne.gov.uk/documents/s43016/CPRC%20County%20Deal%2020.04.22%20final.pdf</p>
CPRC 11/07/22
<p>Updated and agreed the ToR for the Collaborative Working Group</p> <p>https://democracy.spelthorne.gov.uk/documents/s45094/CPRC%20110722%20-%20Membership%20of%20collaborative%20working%20group.pdf</p>
CPRC 27/09/22
<p>Update on the Surrey Delivery Board and areas for possible collaboration (1) waste and recycling (2) economic development (3) accommodating housing and homes (4) climate change and greener futures Other areas to explore (1) travel and transport (2) procurement and communications (3) optimizing funding – tax collection and debt management (4) prevention spend mapping – independent living Future pipeline – (1) asset planning (2) customer access and experience</p> <p>https://democracy.spelthorne.gov.uk/documents/s46608/CPRC%20270922%20-%20Surrey%20Delivery%20Board%20update%202.pdf</p>
Various verbal updates to CPRC subsequently
01/04/23
Surrey County Council takes highways verge maintenance and parking enforcement back in house. Spelthorne have no current or future role

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A COUNTY DEAL FOR SURREY.....

Following the Chancellor's announcement in the Autumn Statement regarding the extension of devolution and further County Deals, Surrey County Council is engaging in discussions with Government on a Level 2 County Deal.

The proposed County Deal will see the devolution of the following functions to Surrey:

Strategic role in delivering services:

- Host for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies
- Opportunity to pool services at a strategic level,
- Opportunity to adopt innovative local proposals to deliver action on climate change and the UK's Net Zero targets,

Supporting local businesses

- Local Enterprise Partnership (LEP) functions including hosting strategic business voice,

Local control of sustainable transport

- Ability to introduce bus franchising,

Investment spending

- UK Shared Prosperity Fund planning and delivery at a strategic level (*w.e.f. April 2025: District and Borough Councils will individually have control until then*)

Giving adults the skills for the labour market

- Devolution of Adult Education functions and the core Adult Education budget
- Providing input into Local Skills Improvement plans

Local control of infrastructure decisions

- Homes England compulsory purchase powers (held concurrently)

The invitation does not involve or require any structural reform of local government or unitarisation of any form, and crucially does not require there to be a Directly Elected Mayor (DEM). The 12 Councils (11 District and Borough Councils and the County Council) retain their sovereignty, which aligns with the partnership work already taking place across the county.

Surrey is well-placed to seize this opportunity and work together to realise the full benefits of a Level 2 devolution deal for our residents, economy, and environment.

In response to the invitation, work will continue with a range of key stakeholders, including the District and Borough Councils, businesses, LEPs, Further Education colleges and Universities, bus companies, health agencies and other key stakeholders to build a consensus around a positive response to the opportunity to secure a devolution deal for Surrey. As part of this, opportunities for potential onward devolution

of functions from county council to district/borough councils will also be explored with the District and Borough Councils.

The counties that have been invited include single council areas, that do not have adjacent, neighbouring unitary authorities or 'island' unitary authorities within their boundaries. As such they are not in a position to form Mayoral or County Combined Authorities, which are alternative structures for securing County Deals.

The Levelling Up White Paper published in February 2022, set out three levels of devolution (see Annex A below). A 'Level 2' County Deal does not require there to be a Directly Elected Person, and excludes certain powers reserved to Mayoral and Combined Authority areas.

Government officials have expressed an interest in learning about any additional functions local areas would wish to see devolved over the longer term, the Government have made it clear that in the interests of making progress, the Level 2 County Deals being offered will only include the powers outlined above.

Councillor Hannah Dalton, Chair of Surrey Leaders' said: "This is a great opportunity for Surrey, which I warmly welcome. The devolution of important functions to the county will, over time, support all our local Councils in their work of delivering for our residents".

Tim Oliver, Leader, Surrey County Council, said: "I have always been clear in my determination that the residents of Surrey will not be left behind, and this devolution deal with government is a step in the right direction in helping us achieve that ambition. Local government and our local communities are best placed to deliver what Surrey needs. I'm pleased that the government is recognising that, with hopefully further devolved powers to local government in due course.

More control over things like local growth, skills and careers for our young people, lifelong learning provision, the climate agenda, local public transport, and housing, will enable the county council, and partners, to make positive change in Surrey.

We look forward to working with the government, and with local partners like district and borough councils, businesses, and education providers, to maximise the opportunities this county deal presents for the benefit of all residents.

