



## Sustainable Economic Growth

Sustainable Growth Board

13 November 2024, 15.30-17.00

Meeting Notes

### 1. Welcome

- Chris Henning (chair) welcomed everyone to the meeting.

### 2. Presentations

#### a) Impactful Devolution 01: A new framework for inclusive growth and national renewal - Lizi Hopkins, Metro-Dynamics

- Context – UK is the most centralised country in the G7, with the highest levels of regional economic inequality. Legacy of flatlined growth over the last decade, leading to wage stagnation, pressures on public services, constraints on transport, research and development investment, housing, and skills.
- Stop-start regional policy in recent years, accompanied by partial devolution, both geographically, and in terms of powers granted.
- Growing gap between London/South-East and the rest of the country.
- Number of employees in central government has increased over the last 10 years, but local government employment has decreased by 300,000.
- Need to make better use of funding.

#### Recommendations

#### **Develop missions-based partnerships for devolution, and regional and local growth plans:**

1. Establish a mission council incorporating councils, mayors, ministers, business and civil society
2. Develop statutory local growth plans for every devolved area as the organising vehicles for delivering Labour's growth mission, encompassing:
  - National industrial strategy
  - Spatial strategy
  - Housing strategy and delivery plans
  - Deeper devolution of skills and employment support
  - Plans for public service reform and prevention
3. Coordinate strategic investment at the pan-regional level
4. Focus devolution on outcomes with outcomes frameworks for each place

#### **Drive devolution delivery: increase capacity, remove barriers and redeploy funding**

5. Give MC(C)As stronger funding and investment levers to drive local growth:
  - Single local growth fund
  - Move to comprehensive single settlements
  - Enable mayors and pan-regional bodies to align infrastructure funding and investment with growth and net-zero transition
6. Reintroduce multi-year spending settlements for local government
7. Fund the foundations of 'Total Place 2.0'
8. Repurpose government agencies and redeploy Whitehall capacity

#### **Make devolution work for inclusive growth in every part of the country**

9. Expand single settlement devolution to all MC(C)As
10. Extend devolution beyond MC(C)A areas

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11. Support the next era of London's devolution
12. Align city deals in the devolved nations with a new partnership approach to UK-wide renewal and inclusive growth
13. Devolve by default

b) English Devolution: LGA perspective - Philip Clifford, Senior Adviser, and lead on devolution, place-based growth, and international policy (Note: Combined Authorities are not LGA members)

English Devolution White Paper – issues:

- Complete England map
- Investment in Combined Authority deals (no single county deals)
- Suburban rail/spatial planning added to agreements
- Role of town/parish councils
- Putting deals on a statutory basis? – complexity
- Accountability gap
- Governance – Greater London Authority (GLA) – legal entity, compared with Combined Authorities
- Devolution of 'skills' – how would that work in practice?
- Health
- Environment – different policies, strategies, and funding pots – not a single story.

## Reflections

Simplicity versus reality – some areas left behind?

Unitary authorities in two-tier areas? – separate agendas?

Funding of Combined Authorities – social care, collaboration and delivery – 'total place'.

What are the biggest risks? Assurance framework – too risky for central government? No assurances on partnership – overcome by showcasing?

Is it simply a MHCLG project? – what happens if other Government departments do not want to 'play ball'?

## ADEPT Update - Hannah Bartram

Response to 'Invest 2035: the UK's Modern Industrial Strategy'

Autumn Conference, Bristol, 21-22 November 2024.

## Future Meetings

10 January 2025 – focus on critical infrastructure, (schools, surgeries, roads, etc) which underpins successful delivery of housing targets. How will we create the infrastructure to support Labour's growth / housing ambitions? (Updated NPPF published by then?)

13 March 2025 - focus on Industrial Strategy / local growth plans.