

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