This is a positive step in delivering more power to communities."

ENDS

Table 2.3 Devolution Framework

Level 3 – A single institution or County Council with a directly elected mayor (DEM), across a FEA or whole county area

Level 2 – A single institution or County Council without a DEM, across a FEA or whole county area

Level 1 – Local authorities working together across a FEA or whole county area e.g. through a joint committee

Function	Detail	L1	L2	L3
Strategic role in delivering services	Host for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies	✓	✓	✓
	Opportunity to pool services at a strategic level	✓	✓	✓
	Opportunity to adopt innovative local proposals to deliver action on climate change and the UK's Net Zero targets	✓	✓	✓
Supporting local businesses	LEP functions including hosting strategic business voice		✓	✓
Local control of sustainable transport	Control of appropriate local transport functions e.g. local transport plans*		✓	✓
	Defined key route network*			✓
	Priority for new rail partnerships with Great British Railways – influencing local rail offer, e.g. services and stations			✓
	Ability to introduce bus franchising		✓	✓
	Consolidation of existing core local transport funding for local road maintenance and smaller upgrades into a multi-year integrated settlement			✓
Investment spending	UKSPF planning and delivery at a strategic level		✓	✓
	Long-term investment fund, with an agreed annual allocation			✓
Giving adults the skills for the labour market	Devolution of Adult Education functions and the core Adult Education Budget		✓	✓
	Providing input into Local Skills Improvement Plans		✓	✓
	Role in designing and delivering future contracted employment programmes			✓
Local control of infrastructure decisions	Ability to establish Mayoral Development Corporations (with consent of host local planning authority)			✓
	Devolution of locally-led brownfield funding			✓
	Strategic partnerships with Homes England across the Affordable Housing Programme and brownfield funding			✓
	Homes England compulsory purchase powers (held concurrently)		✓	✓
Keeping the public safe and healthy	Mayoral control of Police and Crime Commissioner (PCC) functions where boundaries align [^]			✓
	Clear defined role in local resilience*		✓	✓
	Where desired offer MCAs a duty for improving the public's health (concurrently with local authorities)			✓
Financing local initiatives for residents and business	Ability to introduce mayoral precepting on council tax*			✓
	Ability to introduce supplement on business rates (increases subject to ballot)			✓

* refers to functions which are only applicable to combined authorities

[^] refers to functions which are currently only applicable to mayoral combined authorities

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A COUNTY DEAL FOR SURREY - (SURREYCC.GOV.UK)

Reaction:

We are pleased to have been asked by government to work on a County Deal for Surrey.

A County Deal is all about the devolution of powers from central government to local areas, and we are keen to explore this opportunity for Surrey.

Local government and our local communities are best placed to deliver what Surrey needs. It is pleasing that the government is recognising that.

More control over things like local growth, skills and careers for our young people, lifelong learning provision, the climate agenda, local public transport, and housing, will enable the county council, and partners, to make positive change in Surrey.

We look forward to working with the government, and with local partners like district and borough councils, businesses, and education providers, to ensure we get the right deal for Surrey and that all Surrey residents can feel the benefit of a County Deal.

This is a positive step in delivering more power to communities.

Frequently Asked Questions

1. Has Surrey County Council been invited to secure a County Deal?

Yes. The Government's Levelling Up White Paper, which details their intention regarding County Deals, and a more recent invitation from Government, present an opportunity to ensure that Surrey and its residents have the powers and resources we need to help make the county a great place to live and work.

2. What will be in a County Deal for Surrey?

The Levelling Up White Paper sets out three levels of devolution. Following the invitation to be part of the next wave of County Deals, Surrey County Council will seek a 'Level 2' deal with government which does not require a directly elected leader. This level of devolution would see the following functions devolved to Surrey:

Strategic role in delivering services

- Host for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies
- Opportunity to pool services at a strategic level
- Opportunity to adopt innovative local proposals to deliver action on climate change and the UK's Net Zero targets

Supporting local businesses

- Local Enterprise Partnership functions, including providing business advice and support, economic planning, and hosting a business 'voice' for the county (this is already underway for April 2024).

Local control of sustainable transport

- Ability to introduce bus franchising if appropriate.

