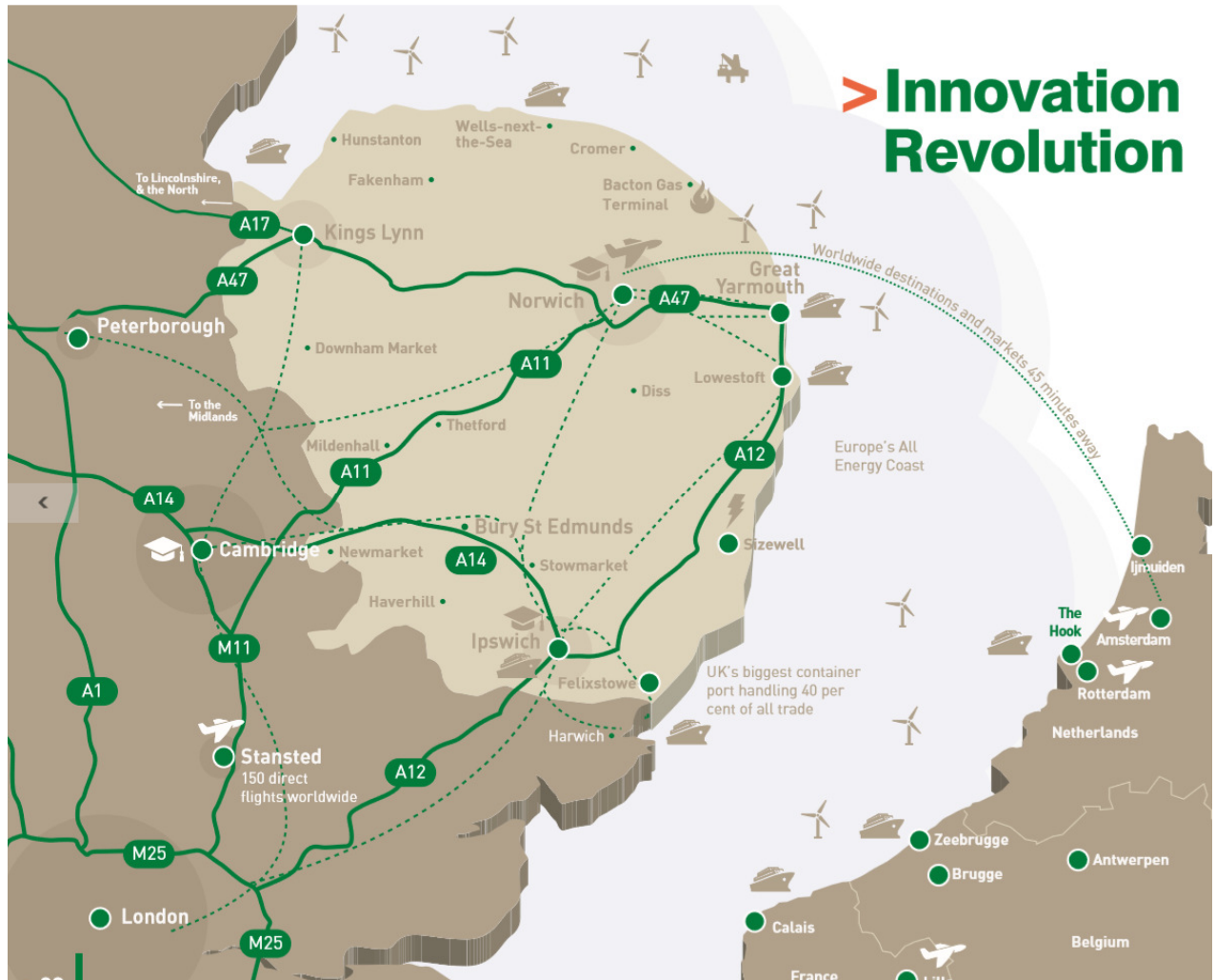


Appendix B

The Norfolk and Suffolk Governance Review



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Executive Summary

In accordance with the statutory framework, the purpose of this Governance Review has been to:

- review the exercise of statutory functions in relation to the review area with a view to deciding whether to prepare and publish a scheme under section 108 of the Local Government, Economic Development and Construction Act 2009 and section 6 of the Cities and Local Government Devolution Act 2016
- consider the options available for making changes to existing governance structures and arrangements with a view to improving the exercise of statutory functions
- determine which option is likely to be most beneficial to the area of Norfolk and Suffolk as well as strengthening the overall governance arrangements and delivery of statutory functions

In doing so, the Review has also taken into account the following local priorities:

- The most effective way to deliver economic growth and public service reform through functions such as: transport, infrastructure, spatial planning
- What constitutes functional economic market areas
- Accountability
- Enabling effective joint working between existing statutory and non-statutory bodies
- The principle that decisions should be taken closest to the level where they will have most impact (subsidiarity)

The review has operated on the principle that devolution is not about taking away powers from constituent councils, but about drawing down powers from central government or government agencies. Norfolk and Suffolk recognise and have agreed to the double devolution of powers to local areas working with the Mayor and Combined Authority to take responsibility and accountability for delivery in their own areas to align with the regional strategic ambition. This will ensure that local need is reflected in the delivery of the strategic decisions.

The Governance Review has found that Norfolk and Suffolk function as an integrated economic area. There is significant connectivity across Councils in the area as well as strong relationships with neighbouring areas, particularly Cambridgeshire. Strong collaboration is not only a feature of local government but also evident in the NHS's Sustainability and Transformation Plans. Key economic sectors within and beyond the area have encouraged successful economic join up between the two Local Enterprise Partnerships.

There is a shared ambition across Norfolk and Suffolk to drive growth which is already being demonstrated through successful joint working on: the Growth Deals, City Deals and Enterprise Zones. However, the case for change is compelling:

- Existing arrangements are fragmented and not fit for driving forward Norfolk and Suffolk's shared ambition to: generate growth, fulfil its global economic potential, integrate public services and deliver the best for local people
- Norfolk and Suffolk's commitment to unlocking growth and housing and invest in infrastructure needs greater devolved powers and funding, which requires formal robust and accountable joint decision making

- Robust strategic governance is needed to drive public service reform, deliver more integrated services and re-set the relationship between central and local government paving the way for future devolution deals
- Creating a single strategic voice and champion for Norfolk and Suffolk would enable strategic join up supported by appropriate local delivery

The review highlights that Norfolk and Suffolk is a functional economic area based on key sectors; commuting patterns; housing migration and industry. It highlights the area's significance in connecting the east to key economic hubs in the UK through vital growth corridors. However, it is also clear that there are flows across that boundary (particularly to Cambridgeshire and Essex) and economic clusters within it.

The conclusion of this Governance Review is to recommend that the functional economic area of Norfolk and Suffolk will be best served by the establishment of a Mayoral Combined Authority.

Combining strategic strength and coherence with connections to local functional economies, this model will improve the exercise of statutory functions but more importantly provide robust but flexible integrated and locally accountable decision making.

This model of governance also provides a mechanism for the transfer of significant resources and powers from central government to the region including for infrastructure, housing, economic development, and employment and skills. This will positively impact on the lives of residents by helping create more jobs, improving the skills and employment prospects of residents and boosting productivity across Norfolk and Suffolk

DRAFT GOVERNANCE REVIEW for NORFOLK and SUFFOLK

1. Introduction

1.1 Local Context:

1. Norfolk and Suffolk share a unique geography and a mix of urban, rural and coastal communities – close to but very distinct from London with a firm focus beyond our borders both within the UK and internationally, with our Europe facing world class energy coastline and the UK's largest container port.
2. With a population of around 1.6 million, Norfolk and Suffolk represent a £32 billion economy and one of the fastest growing areas of the UK. We also have the potential to grow our economy faster, with strengths in key sectors such as: agri-tech, food and health, energy and the digital economy. Our strengths are diverse and powerful including:
 - National hubs for key business sectors that need to be nurtured to become magnets for global inward investment such as:
 - An all-energy coast at the centre of the world's largest market for offshore wind that is worth about £994 million per annum
 - Globally-leading research in life sciences worth £1.3 billion across Norfolk and Suffolk
 - agri-tech – a fast growing sector with huge commercial potential worth £2.2 billion GVA per annum almost 10% of Norfolk-Suffolk GVA
 - Pioneering technical innovations in ICT research and development worth £1.3 billion with 1,400 companies employing around 10,300 people
 - Felixstowe - the UK's busiest container port
 - A fast-growing creative digital sector, recently recognised by Tech City UK
 - Market-leading food and drink producers
 - Our first-class cultural heritage mean tourism is worth £4.6bn annually across Norfolk and Suffolk
 - the A11 corridor from Norwich to Cambridge – a world class destination for advanced manufacturing with already more than 100 automotive engineering and related advanced manufacturing companies in growing clusters
 - the quality of place to attract significant inward investment
 - City Deals for Norwich and Ipswich that are pioneering successful approaches to increase productivity, reduce welfare dependency and deliver the Government's 'Youth Pledge' to support young people into employment such as Norwich for Jobs and MyGo in Ipswich
 - The Great Yarmouth and Lowestoft and 'Space to Innovate' Enterprise Zones across Norfolk and Suffolk
 - An innovative, collaborative and mature public sector that is willing to be bold in transforming public services
 - A wealth of local assets including our communities themselves and partners beyond the public sector such as, business and the VCS
3. We are determined to exploit our strengths to increase our contribution to UK growth and establish our position as a global leader in the 3rd industrial revolution with a unique contribution to:
 - feed the world's population through our expertise and cutting edge agri-tech sector;

- help the world connect, building on our established leadership of and track record in research and innovation in technology; and
 - ensure sustainable global energy supply through the exploitation of our natural assets and a leadership role in the country's energy future.
4. Connectivity is critical to delivering this ambition. There is clear recognition that there are significant areas of mutual strategic interest across Norfolk/Suffolk, East Anglia and beyond but also that delivery should be at the appropriate local geographies, based on functional economic areas. That is how we will deliver our ambition; increase productivity and economic growth; build more housing to meet local needs and deliver the infrastructure needed to improve connectivity.
 5. Our shared assets and distinct geography mean that we are uniquely placed as a non-metropolitan, eastern area to offer a devolution proposal that will unlock productivity and provide a model of devolved arrangements for other non-metropolitan areas.
 6. Consequently, all councils across Norfolk and Suffolk have agreed to conduct a review of governance arrangements to test whether alternative arrangements would be more suited to delivering their ambition, drive economic growth and public service reform and improve outcomes for local people.

1.2 Governance Review purpose and process:

7. Councils across Norfolk and Suffolk have agreed to conduct a Governance Review in order to improve delivery of the shared ambition for driving economic growth and public service reform in a way that most benefits local people. This Governance Review is therefore, the evidence base for the draft Scheme of Governance that will be considered by councils at the end of June, along with proposals for devolution.
8. The Governance Review will:
 - review the exercise of statutory functions in relation to the review area with a view to deciding whether to prepare and publish a scheme under section 108 of the Local Government, Economic Development and Construction Act 2009 and section 6 of the Cities and Local Government Devolution Act 2016
 - consider the options available for making changes to existing governance structures and arrangements with a view to improving the exercise of statutory functions
 - determine which option is likely to be most beneficial to the Norfolk/Suffolk area and strengthen the overall governance arrangements and exercise of statutory functions.

In addition, to reflect local priorities it will also take into account:

- The most effective way to deliver economic growth and public service reform through functions such as: transport, infrastructure, spatial planning
 - What constitutes functional economic market areas
 - Accountability
 - Enabling effective joint working between existing statutory and non-statutory bodies
 - The principle that decisions should be taken closest to the level where they will have most impact (subsidiarity)
9. The Governance Review presented in this report forms part of a statutory process outlined below that is required to establish a Combined Authority. It therefore, considers the following alternative models of governance:
 1. Status quo
 2. Establish an Economic Prosperity Board
 3. Establish a Combined Authority
 4. Establish a Mayoral Combined Authority

10. In considering these governance models, the evidence will also be used to recommend the most logical geography in order to determine whether it would meet the statutory test and “improve the exercise of statutory functions in the area”. The following diagram outlines the process:

Outline Process for Establishing a Combined Authority or Economic Prosperity Board



11. This Governance Review has been commissioned by and will be considered at all councils across Norfolk and Suffolk which are:

Babergh District Council	Breckland District Council	Broadland District Council
Forest Heath District Council	Great Yarmouth Borough Council	Ipswich Borough Council
King’s Lynn and West Norfolk Borough Council	Mid Suffolk District Council	Norfolk County Council
North Norfolk District Council	Norwich City Council	South Norfolk District Council
St Edmundsbury Borough Council	Suffolk Coastal District Council	Suffolk County Council
Waveney District Council		

1.3 Legal Context:

12. This report presents the findings of the governance review conducted in accordance with section 108 of the Local Government, Economic Development and Construction Act 2009 and section 6 of the Cities and Local Government Devolution Act 2016.

