

## Appendix 2: Devolution Deal's 'Menu'

The devolution deals agreed so far have many similarities in terms of powers to be devolved. The core powers devolved include the following:

- **Restructuring the further education system.** This typically consists of local commissioning of the Adult Skills Budget from 2016-17, followed by full devolution of the budget from 2018-19. Areas will be required to undertake a full review of further education and skills provision, and to have agreed arrangements with the Government for managing financial risk. Some areas will also take on the Apprenticeship Grant for Employers.
- **Business support.** In most areas, local and central business support services will be united in a 'growth hub'. UK Trade and Investment will be required to partner with local business support services. Many deals have agreed a "devolved approach" to business support services from 2017.
- **The Work Programme.** This is the Government's main welfare-to-work programme. Unemployed people claiming Jobseeker's Allowance (JSA) or Employment and Support Allowance (ESA) are referred on to the programme from their local Jobcentre Plus, and remain on the programme for up to two years. The scheme is run by providers who have the freedom to introduce and implement their own ideas and schemes to help unemployed participants find work. Providers are paid by results. Many areas are to jointly develop a programme for 'harder-to-help' benefit claimants.
- **EU structural funds.** A number of areas are to become 'intermediate bodies', which means that they, instead of the Government, will be able to take decisions about which public and private bodies to give EU structural funds to. Local areas will be able to link these funding decisions to investment decisions they make in other devolved areas, such as further education and business support, provided their decisions remain within the terms of the EU structural funding agreement. (See section 1.3 regarding the impact of exiting the European Union.)
- **Fiscal powers.** Many deals include an investment fund, often of £30 million per year. The division of this fund into capital and revenue elements varies between areas. The power to retain 100% of business rates growth also appears in a number of deals; and some areas are piloting full rate retention in advance of its introduction across England by 2020. Elected mayors will have the power to add a supplement of up to 2% on business rates, with the agreement of the relevant Local Enterprise Partnership.
- **Integrated transport systems.** Many deals include the power to introduce bus franchising, which would allow local areas to determine their bus route networks and to let franchises to private bus companies for operating services on those networks (see the Library briefing paper Buses: franchising for further details).<sup>44</sup> Multi-modal 'smart ticketing' systems, akin to the Oyster Card in London, are to be introduced. Each deal also includes

a unified multi-year transport investment budget, and most commit to improving joint working between the combined authority and Network Rail, Highways England, and (where relevant) plans for the HS2 line. Some deals include passing a 'key network of local roads' to the combined authority: this is a power that is currently exercised at local authority level.

- **Planning and land use.** Many deals include the power to create a spatial plan for the area, and/or the power to establish Mayoral Development Corporations. Each of these powers is available in Greater London. Some deals will also permit the combined authority to use Compulsory Purchase Orders, with the consent of the local authority in which the land or property is located. Non-statutory joint bodies ('Land Commissions' or 'Joint Asset Boards') will be established to improve the management of surplus land and buildings across public sector bodies, making joint decisions on whether to re-use, share, or sell unused land and buildings within the public estate.