

Appendix 2

The devolution response

The challenge, proposed offers and asks have been gathered from a range of sources, discussions and workshops and can be summarised as below:

Category	Challenge	Offer	Ask
Fiscal	Significant investment and funding to bring forward growth needs is required	A clear uplift in GVA aspiring to the South East average of £1.7bn GVA increase ensuring net contributions to the National purse.	South Essex retention of Business Rates growth including local input on rebasing.
	Decisions on funding priorities and investment is not aligned to local needs	Entry into a gain share agreement under which to share additional revenues generated through growth and invested in the light of South Essex priorities. A genuinely collaborative approach to prioritising the use of resources and assets across the geography	Ability to import principles of Enterprise Zone status tailored to local needs across South Essex to meet broad growth agenda. An agreement to retain a proportion of the container tax from key ports as well as air passenger tax from the airport and funds from M25 toll. Removal of Prudential Borrowing Cap
Housing	Land values prohibiting delivery in certain areas and lack of ability to deliver in others.	More collaboration and alignment of planning process, possibly as far as a joint core strategy in order to deliver a step change in housing development.	Exploration of a bespoke devolved housing finance model with government to ensure that appropriately timed and allocated financing e.g. for housing for an aging population and starter homes, is able to come forward.
	Lack of sites coming forward.	Creation of a single LA housing company for the sub-region to build a better mix of more expensive homes for sale, supporting the construction of more affordable stock across the geography.	Removal of HCA decision-making layers to ensure covenants are relaxed or lifted and land is made more readily available to improve the pace of delivery.
	Inertia of house builders.		
	Richer housing mix	Economies of scale	5-year funding settlement

	<p>required to attract diverse workforce and support local communities.</p>	<p>across the geography to make investment more attractive to investors through collective decision making and accelerate house building.</p> <p>Delivery of a review of Green Belt land.</p> <p>Building confidence of private sector.</p> <p>A new housing forum to discuss policy (in conjunction with the private sector) and implement recommendations made by the sector while creating an environment to bring forward South Essex as a location for investors.</p> <p>Share expertise on estate regeneration.</p>	<p>for NHB.</p>
Category	Challenge	Offer	Ask
Skills	<p>Clear skills mis-match with business base and their requirements</p> <p>Lack of aspiration and attainment</p> <p>If reduction in FE, greater control required over remaining resources</p>	<p>Reduction of Work Programme clients as well as JSA and ESA claimants through investment afforded by devolution delivering a more resilient workforce to deliver 52,000 jobs locally.</p> <p>A reduction in NEETs and reduced dependency.</p> <p>A more closely aligned business and skills investment programme tailored at a South Essex level to focus on growth sectors.</p> <p>Delivery of a business-led skills strategy at a south</p>	<p>Pooling of Department for Work and Pensions, Skills Funding Agency, Education Funding Agency further education funding to manage locally by 2019.</p> <p>Powers to start influencing funding mechanisms in 2016 to better direct support to employers including the Apprenticeship Grant for Employers.</p> <p>Control over funding mechanism to ensure FE colleges can respond to demand from employers and deliver less courses with limited employment</p>

		<p>Essex level to design curriculum support and work based progression with which to challenge providers.</p> <p>Strengthening of employer engagement through a Skills Board to sign off curriculum and investment priorities at a local level.</p> <p>A dedicated resource to coordinate provision across South Essex and a pool of business champions to advise on skills-related issues and deliver activity to support career progression.</p>	<p>potential. Deliver HE which meets local demand (i.e. keep cap off).</p> <p>Work Programme - devolved responsibility enabling co-design at an employer & local level. A pilot programme for unemployed people to take advantage of large scale employment opportunities.</p> <p>Additional funding for higher education research and teaching, to be established to improve productivity across key sectors. Access to remaining adult skills funds to pool supporting career development matched by businesses.</p>
Category	Challenge	Offer	Ask
Infrastructure	<p>Projects slow to be approved and commitment made in infrastructure to support growth</p> <p>Certainty and speed of decision required</p>	<p>Creation of a Transport Board locally governed and involving strategic partners such as Local Authorities and DfT.</p> <p>Delivery of transport outcomes that provide greater value for money and innovative SMART models.</p> <p>Ability to connect geography to unlock growth as a potential for wider regeneration schemes i.e. should the decision be taken to proceed with a Lower Thames Crossing to regenerate south Essex, South Essex will maximise</p>	<p>Gain more influence over Highways England and Network Rail through a single decision-making process.</p> <p>Investment in north-south routes to expand workforce opportunities, trade links and productivity and dialogue with bus service providers to ensure that routes better connect workforce and businesses.</p> <p>Support a multi-year transport settlement to at the next Spending Review.</p> <p>Involvement in the decision-making process</p>

		<p>opportunities relating to jobs and housing.</p> <p>Delivery of significant impact through more reliability and reduction of congestion.</p> <p>Promotion of South Essex as a demonstrator project for SMART cities.</p> <p>A commitment to pooling Local Authority skills and resources to accelerate the delivery of this programme.</p>	<p>for procurement of new sustainable transport contracts i.e. Abellio renewal in 2016.</p> <p>That an early decision on LTC is reached and that in the event of a decision to proceed that the benefits to South Essex are maximised.</p> <p>Expediting the process for signage on motorways for ports and airports.</p>
<p>Business / Employment</p>	<p>Lack of productivity</p> <p>Unfulfilled potential</p> <p>Expansion of exporting routes required to drive productivity</p> <p>Employability concerns from employers</p> <p>Quantum of ESA / JSA Claimants</p>	<p>A better aligned programme of support to businesses to increase productivity through business start-up survival rates, support to innovation and exports to new markets.</p> <p>A pooled Economic Development resource to ensure priorities are delivered across the whole South Essex geography i.e. town centre management model.</p>	<p>A single funded model of all business support programmes to be developed by 2017 to enable businesses to access support through Growth Hubs ensuring funds allocated can be best channelled to business needs.</p> <p>In advance of 2017 co-develop a delivery plan with UKTI to respond to business needs to ensure a key sector response to export innovation. This will be delivered in conjunction with skills providers to ensure a dual impact of upskilling the existing workforce and improving productivity.</p>