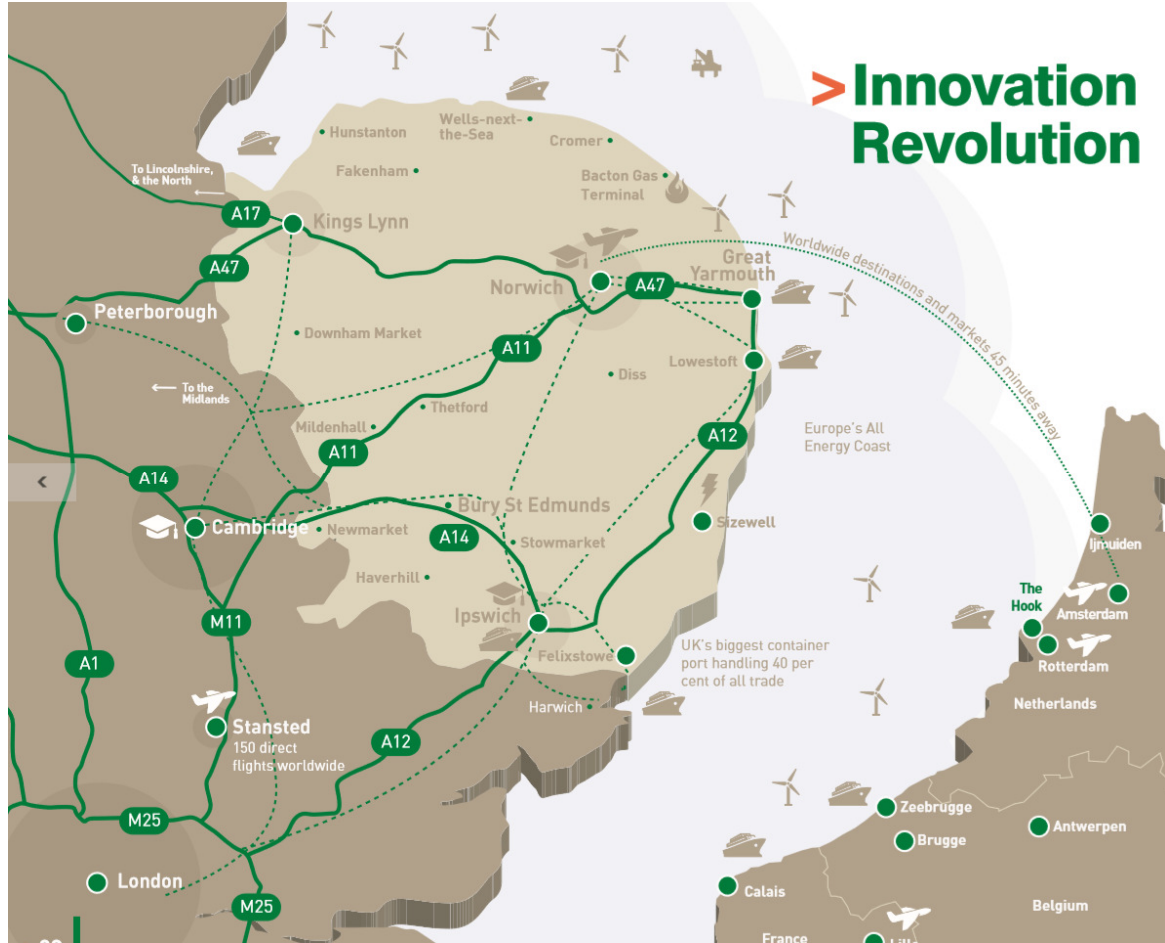
13. The Localism Act 2011 contains powers for the Secretary of State to transfer certain powers between authorities (including Combined Authorities) and also to transfer ministerial functions to such authorities. Property, assets and liabilities relating to those functions can also be transferred. Notably, transfers and delegations of additional functions under this legislation can be made at any time and independently from the procedure to create Economic Prosperity Boards (EPBs) or Combined Authorities.

14. As a consequence, the Secretary of State must consider whether governance arrangements would: “**improve the exercise of statutory functions in the area**” before concluding on the preferred governance proposal. The Cities and Local Government Devolution Act 2016 amends section 105 of the 2009 Act so that a Combined Authority’s constitution and functions may include: “*local authority functions generally*”¹ as opposed to the previous focus of economic development and regeneration.

¹ Section 6 (2) Cities and Local Government Devolution Act 2016

2. Norfolk and Suffolk: Opportunities and Challenges – the Case for Change

2.1 Norfolk and Suffolk's Ambition:



15. Norfolk and Suffolk share a unique geography – close to but very distinct from London with a firm focus beyond our borders both within the UK - to Cambridgeshire and Lincolnshire westwards; Essex to our south and internationally, with our Europe facing world class energy coastline and the UK's largest container port. We have a mix of urban, rural and coastal communities, which means a diversity of opportunities and challenges that emphasise the need to tailor to local circumstances – a demographic best suited to devolved arrangements.
16. We have economic scale and clout on a similar scale to City Regions such as Liverpool and Sheffield, with a much faster growing population. We also have the potential to grow our economy faster, with strengths in key sectors such as: agri-tech, food and health, energy and the digital economy.
17. Connectivity is vital to making Norfolk and Suffolk and, more widely, East Anglia the UK's truly Connected Region. To achieve this we need a step change in infrastructure delivery with an integrated approach to planning of road, rail and digital connectivity alongside land for new housing and business.
18. In addition, linking research-based growth in the largest towns with our rural villages through improvements to road & rail infrastructure and using smart ticketing will make it easier for residents to participate fully in the economy across transport modes. We are also working with the Universities and Further Education providers across the area to

drive a programme of co-ordinated Skills and Educational improvement and deliver the Knowledge Based Economy.

19. To maximise its potential, Norfolk and Suffolk need to be better connected. Both as part of East Anglia (with Cambridgeshire and Peterborough) and more widely, it is important to work closely on areas of strategic scale and mutual interest such as transport, infrastructure and skills as there are a number of challenges that we need to improve:
- **Better connectivity:** improving transport and accessibility but also digitally through better and faster broadband and mobile coverage
 - **Improving skills and employability:** so that employers are able to recruit to skilled jobs but also, that local people are helped to fulfil their potential
 - **Improving infrastructure:** to unblock development of housing and employment sites and improve connectivity to secure improved economic growth
 - **Housing:** Providing the right amount and mix of new homes that meet the needs of the whole population
 - **Public Service reform:** taking a place-based approach to public services to create sustainable 21st century public services that offer the best possible outcomes for local people. This is particularly significant given the ageing population and need to prevent and manage down demand for public services.
20. These challenges are compounded by the complex set of governance arrangements that currently exist. For local government alone there are: 14 district/borough/city councils and 2 county councils. In addition the area is served by partnerships; 7 Clinical Commissioning Groups; 2 constabularies and 2 Police and Crime Commissioners and 2 Local Enterprise Partnerships.

2.2 Norfolk and Suffolk's Economy:

21. Norfolk and Suffolk is a diverse and dynamic area including urban, rural and coastal communities with a globally significant economic offer. It connects the Northern Powerhouse, Midlands Engine and England's heartland to: the UK's largest container port in Felixstowe; Europe's largest single site hub of research, training, education and enterprise in health, food and environmental sciences at Norwich Research Park, BT's global research hub at Adastral Park and the all energy coast including development of the world's largest off-shore wind farm and Sizewell nuclear power plant. These world class sites are connected by key growth corridors such as the M11, A11, A47 and A14.
22. Growth sectors account for 37% of total employment in Norfolk and Suffolk combined and 36% of the area's business base. This equates to over 236,916 jobs and 19,988 businesses in growth sectors. There are five high impact sectors across Norfolk and Suffolk that offer the opportunity for rapid growth in absolute terms and productivity. These are sectors in which we already have national or international leadership, link with the Government's Industrial Strategy and would benefit from focused support:
- Advanced Manufacturing and Engineering - employing over 24,500 people in more than 1,000 businesses and is worth £1.5 billion pa in GVA to the New Anglia economy. We have several clusters, including automotive, civil and military aviation and pharmaceuticals
 - Agri-tech (using technology to add value to the agriculture, food and drink sector) - Whereas the UK economy only grew by 4% in GVA terms between 2007 and 2010, food processing grew by 13% and agriculture by 25%
 - Energy - employing around 7,700 people directly in New Anglia, and thousands more indirectly, and is worth about £994 million pa with a GVA per job of £129, 000. We

have a long standing North Sea oil and gas industry offshore wind; nuclear and several biomass plants providing one of the most complete energy offers in the UK

- ICT/Digital Culture - worth £1.3 billion, with over 1,400 companies employing 10,300 people and GVA of £131,000 per head pa. BT's global research centre based at Adastral Park, has a cluster of other businesses around it, as do our universities – including digital cultural expertise at Norwich University of the Arts.
- Life Sciences - worth £132 million pa and employs over 3,000 people in 200 businesses, with GVA of £122k per head. We have a world class research cluster at Norwich Research Park, with other research and business activity across the area covering everything from humans to horses, fish and plants.

There are also four underpinning sectors which are the largest employers in our economy and which we will continue to support in order to improve their productivity and competitiveness:

- Agriculture and food and drink production employs over 10% of the workforce generating £2.2bn pa GVA.
- Financial and insurance services - contributing £3.1 billion GVA or 13.4% of New Anglia's total and employs almost 21,000 people (3.2% of employment). As well as regional businesses, Norwich and Ipswich host a concentration of national and international insurance companies.
- Ports and logistics - worth £1.3 billion to New Anglia and employs over 23,500 people. The Port of Felixstowe handles 40% of the country's container traffic and its continued expansion needs good transport links. Ipswich is the country's largest port for grain export; Great Yarmouth and Lowestoft and smaller ports serve the North Sea energy sector.
- Tourism and culture - employing about 74,000 people and worth £1.3 billion in GVA to New Anglia.

23. Central to the model of connected growth there are a number of core initiatives for Norfolk and Suffolk:

- A step change in infrastructure delivery with an integrated approach to planning of roads, rail and digital connectivity alongside land for new housing and business;
- the double devolution of powers to local areas working with the Mayor and the Combined Authority to take responsibility and accountability for delivery in their own areas to align with the regional strategic ambition;
- Making Norfolk and Suffolk a truly connected area in respect of communications and transport connections, linking research-based growth in the major towns with even the most rural villages;
- Devising new models of private/public infrastructure and housing funding to fund strategic capital infrastructure; and,
- Working with Universities and Further Education providers in the region to drive a programme of co-ordinated skills and educational improvement to deliver the knowledge based economy.

3. Economic Analysis and Review

3.1 Analysis

24. Given the scale of the geography and ambition shared between Norfolk and Suffolk, it is important to consider where natural geographies exist and, from the evidence, how to define where there are functional economic market areas. Independent analysis was commissioned to help build this evidence base and more detail is contained in appendix A.
25. Three key markets were considered in order to help identify functional economic geographies:
- What is the functional labour market?
Travel to work areas² and commuting flow are used as a proxy.
 - What is the housing market?
Migration patterns are used as a proxy for the housing market
 - What are the industrial clusters?
Location quotients are used to understand areas of economic specialisation.³
26. In addition to analysing travel to work areas (see appendix A), commuting flows for five local authority areas have also been analysed (based around larger towns and cities). They help highlight how the multiple local labour markets work. By considering the self-containment levels and the functional labour market together, it is possible to identify where clustering is already in evidence and where greater policy alignment has the potential to be most effective in driving economic growth.
27. Understanding the scope of the functional labour markets enables policy makers to consider how to improve connectivity and integrated transport, as well as the effective alignment of skills training with economic demand and growth areas.
28. Norfolk and Suffolk compares well to existing Combined Authorities as a contained travel to work area. The analysis reveals a number of distinct functional labour market areas. This suggests that Norfolk and Suffolk is a functional labour market supported by more local economic clusters. Recognising that Travel to Work areas do not precisely match local authority boundaries, identifying Travel to Work Areas, Commuting Patterns and Location Quotients is useful in identifying where to form clusters that reflect the reality of how the majority of residents and businesses lead their lives. Local authorities of Norfolk and Suffolk recognise this and have agreed to the double devolution of powers to local areas enabling alignment with strategic ambition and local responsibility and accountability for delivery.
29. Similar analysis to that undertaken for Travel to Work Areas was mirrored for patterns of internal migration between areas. This examined the volume of individuals that moved home between areas in the year preceding the 2011 Census.
30. The housing and labour markets demonstrate that markets aren't constrained by local authority boundaries – with people commuting from, into or out of Norfolk and Suffolk to further afield for work. The housing market shows people moving into and away from

² The Office for National Statistics defines a travel-to-work area as one where 75% of the resident workforce actually works in the area, and at least 75% of the people who work in the area also live in it. This is known as the self-containment percentage

³ Industrial specialisation was examined using Location Quotients which provide a local measure of geographical concentration of industries. A location quotient of >1 shows a degree of specialisation. A location quotient of 2 suggests there is twice the amount of employees in a sector than we would expect from a GB average.

the area. Once again this highlights the importance of clustering within the Norfolk/Suffolk strategic geography as well as working across boundaries with neighbours especially Cambridgeshire and Essex.

31. Industrial specialisation was examined using Location Quotients which provide a local measure of geographical concentration of industries. A location quotient of >1 shows a degree of specialisation. A location quotient of 2 suggests there is twice the amount of employees in a sector than we would expect from a GB average. There is evidence of clusters – and there are likely to be supply chain connections.

3.2 Key Findings:

32. Functional labour markets are where the majority of people live and work in the same area - they do not sit neatly on local authority area. However, there are clusters around key towns within Norfolk and Suffolk. Therefore, the economic geography of Norfolk and Suffolk is multi-centred. This looks like a fluid, flexible and very connected labour market, which is a strength and highlights that markets don't stop at local authority borders (particularly those with Cambridgeshire and Essex). These multi-centred clusters define the Norfolk/Suffolk economy.
33. Connections are important to the Norfolk/Suffolk economy with strong connections between east and west as well as north/south. Boundaries exist; however, data demonstrates flows across them. In the three market areas explored these flows exist not only within Norfolk/Suffolk but beyond that geography and include Growth Corridors between Cambridge, Stansted and London.