Investment spending

- UK Shared Prosperity Fund planning and delivery at a strategic (County) level (from April 2025)

Giving adults the skills for the labour market

- Control of Adult Education functions and the core Adult Education budget
- Providing input into Local Skills Improvement plans

Local control of infrastructure decisions

- Homes England compulsory purchase powers (held concurrently)

3. Why has Surrey been invited for a 'Level 2' County Deal?

Surrey is one of a handful of county areas to have received an invitation from the Government to secure a Level 2 County Deal, as part of a programme to accelerate and expand devolution across the country.

Surrey has been invited because as a single council area, it does not have adjacent, neighbouring unitary authorities or 'island' unitary authorities within our boundary. As such Surrey is not in a position to form Mayoral or County Combined Authorities, which are alternative structures for securing County Deals.

4. Why is the County Council leading this work?

The Government have offered county councils across the country the opportunity to strike deals with Government on behalf of their communities. Ultimately, this is about partnership working through a County Deal, which will empower ourselves, our partners and local communities to improve the quality of life for all our residents and support Surrey's economic recovery and future prospects.

- 5. What does the Level 2' County Deal mean for partners and stakeholders?:** Surrey County Council will continue to work with a range of key stakeholders, including District and Borough Councils, businesses, LEPs, Further Education colleges and Universities, bus companies, health agencies and other key stakeholders to build a consensus around a positive devolution deal for Surrey. As part of this, opportunities for potential onward devolution of functions from county council to district/borough councils will also be explored.
- 6. Why are you going for a County Deal? :** We believe that local communities and local government are best placed to deliver the right services for their area. By giving the county council, its partners and communities more control over local services, functions and financing, we will be better able to achieve the best quality of life for our residents and businesses, in the most effective and efficient ways possible.
- 7. What improvements will residents see as a result of this County Deal?:** New powers and resources will enable us to work more closely in partnership with local communities, helping them drive their own economies, deliver more jobs and a stronger local labour market, open more shops, offices and houses, and enjoy better travel and transport and infrastructure.
- 8. How will it do this?:** Through closer working with partners, we can provide measures tailored to an individual area's needs. Together, we will be able to take a more coordinated, local approach from planning investment and infrastructure to housing, skills and education. For example, we will seek opportunities to partner with the District and Borough Councils to bid for and attract investment spending across the County. The UK Shared Prosperity Funding, which the District and Borough Councils have successfully bid for and secured up until April 2025 will remain with them to deliver these projects.
- 9. Why can't we do that currently?:** Central government continues to retain much of the control of how local government operates and the UK is presently one of the most centralised countries in the Western world. We want to reverse this and give local people a say in running their communities.

- 10. Why is Surrey County Council best placed to have additional power and functions?:** This is not about all power to the County Council, it's more about power for Surrey as a whole with devolution from central government, across all partners working together to make Surrey an even better place to live, work and do business. Within the functions that will be devolved as part of the Level 2 County Deal, there will be greater opportunity to work closely with partners and in some cases explore options for double-devolution.
- 11. Will you consult residents on these proposals?:** There is no requirement to consult on a Level 2 deal as it does not include any changes to local governance. However, where helpful or necessary we will consult on aspects of the deal.
- 12. What impact will the 'Level 2' County Deal have on the staff of either Surrey or the 11 District & Borough Councils?:** The 'Level 2' County Deal does not involve or require any structural reform of local government or unitarization of any form and the District and Borough Councils retain their sovereignty, so there is no immediate impact anticipated on council staff, however all organisations have their resource requirements under constant review.
- 13. Would there be a Mayor of Surrey?:** As part of a Level 2 deal, the county council will not be adopting a directly elected leader model. In our view, the current system of a Leader/Cabinet is the most appropriate system for Surrey and therefore we are not currently pursuing a deal that would require us to adopt a mayoral model.
- 14. What does this deal mean for Surrey's 11 District and Borough councils?:** The 'Level 2' County Deal does not involve or require any structural reform of local government or unitarisation of any form and as such the district and borough councils will retain sovereignty. This means that the existing local authority system in place across Surrey will remain, with parish, town, district, borough councils and the county council all working in partnership to achieve the best for our residents.
- 15. What impact will the deal have on elected Members across Surrey?:** The 'Level 2' County Deal will not have any impact on the number of elected Members either at Surrey County Council or the 11 District & Borough

Councils. There may be changes as a result of boundary changes at the local level which are unrelated to the 'Level 2' County Deal.

16. **Will there be opportunity for further devolution?:** While Government officials have expressed an interest in learning about any additional functions local areas would wish to see devolved over the longer term, the Government have made it clear that in the interests of making progress, the 'Level 2' County Deals being offered will only include the above powers.

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