3.3 Conclusion:

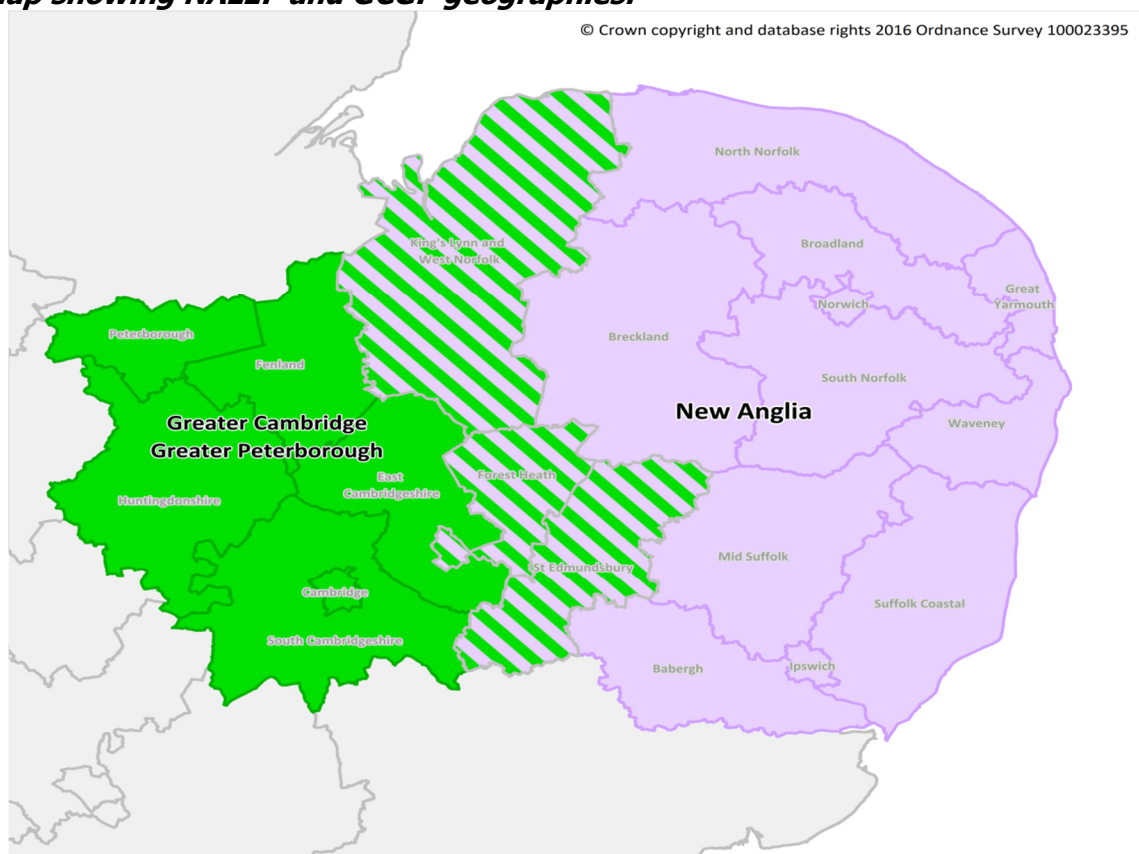
34. In comparison to existing Combined Authorities Norfolk and Suffolk compares favourably as a self-contained Area (at 84% self-containment).
35. Economic geography should inform and be consistent with the decision making processes put in place. Governance will need to be pragmatic and sufficiently flexible to enable the strategic connections across boundaries to be made and maximise opportunities to improve infrastructure, transport and skills in driving economic growth as well as enabling joined up local delivery through clusters and double devolution.
36. The totality of data measuring: labour market, housing market and industrial specialisation, highlights that within Norfolk and Suffolk there are multiple functioning economic areas, which are also supported by significant growth corridors that connect across East Anglia and beyond to the heart of England, the Midland Engine, London and the Northern Powerhouse.
37. Therefore, the evidence suggests that a Combined Authority for Norfolk and Suffolk would be based on multi-centric, functional economic market areas and benefit from joint working with neighbouring counties to ensure connectivity across a wider economic area particularly on areas of strategic scale (such as transport, infrastructure, planning and skills).

4. Current Governance

4.1 Current Governance for Economic Growth:

38. Norfolk and Suffolk is covered by two local enterprise partnerships (LEPs). New Anglia LEP (NALEP) represents one of the fastest growing regions in the country, with 1.6 million people, around 55,000 businesses and economy of £27.5 billion. Greater Cambridge, Greater Peterborough LEP (GCGP LEP) covers areas in the west of Norfolk and Suffolk and has a population of 1.3 million people (estimated to grow to 1.5 million by 2031). The GCGP LEP area has around 60,000 enterprises and generates £30 billion per annum.
39. The LEPs are business-led collaborations between the private, public and education sectors, with the intention to drive economic growth. Both LEPs have successfully secured City Deals (for Cambridge, Norwich and Ipswich) as well as a number of Enterprise Zones and Growth Deal investment. The two LEPs collaborate on a range of projects such as the Eastern Agri-tech programme, Venturefest East and have a joined up approach to investment in their shared area. Mindful of the connectivity across the wider East Anglia geography, the LEPs have a history of working beyond their boundaries in the interests of driving growth.

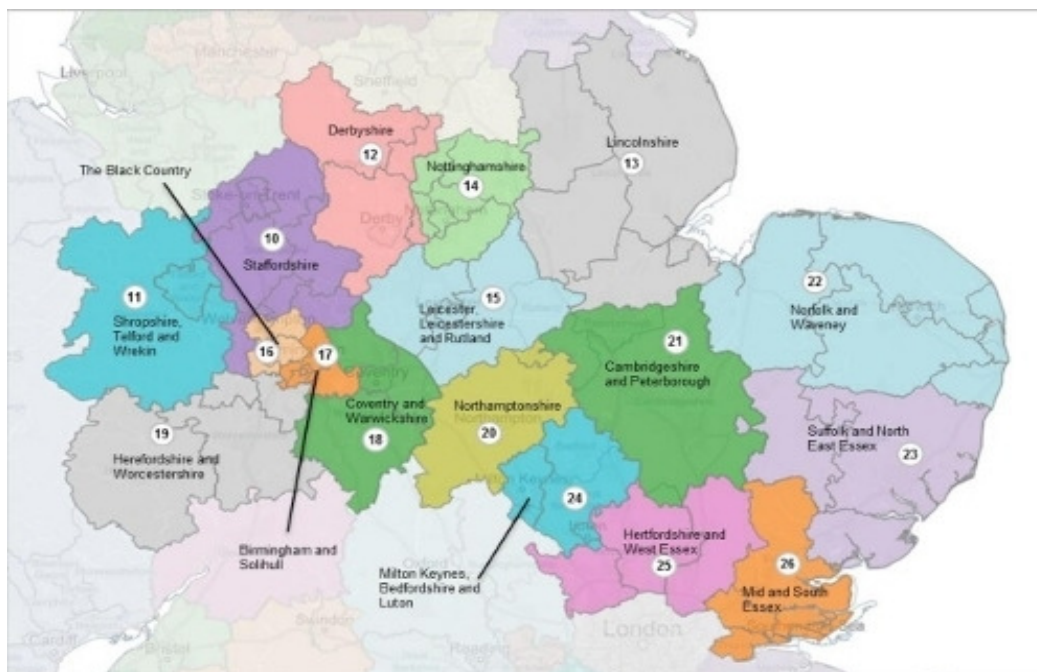
Map showing NALEP and GCGP geographies:



4.2 Current Governance for Public Services

40. Within Norfolk and Suffolk local authority leaders regularly meet to discuss issues of mutual and strategic interest. These are informal but provide an important forum for Leaders to work together as well as to work with other public sector leaders (for example, Clinical Commissioning Group Chief Officers/Chairman, Police and Crime Commissioners and Chief Constables).
41. In addition Norfolk and Suffolk each have a countywide Health and Wellbeing Board. These are statutory bodies with the duty to encourage integrated working to improve

the health and wellbeing of their local populations. One of the main priorities for integrated health and care working is the development of Sustainability and Transformation Plans (STPs). These are on slightly different 'footprints' to existing Health and Wellbeing Boards, often crossing county boundaries as highlighted in the following map:



4.3 Options Analysis:

42. There are four governance models to consider in analysing what would create the most effective governance, based on: the data; current governance; known challenges and how best to drive economic growth and public service reform and improve outcomes for local people:

1. Status quo
2. Establish an Economic Prosperity Board
3. Establish a Combined Authority without a Mayor
4. Establish a Mayoral Combined Authority

Status quo:

43. This would see continuation of informal collaboration and may enable some cross border working; however, there would be no statutory body able to take decisions over strategic issues for economic growth, such as: transport, infrastructure and skills.

44. Connectivity has been an underpinning driver for Norfolk and Suffolk's approach to devolution and the existing governance is too fragmented and informal (without a decision making mandate) to be able to maximise the opportunities for increasing growth. Nor does it enable more integrated public services through joined up strategic decision making supported by integrated local delivery (enabling the principle of subsidiarity to be delivered).

Establish an Economic Prosperity Board:

45. An Economic Prosperity Board would be a statutory body and share many of the features of a Combined Authority. It would be a basis for taking on devolved powers and funding relating to economic development and regeneration.

46. However, it does not align with the aspiration held across the region to fully exploit the potential to join up across highly interrelated policy areas essential to growth, for

example, economic development/regeneration, infrastructure, strategic spatial planning, transport and skills. It would not provide a vehicle to maximise the opportunities for wider join up across public services and consequently, would not maximise the opportunities afforded by devolution for improving the way public services are currently delivered.

Establish a Combined Authority:

47. Norfolk and Suffolk's existing governance structures whilst productive are too informal and fragmented to deliver the ambition set out in this document and in re-setting the relationship with Government – particularly taking the opportunities presented by greater devolution to local areas.
48. Current governance is not adequate to support a coherent approach to strategic planning that is locally sensitive but able to unlock sites for development and improving connectivity for example, through better roads, rail and digital infrastructure. These benefits would be best realised through the creation of a Combined Authority.
49. The relevant legislation also allows a Combined Authority to take on devolved powers from Government. Therefore, a Combined Authority governance model would ensure long-term, effective engagement with the business and other sectors as well as a stronger local voice in negotiating with Government.

Establish a Mayoral Combined Authority:

50. This provides the same opportunities as outlined above for the merits of establishing a Combined Authority in that more joined up local decision making would be facilitated. However, under the Cities and Local Government Devolution Act 2016 Mayoral Combined Authorities are afforded additional flexibility, providing the opportunity to levy (subject to statutory conditions⁴).
51. It would provide visible, strategic leadership across Norfolk and Suffolk. It also maximises opportunities to negotiate for devolved budgets, powers and responsibilities with Government and therefore, is consistent with the ambition to re-set the relationship with Government.
52. This has been demonstrated in the devolution deals recently negotiated with Combined Authorities that have decided to become Mayoral Combined Authorities, for example, Greater Manchester Combined Authority has secured devolution of significant powers across a range of public services through numerous deals⁵. In that and other Combined Authority devolution deals where the Authority has agreed to adopt a Mayor (eg: Sheffield City Region⁶ and North East Combined Authority⁷) significant powers have been devolved such as: a single pot investment fund; devolved transport budgets, responsibility for franchised bus services and Key Route Networks; powers over strategic planning and adult skills. Government have been clear that without a Mayor any devolution deal would be much smaller in range and value and this would not deliver Norfolk and Suffolk's ambition.

⁴ Section 5 Cities and Local Government Act 2016

⁵ HM Treasury updated report on devolution to Greater Manchester Combined Authority and transition to Mayor (16th March 2016): <https://www.gov.uk/government/publications/devolution-to-the-greater-manchester-combined-authority-and-transition-to-a-directly-elected-mayor>





⁶ Sheffield City Region Devolution Deal (October 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/466616/Sheffield_devolution_deal_October_2015_with_signatures.pdf

⁷ North East Combined Authority Devolution Deal (October 2015):

53. A Mayoral Combined Authority provides a stronger voice for the area in championing Norfolk and Suffolk's assets but also in joining up with other areas, for example, if establishing a sub national transport body to enhance the benefits of a connected approach to transport.
54. The additional powers that come with a Mayoral Combined Authority will help to enhance the multi-centred nature of the economies within Norfolk and Suffolk. The economic analysis in section 3 highlighted clustering within the Norfolk/Suffolk area for travel to work and housing migration. As such, the flexibility to be able to establish Mayoral Development Companies would be consistent with this geography and assist in ensuring the coherent strategy is aligned with local delivery. A fuller explanation of how the Mayoral Combined Authority would improve the exercise of statutory functions and particularly the delivery of devolved funding and powers is contained in appendix B.
55. It is acknowledged that establishing a Mayoral Combined Authority would mean a cost. However, the flexibility it brings to negotiate significant devolution of powers and funding from central Government mean that any cost would be far outweighed by the envelope of resource and local flexibilities it would secure.
56. It is intended that the local authority members of the Mayoral Combined Authority will meet its costs as far as possible from existing resources. As such, the statutory officers and support to the Mayoral Combined Authority would be provided by the Constituent Authorities.
57. From existing Combined Authorities that will become Mayoral and have secured a devolution deal, the net added value is significant. For example, Sheffield City Region and the North East secured a single investment pot of £30 million per year for 30 years. This combined with additional powers and flexibility to grow the economy, invest and use different financial mechanisms (e.g. Mayoral Community Infrastructure Levy and borrowing) means the £900 million has the potential to expand. It also means that any set up and running costs of the Combined Authority are significantly overshadowed leaving a net increase in resource available to the local area.

4.4 Summary:

58. The following table provides a summary analysis of governance options for Norfolk and Suffolk:

	Evaluation	Rationale
Status quo		<ul style="list-style-type: none"> • No statutory body able to take decisions over strategic growth issues, such as: transport, infrastructure and skills • doesn't adequately address Connectivity • doesn't maximise opportunity for wider public service reform
Establish an Economic Prosperity Board		<ul style="list-style-type: none"> • Improved but not optimum opportunity to join up decision making • Would not maximise the opportunities afforded by devolution for improving the way public services are currently delivered • Less join up across highly interrelated policy areas essential to growth, eg: regeneration, infrastructure, strategic spatial planning, transport and skills
Establish a Combined Authority without a Mayor		<ul style="list-style-type: none"> • Supports a coherent approach to strategic planning that is locally sensitive but able to unlock sites for development and improving connectivity for example, through better roads, rail and digital infrastructure • Able to take on devolved powers from Government • No additional opportunity to levy • Limited opportunity to negotiate future devolved budgets and powers with Government
Establish a Mayoral Combined Authority		<ul style="list-style-type: none"> • Supports a coherent approach to strategic planning that is locally sensitive but able to unlock sites for development and improving connectivity for example, through better roads, rail and digital infrastructure • Able to take on more devolved powers from Government • Additional flexibility, providing the opportunity to levy • A model that maximises opportunities to negotiate for devolved budgets, powers and responsibilities with Government now and in the future

5. Conclusions

59. The conclusion of this Governance Review is to recommend that the functional economic area of Norfolk and Suffolk will be best served by the establishment of a Mayoral Combined Authority.
60. Combining strategic strength and coherence with connections to local functional economies, this model will improve the exercise of statutory functions but more importantly provide robust but flexible integrated and locally accountable decision making.
61. This model of governance also provides a mechanism for the transfer of significant resources and powers from central government to the region including for infrastructure, housing, economic development, and employment and skills. This will positively impact on the lives of residents by helping create more jobs, improving the skills and employment prospects of residents and boosting productivity across Norfolk and Suffolk.
62. For existing Combined Authorities that have secured a devolution deal and agreed to become Mayoral the net added value is significant (e.g. £30 million for 30 years in Sheffield City Region and the North East). In establishing a Mayoral Combined Authority, Norfolk and Suffolk will be founding the governance that can secure similar sized additional funding and associated powers. Once established, the Mayoral Combined Authority will be well placed to secure future additional devolution of powers and funding (following the example of Greater Manchester) and therefore, achieve its ambition to re-set the relationship with Government, generate economic growth and deliver the best possible outcomes for local people and places.
63. It offers the connectivity that is vital in underpinning the global opportunities presented by Norfolk and Suffolk's unique economic offer. It also firmly connects local people and places to the opportunities for economic and public service reform as well as building leadership of place through individual and community resilience and ensuring Norfolk and Suffolk fulfils its potential as a global economic power.
64. The local authorities of Norfolk and Suffolk recognise and have agreed to the double devolution of powers to local areas working with the Mayor and Combined Authority to take responsibility and accountability for delivery in their own areas to align with the regional strategic ambition. This will ensure that local need is reflected in the delivery of the strategic decisions.
65. It is important that the delivery of functions exercisable by the Mayor and/or Combined Authority happens at the appropriate local geographies primarily based on functional economic areas and travel to work areas. There are already successful models working in this way, such as the Greater Norwich Growth Board and Greater Norwich and Greater Ipswich City Deals that will be utilised rather than create new bodies. Various functions, for example: planning and housing delivery and skills could be doubly-devolved to these areas. Where there are no relevant existing structures, Mayoral Development Corporations could be formed.
66. Consequently, a Mayoral Combined Authority would deliver both coherent strategic and locally responsive delivery over the Norfolk and Suffolk economic geography enabling us to 'improve the exercise of statutory functions in the area'. This is how we will ensure Norfolk and Suffolk fulfils its economic potential, reforms its public services and in turn delivers the best possible outcomes for local people and places.

Appendix A

Wider Economic Geography

Independent analysis was commissioned from Metro Dynamics to test evidence for natural geographies within and across Norfolk and Suffolk. This appendix provides the detailed analysis that supports section 3 - Economic Analysis and Review. Travel to Work Areas have been used along with commuting patterns and industry quotients as proxy measures to identifying economic geographies.

The Office for National Statistics defines the concept of Travel to Work Areas (TTWA) as being to: "to approximate self-contained local labour market areas, where the majority of an area's resident workforce work, and where the majority of the workforce live. TTWAs help to make local labour market data more meaningful. In their absence, comparing data for different parts of the country risks distortion if there are mismatches between where the workforce work and where the workforce live, so that very different types of areas would then be compared. To avoid this problem, TTWAs have been defined so that relatively few commuters cross a TTWA boundary on their way to work, which makes them de facto local labour market areas."⁸

The ONS criteria used for defining TTWAs is that generally at least 75% of an area's resident workforce work in the area and at least 75% of the people who work in the area also live in the area. The area must also have a working population of at least 3,500. However, for areas with a working population in excess of 25,000, self-containment rates as low as 66.7% are accepted.

For the wider Norfolk and Suffolk geography, the clusters of economic areas aggregate to a level of self-containment that is 84%, which compares well with existing Combined Authority areas. This could be influenced by the cross boundary flows from neighbouring counties (particularly Cambridgeshire, Essex and Lincolnshire) outside of the area as demonstrated in the commuting flows.

Norfolk and Suffolk		
*Resident in work population working within area OF	Total resident in work population	Self containment
634,419	754,663	84.07%

** Resident in work population includes those working at home, but excludes those who work off-shore, outside of the UK or have no fixed place of work*

The following table sets out self-containment percentages in existing Combined Authority areas, for comparison:

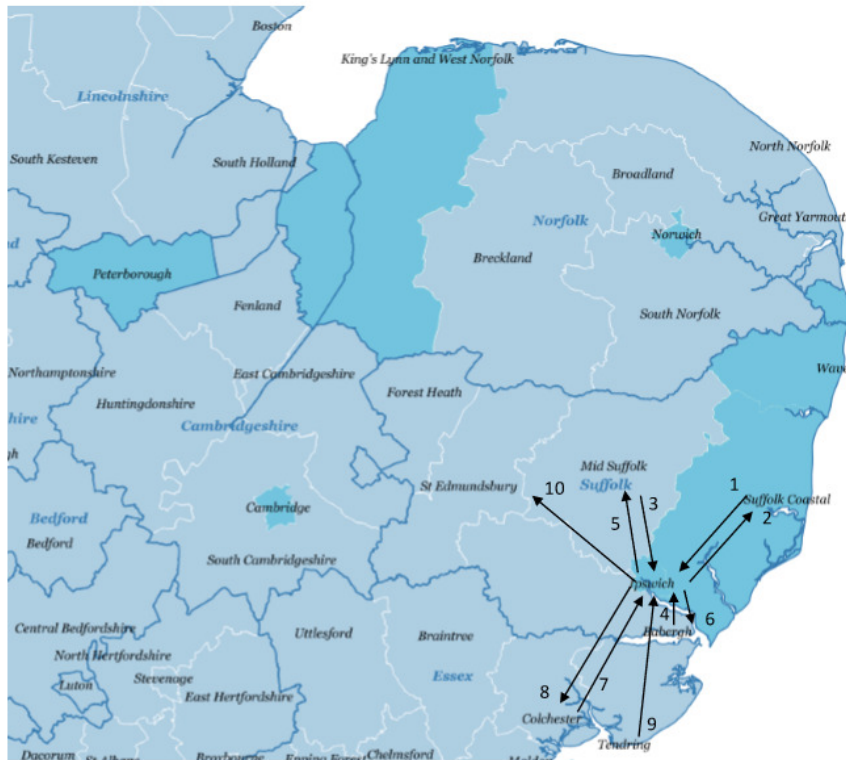
Combined Authority	Self containment
West Midlands	80.32%
Greater Manchester	82.04%
Sheffield City Region	79.93%
Liverpool City Region	77.62%

⁸ ONS Article: Commuting to Work: Changes to Travel to Work Areas 2001-2011: <http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/commutingtoworkchangestotraveltoworkareas/2001to2011>

The following series of maps provide examples of commuting flows around some of the larger towns in Norfolk and Suffolk.

Ipswich

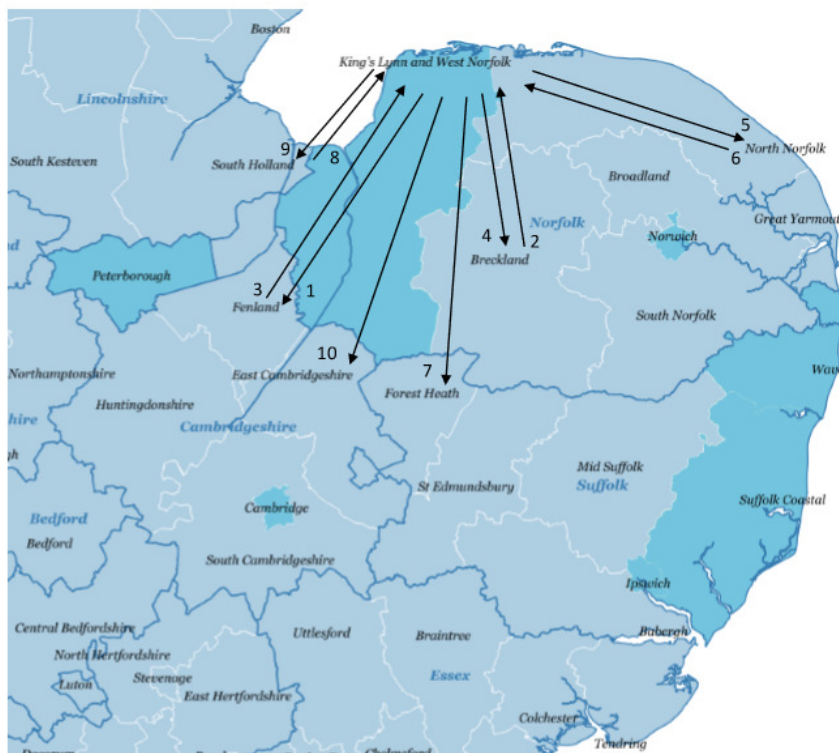
31



Number of commuters		
1	from Suffolk Coastal	11,036
2	to Suffolk Coastal	7,268
3	from Mid Suffolk	5,217
4	from Babergh	5,006
5	to Mid Suffolk	3,857
6	to Babergh	3,633
7	from Colchester	1,434
8	to Colchester	1,315
9	from Tendring	1,071
10	to St Edmundsbury	746

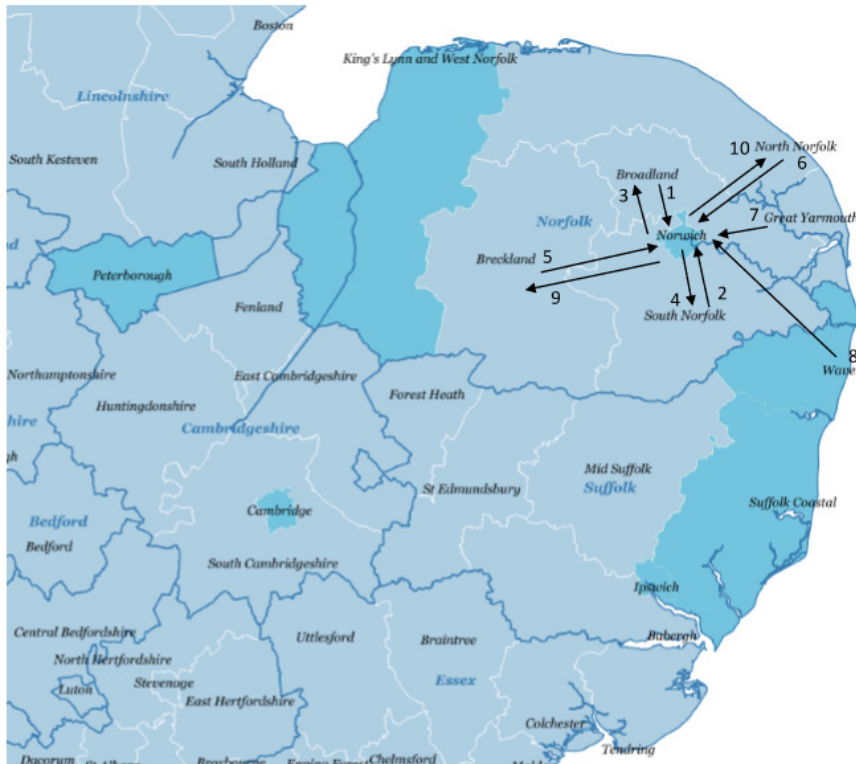
Kings Lynn and West Norfolk

32



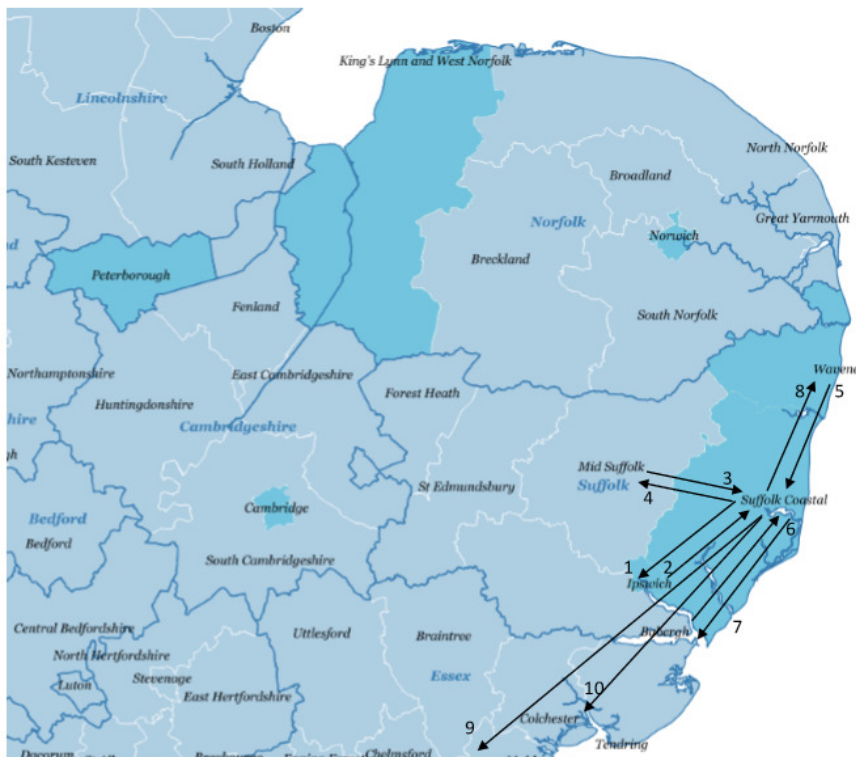
Number of commuters		
1	to Fenland	3,509
2	from Breckland	2,549
3	from Fenland	2,032
4	to Breckland	1,661
5	to North Norfolk	1,327
6	from North Norfolk	1,273
7	to Forest Heath	1,203
8	from South Holland	1,059
9	to South Holland	901
10	to East Cambridgeshire	713

Norwich



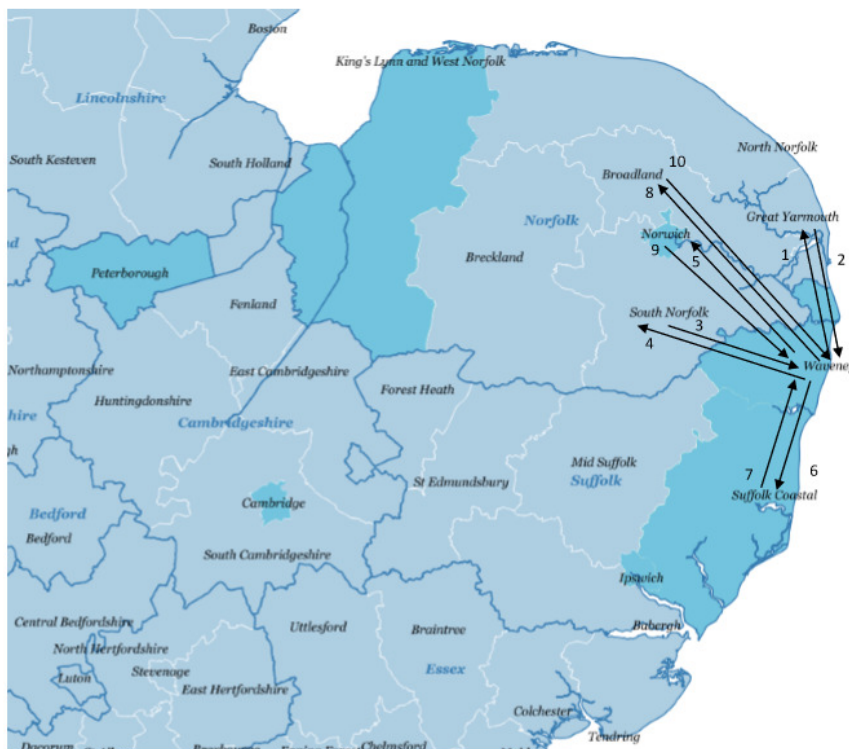
Number of commuters		
1	from Broadland	19,976
2	from South Norfolk	13,361
3	to Broadland	7,681
4	to South Norfolk	7,025
5	from Breckland	4,628
6	from North Norfolk	3,540
7	from Great Yarmouth	2,031
8	from Waveney	1,628
9	to Breckland	1,504
10	to North Norfolk	1,078

Suffolk Coastal



Number of commuters		
1	to Ipswich	11,036
2	from Ipswich	7,268
3	from Mid Suffolk	2,118
4	to Mid Suffolk	1,631
5	from Waveney	1,377
6	from Babergh	1,216
7	to Babergh	997
8	to Waveney	959
9	to Westminister, City of London	576
10	to Colchester	538

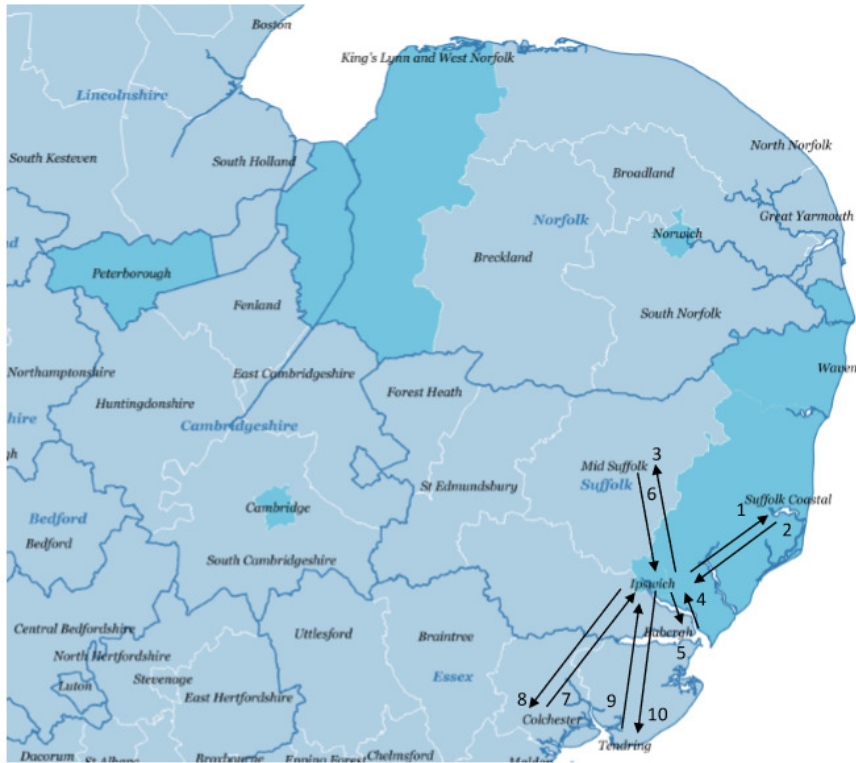
Waveney



Number of commuters		
1	to Great Yarmouth	4,142
2	from Great Yarmouth	2,787
3	from South Norfolk	2,303
4	to South Norfolk	1,650
5	to Norwich	1,628
6	to Suffolk Coastal	1,377
7	from Suffolk Coastal	959
8	to Broadland	550
9	from Norwich	548
10	from Broadland	394

Ipswich

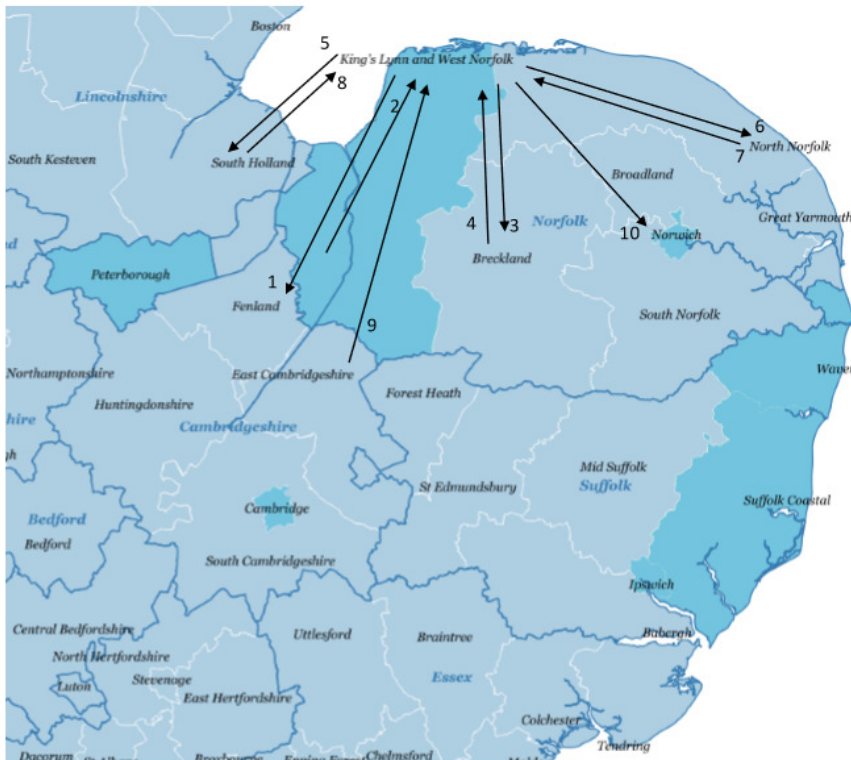
39



Housing moves		
1	to Suffolk Coastal	1,540
2	from Suffolk Coastal	1,270
3	to Mid Suffolk	770
4	from Babergh	750
5	to Babergh	750
6	from Mid Suffolk	540
7	from Colchester	310
8	to Colchester	280
9	from Tendring	210
10	to Tendring	140

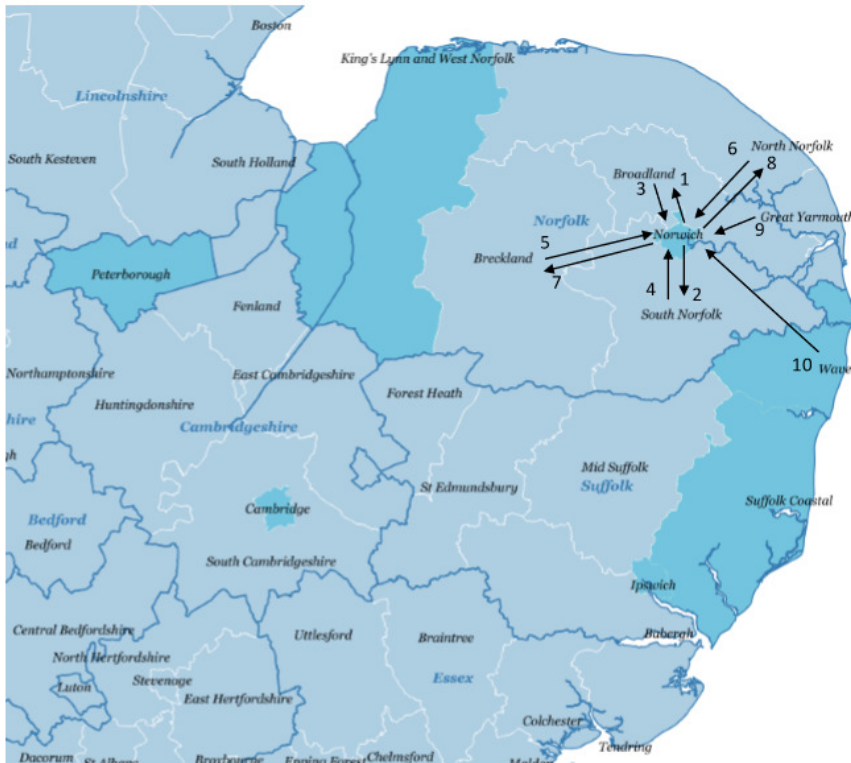
Kings Lynn and West Norfolk

40



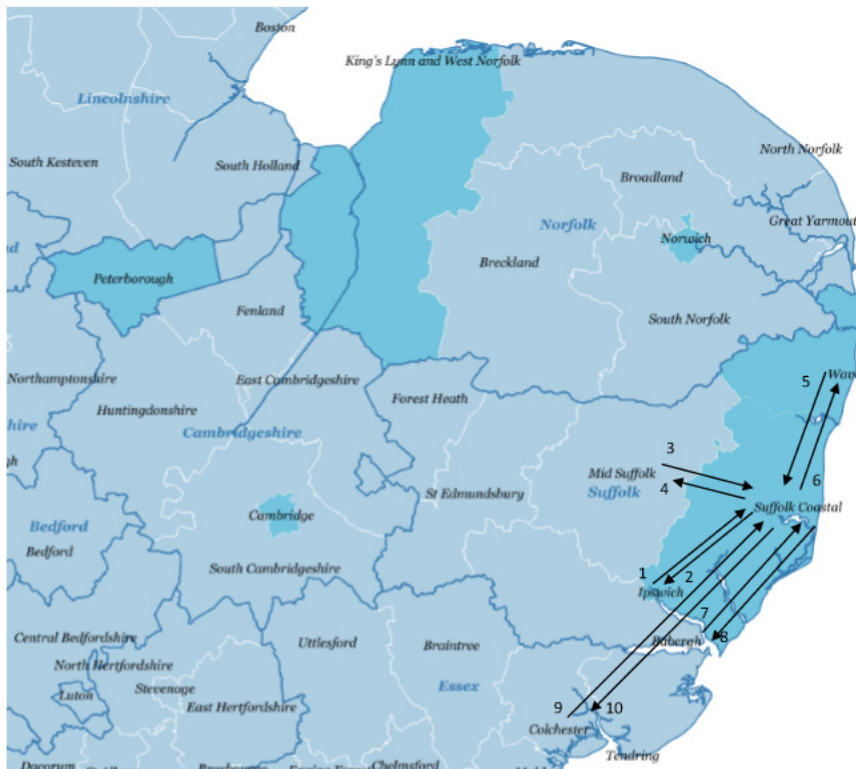
Housing moves		
1	to Fenland	740
2	from Fenland	710
3	to Breckland	500
4	from Breckland	450
5	to South Holland	320
6	to North Norfolk	310
7	from North Norfolk	260
8	from South Holland	210
9	from East Cambs.	200
10	to Norwich	200

Norwich



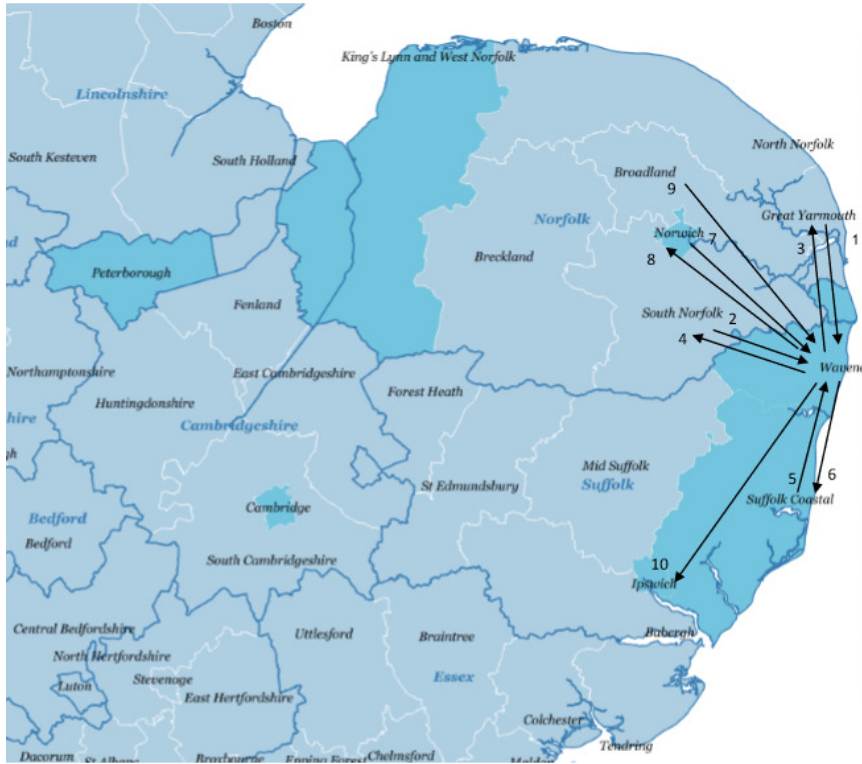
Housing Moves		
1	to Broadland	2,320
2	to South Norfolk	1,900
3	from Broadland	1,540
4	from South Norfolk	1,240
5	from Breckland	560
6	from North Norfolk	500
7	to Breckland	470
8	to North Norfolk	440
9	from Great Yarmouth	340
10	from Waveney	260

Suffolk Coastal



Housing Moves		
1	from Ipswich	1,540
2	to Ipswich	1270
3	from Mid Suffolk	450
4	to Mid Suffolk	400
5	from Waveney	300
6	to Waveney	290
7	from Babergh	270
8	to Babergh	200
9	from Colchester	140
10	to Colchester	140

Waveney



Housing moves		
1	from Great Yarmouth	620
2	to South Norfolk	510
3	to Great Yarmouth	460
4	from South Norfolk	430
5	to Suffolk Coastal	300
6	from Suffolk Coastal	290
7	from Norwich	260
8	to Norwich	230
9	from Broadland	130
10	to Ipswich	120

Location Quotients – Broad Categories

Areas where supply chain relationships may already exist, or could be fostered:

Industry	Cambridgeshire	Peterborough	Norfolk	Suffolk
Mining, quarrying & utilities	0.95	0.65	1.08	1.13
Manufacturing	1.26	0.88	1.20	1.22
Construction	0.91	0.70	1.22	1.15
Motor trades	1.06	1.46	1.30	1.34
Wholesale	1.08	1.42	1.02	0.96
Retail	0.82	1.21	1.18	1.06
Transport & storage (incpostal)	0.76	0.91	0.77	1.39
Accommodation & food services	0.90	0.75	1.28	1.14
Information & communication	1.44	1.29	0.56	0.77
Business administration & support services	0.92	2.05	0.91	1.15

Metro — Dynamics

Specialisation: Manufacturing

Industry	Cambridgeshire	Peterborough	Norfolk	Suffolk
10 : Manufacture of food products	1.49	0.74	1.98	1.93
11 : Manufacture of beverages	0.15	0.12	1.39	1.47
15 : Manufacture of leather and related products	1.02	4.07	1.54	0.54
16 : Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	1.42	0.18	1.35	1.41
17 : Manufacture of paper and paper products	3.72	1.01	1.05	1.02
18 : Printing and reproduction of recorded media	1.22	1.49	1.44	2.30
20 : Manufacture of chemicals and chemical products	0.52	1.03	0.76	1.33
21 : Manufacture of basic pharmaceutical products and pharmaceutical preparations	2.09	0.00	1.62	0.35
22 : Manufacture of rubber and plastic products	1.39	0.18	1.19	1.54
23 : Manufacture of other non-metallic mineral products	1.84	0.76	0.65	0.71
25 : Manufacture of fabricated metal products, except machinery and equipment	1.09	0.51	1.23	1.06
26 : Manufacture of computer, electronic and optical products	3.03	0.34	0.72	0.82
27 : Manufacture of electrical equipment	0.94	1.54	1.09	1.06
28 : Manufacture of machinery and equipment n.e.c.	1.64	4.59	1.72	2.06
30 : Manufacture of other transport equipment	1.29	0.01	0.50	0.17
31 : Manufacture of furniture	0.99	0.53	1.86	1.88
32 : Other manufacturing	1.18	0.43	1.02	1.23
33 : Repair and installation of machinery and equipment	0.49	1.31	1.12	0.59

Metro — Dynamics

Appendix B

Summary Rationale for Devolution Deal Proposals

Function	Rationale
<p><i>Appendix A in draft governance scheme</i></p> <p>To be responsible for a consolidated, multi-year local transport budget for the area of the Combined Authority devolved from the Government consisting of the Integrated Transport Block or any equivalent or replacement funding for the same or similar functions as those covered by that funding.</p> <p>In each financial year in which the amounts devolved by the Government are identified as allocated to individual Constituent Authorities, the Mayor shall passport that funding to the relevant Constituent Authorities.</p> <p>In any financial year in which the amounts devolved by the Government are not identified as allocated to individual Constituent Authorities, the Mayor shall consult with the Combined Authority as to his spending plans in relation to the devolved amounts and approval of such spending plans shall be subject to the voting arrangements specified in the Scheme of Governance.</p> <p>The Mayor shall transfer to the relevant Constituent Authority any amount identified as allocated to that Constituent Authority in the approved spending plans.</p> <p>To produce and publish a Local Transport Plan for the Combined Authority area without prejudice to Constituent</p>	<p>Transport and Electronic Communications – Better Connected</p> <p>This funding will help unlock the development of stalled employment and housing sites across the counties. It will also support increased productivity within growth sectors and existing businesses and enable the development of a modern, integrated transport system.</p> <p>It will allow flexible use for bringing forward priority based investment that has maximum impact. This will enable the development of employment and housing sites across the counties, support increased productivity within growth sectors and existing businesses to enable the development of a modern, integrated transport system with a secure future.</p> <p>We already have a successful Local Transport Body bringing together Norfolk and Suffolk County Councils and New Anglia LEP to make decisions on and manage the transport infrastructure programme funded through Growth Deal. A Local Transport Board brings together wider stakeholders including Highways England and Network Rail. The Mayoral Combined Authority (MCA) would build on this and provide a democratic decision-making body allowing the LTBs to continue to manage the delivery and work together with partners.</p>
<p>To produce and publish a Local Transport Plan for the Combined Authority area without prejudice to Constituent</p>	<p>The Local Transport Plan will provide a strategic framework for developing transport links across Norfolk and Suffolk, enabling the vital connectivity that supports the economy. The MCA will also work with neighbouring counties to ensure Norfolk and Suffolk embed links with rest of the country.</p>

Function	Rationale
<p>Authority duties to publish Local Transport Plans under section 9 of the Transport Act 2000.</p>	
<p>Jointly with the other Authorities, to take responsibility for delivering a new Key Route Network of local authority roads; the management and maintenance of which shall be undertaken by the Combined Authority and through this work towards shared procurement frameworks and operational delivery of road maintenance across the Constituent Authorities. In turn this will unlock key sites, along with rail developments and support the delivery of an asset management plan.</p>	<p>The MCA will provide a strategic framework for transport enabling join up with other authorities where relevant. However, its local knowledge and accountability means that, in taking control of the key route network, it will be more effective in maximising opportunities to improve road maintenance and unlock sites for development.</p>
<p>To exercise, concurrently with the relevant Constituent Authority to the extent that they have equivalent powers, such powers to franchise bus services in the Combined Authority area as shall be contained in future legislation to support delivery of smart and integrated ticketing across the East Anglia region in conjunction with the other Combined Authority and Constituent Authorities.</p>	<p>As significant rural counties, public transport is important for Norfolk and Suffolk in ensuring communities and businesses are connected. The MCA provides the opportunity to strategically plan transport in a coherent way that will improve economic growth.</p> <p>Linking research-based growth in the largest towns with our rural villages through improvements to road & rail infrastructure and using smart ticketing will make it easier for residents to participate fully in the economy across transport modes.</p>
<p>Develop in partnership with others an integrated approach to local buses, community based transport, the local network of car clubs and in particular rail services with rail operators and Network Rail.</p>	
<p>To explore the creation of a statutory Transport body to influence strategic national transport initiatives and work with Essex and the Midlands through the Cambridge-to-Oxford arc.</p>	<p>There is significant connectivity across Councils in the area as well as strong relationships with neighbouring areas, particularly Cambridgeshire.</p> <p>We have a track record of prioritising outcomes over organisational boundaries, including where this means going beyond our county borders. We have worked flexibly with partners in the Greater Cambridge economic region with its strong influence on the west of the counties, for example in developing the A11 Corridor between Norwich and Cambridge.</p>

Function	Rationale
	<p>A strategic transport body would offer a joined up approach to infrastructure, improve connectivity, develop key growth sectors and build on existing growth corridors such as the A11, A14 and A47.</p>
	<p>Housing and Planning</p>
<p>Creation of a non-statutory spatial framework and supplementary planning documents to act as a framework for managing strategic planning across the Combined Authority area with which all Local Development Plans will, where reasonably practicable and without resubmission for approval, generally conform.</p>	<p>Local Plans are not joined up nor aligned with investment in infrastructure. Consequently, infrastructure to support new homes and employment sites is fragmented and often follows development rather than enabling it.</p> <p>Currently there is no mechanism to properly consider and plan for big strategic issues, such as the ongoing expansion of Greater London, which will continue to impact on housing price and availability in Suffolk.</p>
<p>To develop a non-statutory strategic infrastructure delivery plan across Norfolk and Suffolk.</p>	<p>The MCA offers the opportunity to develop a joined up, longer term strategic plan to drive growth and improve the effectiveness of public services.</p>
<p>To have functions corresponding to those of the Mayor of London under Part 8 of the Localism Act 2011 to designate any area of land in the Combined Authority area as a Mayoral Development Area leading to the establishment by Order of a Mayoral Development Corporation subject to the consent of all Constituent Authority in which the Development Corporation is intended to be based.</p>	<p>The economic analysis of Norfolk and Suffolk in the governance review, highlighted clustering within the Norfolk/Suffolk area for travel to work and housing migration. As such, the flexibility to be able to establish Mayoral Development Companies would be consistent with this geography and assist in the ensuring the coherent strategy is aligned with local delivery.</p>
<p>The Combined Authority, with its partner authorities, will use the powers and infrastructure resources devolved from the Government, alongside local public and private investment, to substantially increase housing delivery through ambitious targets based on housing need, seeking to deliver 40,000 homes to 2021 and 200,000 homes over the longer period of Local Plans across Norfolk and Suffolk of different types and tenures.</p>	<p>The additional powers that come with a MCA will enhance the multi-centred nature of the economies within Norfolk and Suffolk.</p> <p>Sufficient and appropriate housing is vital to ensure people can live healthy and prosperous lives as well as having a major impact on developing our economy. An undersupply of homes reduces the mobility of the workforce, increases pressure on public services and fails to meet people's aspirations. However, while many planning permissions are being granted, the homes are not being built.</p> <p>Over the past 15 years, across Norfolk and Suffolk, the annual average completion rate has been below 6,000. More recently, housebuilding has been severely affected by the downturn in the property market and, although it is picking up, delivery is still below 4,500 per annum (compared to a need for 7,600). We have plenty of allocated or permitted sites but need to build capacity in the industry and other sectors to deliver; this will be achieved through a package of measures.</p>

Function	Rationale
	<p>To deliver sustainable development, a significant proportion of committed growth is formed by major sites, which require upfront infrastructure provision and are planned to be built out over a number of years. We need to continue to invest in delivering these commitments as fast as possible, as well as ensuring that there are a wide range of opportunities at various scales to encourage SMEs to build and to stimulate supply.</p> <p>Norfolk and Suffolk have specific pressures providing appropriate housing for all, such as ensuring sufficient affordable housing in a relatively low wage economy, and shaping the market to meet the needs of an ageing population at the same time as developing new models of care. As well as sites, we need to stimulate markets for different types of housing provision including the private rented sector and age appropriate housing that will enable people to stay in their own homes for as long as possible.</p>
<p>To make proposals for the creation of other emerging vehicles to help take forward large development or new settlements subject to the consent of any Constituent Authority in which area the vehicle is intended to be used.</p>	<p>A beginning of new ways to raise Norfolk and Suffolk's global ambition and create more accountable, efficient public services - the proposed devolution deal is good foundation. However, there is more to do.</p>
<p>To exercise strategic planning powers to support and accelerate these ambitions. These will include the power to:</p> <ul style="list-style-type: none"> • Create non-statutory supplementary planning documents subject to the approval process above. • Be consulted on planning applications of strategic importance in the Combined Authority area and to work with local areas to achieve ambitious plans for new housing development. • Create Mayoral Development Corporations or similar delivery vehicles, with planning and land assembly powers, which will support delivery of strategic sites in the Combined Authority area. This power will be exercised with the consent of the Constituent Authority member in which the development corporation is to be used. To be consulted on and/or 	<p>The MCA will use this Deal as a basis for identifying further reforms to unlock investment and create a step change in improving the economic contribution and sustainability of Norfolk and Suffolk's people and places. Currently, there is no clear and systematic description of growth across the two county area so that investment decisions can be programmed and targeted to priorities. Local Plans are fragmented and there is currently no spatial plan for the strategic functional economic area of Norfolk and Suffolk, to reflect priorities, including delivery of national energy infrastructure, or respond to the economic opportunities beyond our boundary to the west (working with Cambridgeshire and GCGP LEP), the south (working with Essex) and offshore.</p> <p>There is no mechanism to properly consider and plan for strategic scale growth and wider strategic issues, such as the ongoing growth of Greater London and Cambridge which will continue to impact on the local economy, transport infrastructure, and housing.</p> <p>The MCA provides the opportunity to set a strategic plan for Norfolk and Suffolk, enabling a more proactive, longer term approach to delivering economic growth, unlocking housing delivery and investing in infrastructure. This will include working with partners within Norfolk and Suffolk and beyond – particularly Cambridgeshire.</p>

Function	Rationale
<p>call in planning applications of potential strategic importance to the Combined Authority area.</p> <ul style="list-style-type: none"> • Ensure there is a sufficient supply of commercial and housing sites available, to support a growing economy. • Develop closer working with the Homes and Communities Agency. 	
Finance	
<p>To exercise the power under paragraph 21.8 of the Scheme: <i>(the Mayor shall have power to place a supplement of 2p per pound of rateable value on business rates to fund infrastructure [and mayoral costs] with the agreement of the local business community through the LEP).</i></p> <p>To exercise the function of issuing a precept under Chapter 4 of Part 1 of the Local Government Finance Act 1992 in respect of mayoral functions.</p>	<p>The MCA offers the opportunity to set local levies. This additional autonomy over funding means the MCA can adjust its approaches depending on local need/conditions and choose funding strategies that will unlock the greatest possibilities for growth.</p>
Flood Defence and Coastal Management	
<p><i>Appendix B in draft Governance Scheme</i></p> <p>The Combined Authority will work with the Government, drainage boards, the Environment Agency and other relevant bodies to create a fully integrated approach to flood and coastal risk management.</p>	<p>Norfolk and Suffolk have a considerable coastline at risk of erosion and flooding risk that is also an issue for some inland areas too.</p> <p>A MCA would provide a coherent approach enabling more: timely decision making; pre-emptive action to deliver solutions and simplified funding that maximises the ability to reduce risk and deliver additional economic growth across Norfolk and Suffolk.</p>
Learning and Skills, Education, Apprentices and Employment	
<p>To ensure continued collaboration the Combined Authority will, with the Regional Schools Commissioner and other key local education stakeholders establish an Education Committee. The Regional Schools Commissioner will work</p>	<p>Enabling the MCA to work in partnership with the Regional Schools Commissioner (RSC) and the Headteacher Board will bring together our capacity and expertise in schools improvement, local infrastructure planning and the provision of new school places to discharge our duty to secure a good education for every child.</p>

Function	Rationale
<p>with the Committee to provide strategic direction on education across the Combined Authority area.</p>	<p>Ensuring join up across the different responsibilities for education and schools is important in ensuring schools and their pupils fulfil their potential. Norfolk and Suffolk results are improving. It will establish mutually agreed local arrangements for the purposes of the Regional Schools Commissioner and the Local Authorities to jointly discharge their respective responsibilities for place planning and school improvement.</p> <p>Therefore, the MCA will provide greater consistency of approach but with understanding of local circumstances.</p>
<p>Government commits to an Area Review of post-16 education and training, currently expected to start in November 2016, excluding Great Yarmouth and Lowestoft where a Review has already been conducted during 2015.</p>	<p>The demand for skills is already outstripping supply at all levels in our economy, including in skilled technical trades such as engineering, logistics and construction, and in the professional fields of computing, creative digital, agri-tech, and health. The stability of our post-16 education and skills sector is critical to raising productivity and the creation of a more dynamic economy. The Government wants to see strong local areas and employers taking a lead role in establishing a post-16 skills system that is responsive to local economic priorities. We share this ambition and the MCA with devolved responsibilities provides the right governance, levers and partnerships in place to deliver.</p> <p>As part of the Area Based Reviews, the Mayoral Combined Authority (MCA) will conduct a comprehensive and joined up review of post 16 education. The MCA scale means a consistent approach to improving education and training provision across the functional economic area of Norfolk and Suffolk but with an understanding of local need and economic geographies.</p>
<p>The Government recognises the progress the LEP, local colleges and providers and the private sector have made in improving skills provision across Norfolk and Suffolk. The New Anglia Employment and Skills Board will consider if further refinement of their local skills strategies will be required after the conclusion of the Area Reviews to ensure that post-16 providers are delivering the skills that local employers require. It is expected that the LEP Skills Board will continue to collaborate with colleges and providers, with appropriate support from the Education Funding Agency to work towards delivering this plan.</p>	<p>We have a strong network of colleges and university partners who are already working together in a unique way alongside the LEP Skills Board. We are excited by the potential to take the next steps through devolution and are all fully committed to using this opportunity to achieve the step change we need in workforce productivity and skills.</p> <p>The MCA presents the opportunity to rationalise existing governance arrangements to make them simpler, more integrated and cost effective where locally appropriate. The scale of the MCA, along with its strategic approach will facilitate this where and when appropriate.</p>

Function	Rationale
<p>The Government will enable local commissioning of outcomes to be achieved from 19+ Adult Education Budget starting in academic year 17/18; and will fully devolve budgets to the Combined Authorities from academic year 2018/19 subject to readiness conditions). These arrangements will not cover apprenticeships.</p>	<p>The MCA will ensure that the Adult Skills Budget (is more closely aligned to local economic priorities. This will enable a locally tailored approach that best meets the needs of local people and employers with the benefit of a consistent, strategic overview through the MCA.</p>
<p>The Combined Authority will focus a greater proportion of its devolved Adult Education Budget on learning that delivers sustained job outcomes, productivity and economic growth.</p>	<p>GVA across Norfolk and Suffolk is lower than the national average. Economic growth is a key driver for Norfolk and Suffolk's devolution ambition. Economic growth is vital to a thriving society; however, it cannot be separated from the people and places that will drive and benefit from that growth</p>
<p>Devolution will proceed in two stages, across the next three academic years:</p> <ol style="list-style-type: none"> a) The Combined Authority will begin to prepare for local commissioning. For the 2017/18 academic year, and following the area review, the Government will work with the Combined Authority to vary the block grant allocations made to providers, within an agreed framework. b) From 2018/19, there will be full devolution of funding. The Combined Authority will be responsible for 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. A funding formula for calculating the size of the grant to Constituent Authorities and the Combined Authority will need to take into account a range of demographic, educational and labour market factors; it will also need 	<p>Devolving this budget enables a more locally appropriate response across the MCA area</p> <p>The MCA will be well placed to ensure the necessary preparations for full devolution of the Adult Education Budget. It will have the strategic leadership and decision making in place that will be able to assure Government that the budget will be managed and distributed appropriately.</p> <p>In relation to the costs of the Combined Authority the Constituent Authorities have agreed the principle that the Mayoral Combined Authority's costs will be met as far as possible from existing resources. The statutory officers and support to the Combined Authority will be provided by the Constituent Authorities.</p> <p>In relation to Mayoral costs the agreed intention of the Constituent Authorities is that the single pot investment fund allocation will be invested so as to leverage additional financial benefit for the Combined Authority which will, after an initial investment period, exceed the Mayoral costs</p>

Function	Rationale
<p>to take account of costs of implementing devolution and continuing operational expenditure.</p>	
<p>The readiness conditions for full devolution are that:</p> <ol style="list-style-type: none"> a) Parliament has legislated to enable transfer to local authorities of the current statutory duties on the Secretary of State to secure appropriate facilities for further education for adults from this budget and for provision to be free in certain circumstances. b) Completion of the Area Review process leading to a sustainable provider base. c) After Area Reviews are completed, agreed arrangements are in place between central government and the Combined Authority to ensure that devolved funding decisions take account of the need to maintain a sustainable and financially viable 16+ provider base. d) Clear principles and arrangements have been agreed between the Government and the Combined Authority for sharing financial risk and managing failure of 16+ providers, reflecting the balance of devolved and national interest and protecting the taxpayer from unnecessary expenditure and liabilities. e) Learner protection and minimum standards arrangements are agreed. f) Funding and provider management arrangements, including securing financial assurance, are agreed in a way that minimises costs and maximises consistency and transparency. 	<p>Re-setting the relationship with Government is part of the Norfolk and Suffolk approach to devolution. As such it will be important to continue to work constructively with Government on provisions within the existing deal as well as exploring the opportunities for future devolved arrangements. Therefore, the MCA would be keen to work with Government to ensure the readiness conditions are fully met.</p>
<p>Government recognises that Norfolk and Suffolk have a wealth of higher education strengths such as the University of East Anglia, University Campus Suffolk and Norwich</p>	<p>A new partnership between the Universities and Further Education providers in the region to drive a programme of co-ordinated skills and educational improvement to deliver the knowledge based economy is central to Norfolk and Suffolk's model of connected growth (enhanced by a single strategic MCA for the area).</p>

Function	Rationale
<p>University of the Arts. This higher education offer has a vital role in enhancing the innovation and productivity of the area's economy. Local partners want to work with Government to build on this, including investment in the institutions to develop their academic and research offer, such as, University Campus Suffolk which has obtained independent university status and will become the University of Suffolk in August 2016. Other proposals include plans in Ipswich by BT, Cambridge University and University Campus Suffolk focused on future developments in ICT and the Internet of Things.</p>	
<p>Subject to the readiness conditions below, from the 2018/19 academic year onwards, to receive fully devolved Government budgets (calculated on a funding formula taking into account a range of demographic, educational and labour market factors) for 19+ education and training and to exercise within the Combined Authority area the functions of the Secretary of State under the following provisions of the Apprenticeship, Skills, Children and Learning Act 2009:</p> <ul style="list-style-type: none"> a) Section 86 except subsection (1)(b) b) Section 87 c) Section 88 (but not any power to make Regulations) d) Section 90 (but not any power to make Regulations) <p>Also relevant are the powers and duties under section 15ZA, 15ZB, 15ZC, 17A, 18A (1)(b), of the Education Act 1996 and the powers under sections 514A and 560A of that Act (duties and powers related to the provision of education and training for persons over compulsory school age). These powers shall be exercised by the Combined Authority concurrently.</p>	<p>The MCA would be ready to take on these additional powers and work with government to ensure their transfer is as efficient as possible. Following that it would be accountable (to central Government and locally) for the responsible allocation of funds to providers.</p>

Function	Rationale
<p>Pursuant to the functions referred to above, to be responsible for allocations to providers and the outcomes to be achieved, consistent with statutory entitlements and proportionate requirements set by the Government.</p>	
Apprenticeships	
<p>The Government recognises Norfolk and Suffolk's commitment to delivering more apprenticeships. The Combined Authority will assume responsibility for the Apprenticeship Grant for Employers (AGE). The AGE funding must be used alongside mainstream apprenticeship participation funding to incentivise employers to offer apprenticeships, but the Combined Authority is free to vary the criteria associated with the grant (e.g. size and sector of business) to meet local needs. The Skills Funding Agency will work with the Combined Authority to identify an appropriate share.</p>	<p>Development of a more responsive training offer and increase in the proportion of young people and adults that are completing the high level qualifications that employers need is important for Norfolk and Suffolk.</p> <p>Growing the market for apprenticeships will be central to this approach and we will build on our existing activity to assume responsibility over apprenticeship brokerage activities targeted at SMEs and raising the profile of apprenticeships amongst young people, parents and their advisers.</p>
<p>The Combined Authority and the Government will collaborate to maximise the opportunities presented by the introduction of the apprenticeship reforms, including the levy, and to work together on promoting the benefits of apprenticeships to employers in order to engage more small businesses in the apprenticeship programme. The Combined Authority will explore the potential of introducing an Apprenticeship Training Agency to the area, funded through local resources</p> <ul style="list-style-type: none"> a) Apprenticeships, Skills, Children and Learning Act 2009 s.122 b) Education and Skills Act 2008 c) Employment and Training Act 1973 s.2, s.10A 	

Function	Rationale
<p>The Combined Authority will work with the Department for Work and Pensions (DWP) to establish a locally integrated employment services which join together the elements of the employment system to achieve better outcomes. This includes:</p> <ul style="list-style-type: none"> a) The Combined Authority committing to work with the Government to ensure all young people are either earning or learning including supporting Jobcentre Plus in the delivery of the Youth Obligation from April 2017. b) The Government committing to ensuring all young people are either earning or learning and to exploring opportunities for links with local employment services to support this aim, including building in good practice from the present local MyGo service and other local provision. c) The Combined Authority commits to supporting the Youth Obligation by utilising strong local links to business to create work-related training and labour market opportunities for young people including encouraging the provision of apprenticeships and work placements in the local community. It will also work with the Government to investigate the potential for social investment, in particular Social Impact Bonds, for disadvantaged young people not in education, employment or training who may not be in receipt of support from Jobcentre Plus. <p>The Combined Authority will work with DWP to co-design the new National Work and Health Programme designed to focus on those with a health condition or disability and the very long term unemployed.</p>	<p>Our vibrant economy has the potential to offer high value, secure and sustainable jobs to everyone who lives here. However, unless we unlock the potential of young people – their abilities, their ideas, their energy and their passion – we will not achieve that ambition.</p> <p>To do that we need to provide a system which supports every young person, proportionate to need, to make a successful transition from education to work and which prevents anyone from ‘falling through the net’.</p> <p>The MCA will build on existing successes, such as the MyGo Youth Employment Project in Ipswich, to deliver the Government’s Youth Obligation through a New Anglia Youth Pledge. The Pledge will ensure that every young person aged 16-24 is earning or learning.</p>
<p>Despite falling unemployment and a range of nationally commissioned employment programmes, many of our most vulnerable residents, including those suffering from mental health conditions, remain a long distance from the labour market.</p>	

Function	Rationale
<p>The respective roles of DWP and the Combined Authority in the co-design will include:</p> <ul style="list-style-type: none"> a) DWP sets the funding envelope, the Combined Authority can top up if they wish to, but are not required to. b) The Combined Authority will set out how it will join up local public services in order to improve outcomes for this group, particularly how it will work with the Clinical Commissioning Groups/third sector to enable timely health-based support. There will be a particular focus on ensuring the integration of the new programme with local services, in order to ensure that national and local provision works well together, and opportunities for greater integration are identified and levered. c) DWP set the high-level performance framework and will ensure the support appropriately reflects labour market issues. The primary outcomes will be to reduce unemployment and move people into sustained employment. The Combined Authority will have some flexibility to determine specific local outcomes that reflect local labour market priorities; these outcomes should be complementary to the ultimate employment outcome. In determining the local outcome(s) the Combined Authority should work with DWP to take account of the labour market evidence base and articulate how the additional outcome(s) will fit within the wider strategic and economic context and deliver value for money. d) Before delivery commences, DWP and the Combined Authority will set out an agreement covering the respective roles of each party in the delivery and monitoring of the support, including a mechanism by 	<p>The MCA and relevant local partners will work with Government to improve outcomes for 'hard to help' groups, including claimants of Employment Support Allowance through a more effective, integrated employment support offer with health, housing and other partners.</p> <p>The MCA will make co-commissioning with Government simpler as it provides a strategic view and accountability across Norfolk and Suffolk.</p>

Function	Rationale
<p>which each party can raise and resolve any concern that arise.</p> <p>e) DWP will facilitate protocols for data sharing and transparency by tackling some of the obstacles and developing solutions to enable the Combined Authority to develop a strategic needs assessment for the area.</p> <p>The Combined Authority will co-commission the Work and Health programme with DWP. The respective roles of DWP and the Combined Authority will include:</p> <p>a) DWP sets the contracting arrangements, including contract package areas, but should consider any proposals from the Combined Authority on contract package area geography.</p> <p>b) The Combined Authority will be involved in tender evaluation.</p> <p>Providers will be solely accountable to DWP, but DWP and the Combined Authority's above-mentioned agreement will include a mechanism by which the Combined Authority can escalate to DWP any concerns about provider performance/breaching local agreements and require DWP to take formal contract action where appropriate</p> <p>The relevant powers in this regard include the:</p> <ul style="list-style-type: none"> • Apprenticeships, Skills, Children and Learning Act 2009 s.122 • Education and Skills Act 2008 • Employment and Training Act 1973 s.2, s.10A • Social Security (Claims and Information) Regulations 1999 (SI 1999/3108) • Social Security (Information-sharing in relation to Welfare Services etc.) Regulations 2012 (SI 2012/1483) 	

Function	Rationale
<ul style="list-style-type: none"> Welfare Reform Act 2012 s.131 Welfare Reform and Pensions Act 1999 	
<p>Further Activity to Improve Life Chances</p>	
<p>The Combined Authority will set out how it will join up local public services across health, skills and employment in order to improve outcomes, particularly how it will work with local Clinical Commissioning Groups/third sector organisations and NHS England / the Health and Work Unit nationally to enable timely health-based support.</p>	<p>Having the MCA to coordinate this activity across Norfolk and Suffolk as well as consider implications for neighbouring areas (particularly Cambridgeshire and Essex, given the Sustainability and Transformation Plan footprints) will be make this work more efficient and effective. It also provides clarity for national agencies in terms of negotiating effective solutions.</p>
<p>DWP will work with the Combined Authority and other partners to put in place workable data sharing arrangements which enable the integration of services and reduce duplication in order to support more people into work.</p>	<p>Whilst there is a strong history of collaborative working across Norfolk and Suffolk, previous collaborations have indicated the importance of having workable data sharing in order to maximise the benefits of joined up working.</p>
<p>Career and Pay Progression</p>	
<p>The Government will work with the Combined Authority to ensure that local priorities are fed into the provision of career advice, through direct involvement and collaboration with the Government in the design of local careers and enterprise provision for all ages, including continued collaboration with the Careers and Enterprise Company and the National Careers Service.</p>	<p>Currently a significant proportion of people ending a claim for out of work benefits will reclaim within six months and many more within two years. We want to ensure that people are better off in work than claiming benefits and with Job Centre Plus to work with individuals to help them stay in employment and - where appropriate - support and encourage them to increase their earnings.</p>
<p>The Combined Authority will develop a business case for an innovative pilot to support career and pay progression for those claiming Universal Credit. The business case will set out the evidence to support the proposed pilot, cost and benefits and robust evaluation plans to enable the proposal to be taken forward, subject to Ministerial approval and an agreed investment plan.</p>	<p>Under devolution, the MCA will have established a new ongoing relationship with Government that will allow for exploration of future proposals such as business cases for pilots or additional devolution of powers. This is important to ensure it continues to drive growth, reform public services and deliver the best possible outcomes for local people and places.</p>
<p>Business Support</p>	

Function	Rationale
<p>The Government will participate in and support the work of The Norfolk and Suffolk Productivity Commission, as a National Pilot Project to improve the productivity of the local economy by:</p> <ul style="list-style-type: none"> a) Examining the productivity challenges facing local key sectors and the definition of productivity in each sector b) Examining best practice locally, nationally and globally, at tackling these challenges c) Building on the Government's 10-point plan for rural productivity d) Assessing how central and local policies are assisting with the productivity challenges and how they can be made to work better e) Developing a Productivity Plan bringing together best practice and policy recommendations f) Overseeing implementation of the plan and evaluate its impact g) Making available findings and actions for roll-out in other parts of the country h) The Norfolk and Suffolk Productivity Commission will be chaired by a senior business figure, co-ordinated by the LEP, funded by local partners and able to capitalise on business-led sector group structures established by the LEP. 	<p>One of the key barriers to Norfolk and Suffolk realising its potential and increasing growth is poor infrastructure. Norfolk and Suffolk's infrastructure has been less of a priority for successive Governments. Improving connectivity is vital in realising the area's economic potential and raising its economic contribution both nationally and internationally.</p> <p>We have developed an ambitious pipeline of transformative projects which can deliver more growth, create more jobs and unlock much more growth. Our main challenge is that many of these projects are large. They do not form part of the Highways England network and therefore cannot form part of their investment plan – but are too large to be funded by Growth Deals. This problem is compounded by annual funding settlements, making longer term investment very difficult.</p> <p>Therefore, working with senior local and national stakeholders, the Commission will look at improving productivity at the local level by understanding local root causes of poor productivity and implement a clear action plan of rapid change. This would be a national pilot, enabling Government and local partners to utilise the Norfolk and Suffolk economy to test and evaluate measures to improve productivity, which can then be transferred to other areas. It will ensure that the Productivity Fund proposed in the Assets and Infrastructure section is used to maximum benefit.</p>
<p>Local partners will successfully deliver the New Anglia Enterprise Zone (EZ) and the extension to the Great Yarmouth and Lowestoft Enterprise Zone as announced on 25 November following the 2015 application round. DCLG will agree with the LEP memoranda of understanding about the high level management and delivery of both the new EZs and the extension. The Government commits to supporting local</p>	<p>Suffolk and Norfolk is already home to a thriving Enterprise Zone in Great Yarmouth and Lowestoft at the heart of our all-energy coastline. The new Enterprise Zone announced in the Autumn Statement (November 2015) created ten new sites across the East giving businesses locally, nationally and internationally the tools to begin a new venture or move their ideas forward and help create even greater momentum, wealth and success. Key locations across Suffolk and Norfolk include King's Lynn in the west and Wells-next-the-Sea in the north, along the A14 corridor with Stowmarket and Bury St Edmunds and helping us shape our Ipswich Vision</p>

Function	Rationale
<p>partners in promoting and supporting the delivery of the Enterprise Zone as well as considering any further proposals subject to future funding rounds.</p> <p>The LEP will continue to deliver a strong Growth Hub, providing business support tailored to meet local needs across Norfolk and Suffolk. The Government will provide funding to help embed the Growth Hub in 2016/17 and 2017/18.</p>	<p>in the south. They will be a magnet for inward investment helping create thousands of jobs, enterprise and prosperity for their communities and our wider economy.</p>
<p>The LEP will continue to deliver a strong Growth Hub, providing business support tailored to meet local needs across Norfolk and Suffolk. The Government will provide funding to help embed the Growth Hub in 2016/17 and 2017/18.</p>	<p>The New Anglia Growth Hub is a central point for businesses and individuals across Norfolk and Suffolk, and provides a simple and easy route to business support. New Anglia Local Enterprise Partnership secured funding for the Growth Hub as part of the Ipswich and Norwich City deals, that will drive growth and investment across Suffolk and Norfolk. The Growth Hub is operated by Suffolk Chamber of Commerce on behalf of New Anglia LEP.</p> <p>The New Anglia Growth Hub is supported by a range of partners, including the Federation of Small Businesses, Eastern Enterprise Hub and Norfolk and Suffolk Local Authorities, and was one of the first Growth Hubs in England.</p>
<p>The Combined Authority, Constituent Authorities and LEPs commit to greater alignment of economic development resources to maximise impact of support for businesses and ensure the most efficient and effective use of public funding. This will include agreeing joint objectives to support the delivery of the Strategic Economic Plans and local plans and explore the pooling of staffing and resources.</p>	<p>The MCA will provide coherent, strategic decision making and a framework for key issues of strategic significance and enable easier join up with neighbouring authorities where relevant, for example, transport, infrastructure and skills. In improving the exercise of statutory functions, it will, where appropriate, integrate existing resources.</p>
<p>The Government recognises the work of the New Anglia Oil and Gas Task Force, established to support the businesses and employees who are being affected by the recent downturn in the oil and gas sector. The New Anglia Task Force will provide intelligence on the state of the local sector to the Government's Inter Ministerial Group, to help shape national policy to support for the sector. The Government will engage with the Task Force to ensure that UK Oil and Gas workforce plan which is currently under development aligns with and enhances measures being taken locally.</p>	<p>The LEP's Oil and Gas Taskforce was set up last year in response to the significant challenges facing the sector in Suffolk and Norfolk. The dramatic drop in the oil price has impacted on the confidence and investment plans of major energy firms, resulting in job losses and cost-cutting across the industry. The Taskforce which includes local MPs, business leaders, Jobcentre Plus, and local authorities, has agreed a package of measures prioritising three key areas:</p> <ul style="list-style-type: none"> • Oil and gas businesses • Oil and gas employees and skills • Continuing to campaign to Government

Function	Rationale
<p>The LEP and the Combined Authority commit to working with UKTI, strengthen joint working to increase inward investment and exporting. Local partners will invest in a concerted campaign to help more businesses, particularly smaller companies, export.</p>	<p>To unlock the potential in our key sectors and to create new jobs and businesses requires focussed investment by local partners and Government to improve the area's infrastructure and ensure business has a supply of skilled workers and the right support to grow. This is key to delivering the shared ambition to make Norfolk and Suffolk fulfil its potential to increase our contribution to UK growth and establish our position as a global leader in the 3rd industrial revolution.</p>
<p>The LEP, the Growth Hubs and Constituent Authorities will work with the Government to develop a strategic approach to regulatory delivery, building on the "Better Business for All" national programme which will remove regulatory barriers to growth for businesses.</p>	
<p>The Government supports the vision for innovation set out by Norfolk and Suffolk and recognises the importance of the delivery of this vision for the region's future economic growth. The government will offer the Combined Authorities expert advice and support through the Smart Specialisation Advisory Hub, and associated workshops, to support activities part-funded by the European Regional Development Fund. The Government also recognises Norwich's growing capability in the area of food and health research, as evidenced by the announcement of the Quadram Institute in Budget 2016, and would be interested in the area's views on how Norfolk and Suffolk can capitalise on this strength.</p>	
<p>Health and Social Care</p>	
<p>East Anglia faces significant demographic challenges that are putting pressure on resources now and in future years. For example, the population of the area contains more residents over the age of 75 than the average for England and this group is expected to continue to grow significantly.</p>	<p>The current system does not adequately support people to live as positive and independent lives as possible. This is bad for our people and offers poor value for money. The current system is not financially sustainable both in terms of public service spending and demographic pressures facing Suffolk and Norfolk. We want to shift financial incentives and planning towards activities that maintain health rather than just treat ill health.</p>
<p>Local progress has already been made towards greater integration of health and social care in Norfolk and Suffolk</p>	<p>If we succeed we will not only have stemmed the increasing demand for high end in patient services but actually reduced it. We are seeing significant increases in hospital activity this year, we think we can turn this trend around to a 3% reduction in 5 years, achieved through working on two fronts, preventing people from</p>

Function	Rationale
<p>where they have developed local integrated services that support and improve the delivery of health and social care for people in their areas.</p> <p>There is appetite to build on these foundations and make further progress on health and social care integration in order to deliver the Spending Review commitment to integrate health and social care by 2020, and to make the most efficient and effective use of public resources to meet the demographic challenges that lie ahead. Integrating such complex services will require re-shaping the whole system, which can only be achieved through careful planning, a shared vision and strong co-operation between local partners. This Devolution Deal signals a commitment to take forward the goal of improving local services and building resilience for future generations.</p> <p>To deliver this shared vision, partnerships between local authorities, clinical commissioning groups, service providers and other local partners will need to be strengthened significantly. Therefore, these parties will work together, with the Combined Authority and with support from the Government, NHS England and other national partners as appropriate, to support each of the counties through their Sustainability and Transformation Planning process to set out plans for moving progressively towards integration of health and social care, bringing together local health and social care resources to improve outcomes for residents and reduce pressure on Accident and Emergency and avoidable hospital admissions.</p>	<p>becoming ill as well as treating illness earlier and better, out of hospital. With proper join up we could crack delays for people who are ready to go home, designing sensible services that enable people to live as independently as they can having a significant positive impact on delayed transfers of care.</p> <p>We want to continue to develop an integrated system that is designed around our residents to keep them safe, healthy and cared for and through our economic ambition offer more opportunity to unlock their potential to live independently and well for as long as possible. Our residents don't care about traditional service boundaries, just that they are as independent as possible and get help when they need it and this remains our biggest priority to deliver.</p>

Function	Rationale
<p>NHS England and local organisations will remain accountable for meeting the full range of their statutory duties.</p>	
<p>The Government and the Combined Authority will work with relevant central and local statutory and non-statutory sector partners to explore innovative and integrated approaches to redesigning sustainable public services across Norfolk and Suffolk with a focus on prevention and early help</p>	<p>Public Service Reform</p> <p>Our Devolution Proposal is broad and ambitious. It makes the links between people, their health, wellbeing and safety; and Places, the infrastructure, housing and connectivity which is essential to Productivity. Achieving this requires a commitment to a new long-term relationship between central and local government and a joint approach to long-term investment which provides the confidence for local businesses to deliver the growth we need in Suffolk and Norfolk, and more generally for the benefit of UK plc. Our contribution to the devolution revolution can be characterised by:</p> <ul style="list-style-type: none"> • A new relationship between central and local government • Increased productivity in both the private and public sectors • Maximising the potential of our people and places • Helping the UK become a global economic powerhouse
<p>The Combined Authority is accountable to local people for the successful implementation of the Devolution Deal; consequently, the Government expects the Combined Authorities to monitor and evaluate their Deal in order to demonstrate and report on progress. The Cities and Local Growth Unit will work with the Combined Authorities to agree a locally resourced monitoring and evaluation framework that meets local needs and helps to support future learning. This framework must be approved to the DCLG Accounting Officer prior to delivery.</p>	<p>The MCA will be accountable to central Government but also local people. It will also be subject to its Overview and Scrutiny Committee and Audit Committee.</p>
<p>The Combined Authority will be required to evaluate the additional £25 million per annum of funding for 30 years, which will form part of and capitalise the Combined Authority single pot. The £25 million per annum fund will be subject to:</p> <p>a) Gateway assessments for the £25 million per annum scheme. The Combined Authorities and the Government will jointly commission an independent assessment of the economic benefits and economic impact of the</p>	<p>The single pot is vital to achieving Norfolk and Suffolk's ambition to increase its contribution to UK growth and establish our position as a global leader.</p> <p>It will be the MCA's responsibility to ensure that the single pot, along with its additional devolved powers and other funding are used in the most effective, transparent and appropriate way.</p>

Function	Rationale
<p>investments made under the scheme, including whether the projects have been delivered on time and to budget. This assessment will be funded by the Combined Authorities, but agreed at the outset with the Government, 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 national growth;</p> <p>b) The gateway assessment should be consistent with the HM Treasury Green Book, which sets out the framework for evaluation of all policies and programmes, and where relevant with the more detailed transport cost-benefit analysis guidance issued by the Department for Transport (DfT). The assessment should also take into account the latest developments in economic evaluation methodology; and</p> <p>c) The Government would expect the assessment to show the activity funded through the scheme represents better value for money than comparable projects, defined in terms of a Benefit to Cost ratio.</p>	