



Angela Rayner and Jim McMahon

Deputy Prime Minister, and Secretary of State for Housing, Communities and Local Government / Minister of State, Housing, Communities and Local Government

House of Commons

London

SW1A 0AA

My Ref: AW / TK

Date: 30 September 2024

Dear Angela Rayner and Jim McMahon

Ref: Staffordshire Devolution

As the Leaders of all the Councils in Staffordshire and Stoke-on-Trent, we are writing to you as a united force to share our future intention to partner with the Government to deliver shared growth and remove barriers to opportunity.

Like you, we want to see tangible and sustained economic growth that improves living standards where it counts - in our cities, our towns and our villages - the places where people live.

Serving over 1.1 million residents across the county and city, the Staffordshire Leaders Board (a joint committee) is already hard at work delivering on Staffordshire and Stoke-on-Trent's extraordinary economic and place potential.

Since the Leaders Board was established in 2022, we've been exploring how devolution can benefit the area as one of our key priorities. We are committed to this collaborative effort and are ready to work with Government to do more.

Our approach is based on four core principles:

- Devolution must work for all: plans must reflect and respond to a deep understanding of local needs and opportunities. That is what our authorities have been working hard at over the summer.
- Form must follow function: if we are to accept another layer of governance in the county, at additional cost to the people of Staffordshire and Stoke-on-Trent, then the prize in terms of devolved functions, powers and resources has to be significant.
- Governance has to be inclusive: our Leaders Board works because all local authorities get to participate and contribute, and we want to ensure that this is also the case in any devolved arrangements.





Staffordshire Leaders Board

- Commitment to subsidiarity: devolution should be to the most appropriate level of governance for the function in any question, and that should mean a combination of county-wide, local authority level and, perhaps most importantly, community level. We seek a devolution deal that gives us flexibility to make those judgements together.

Over the summer, we have thought through our opportunities and our asks under five main themes:

- Economic Development
- Skills
- Energy and Environment
- Transport
- Housing and Regeneration.

This work is captured on the enclosed sheets and could provide the basis for a rich dialogue with Government.

Beyond that, we reserve our position on the preferred model of devolution until we have seen the promised devolution framework and guidance. However, we do welcome your ongoing commitment to flexibility on the governance arrangements for devolved powers. Most significantly, whilst there are benefits to elected mayors for some areas, this is not a model which is suitable for Staffordshire and Stoke-on-Trent.

As you will see from the enclosed materials, we have made an excellent start. We will now await the further Government guidance so that we can continue to develop our collective position, working closely with you and your officials.

Yours sincerely





Alan White
Leaders Board Chair
Leader of Staffordshire County
Council

Jane Ashworth
Leaders Board Vice Chair
Leader of Stoke-on-Trent City
Council

Tony Johnson
Leader of Cannock Chase
District Council

Mick Fitzpatrick
Leader of East Staffordshire
Borough Council

Doug Pullen
Leader of Lichfield District
Council

Simon Tagg
Leader of Newcastle-Under-
Lyme Borough Council

Kath Perry
Leader of South Staffordshire
Council

Aidan Godfrey
Leader of Stafford Borough
Council

Mike Gledhill
Leader of Staffordshire
Moorlands District Council

Carol Dean
Leader of Tamworth Borough
Council



Economic Development

The case for change / key opportunity areas:

- **Strategic Economic Policies:** Strengthen the capability and skills of local firms and residents based on local economic geography. This would include consolidating local growth plans to link development opportunities more effectively and take a structured approach to the development of commercial/enterprise spaces.
- **Local Allocation of Funding Programmes:** Target opportunity and wealth creation to address local needs.
- **Enhanced and coordinated private sector investment** through reinstating priority areas eligible for grants or other fiscal incentives.
- **Greater retention of local business rates** potentially related to specific areas or development zones to ensure the local area benefits from future economic growth.
- **Integrated longer-term funding streams for business support** in a form that supports local economic priorities. The ability to strengthen support and provision for budding entrepreneurs particularly, where they are not from conventional business backgrounds, who live in disadvantaged neighbourhoods, are in receipt of Universal Credit or who are straight out of college.
- **Creating green technology jobs** in a concentrated area linked to the Major Urban Area through a green corridor with public transport improvement including the Green Innovation Corridor/the M54 Jct2 and i54 and the A50 A500 Manufacturing Corridor.
- **Strategic approach to ensure delivery of sustainability priorities including for green industries, investment sites, green technology jobs, skills, clean energy and transport;** this could include facilitation of sustainable supply chain programmes, supporting compliance, provide advice, funding and incentivisation.
- **Address local need and root cause of issues** such as worklessness, NEET, economic and health inequality through targeted interventions.
- **Coordinated support for Community Enterprise and Co-operatives:** Developing community enterprise through micro-grants, community finance, and asset transfers.
- **Economies of scale across the whole geographical area;** reduced tendering exercises resulting in greater efficiency and less duplication; using collective weight of anchor institutions.

Key asks:

- **Longer-term agreements for capital regeneration/economic development** with multi-year funding settlements and powers to support direct delivery and ending of competitive funding pots for economic development. Replace with direct allocations.
- **Extension and potential expansion of Enterprise Zone(s):** Nationally supported, locally defined economic development priorities and programmes supporting local sectors.
- **Devolved investment funds for regeneration** of town and city centres and land remediation
- **Funding and powers devolved to locality to support local control and direct delivery** to unlock employment sites, homes, and job-generating schemes. Including business start-up, skills development, job creation initiatives and expansion support.
- **A greater level of innovation investment** to support innovation activity within key industries and economic ambition including Development of crea-tech cluster, Development of concept of International Centre for Ceramics, building on World Craft City status.
- **Single settlement for business support activity** to bring greater local control and the assurance of longer-term funding.
- **Employability programmes** to address economic inactivity in communities with high worklessness and NEET or where there are physical and mental health problems.
- **Continuation of UKSPF & REPF** [and Levelling Up] or funding equivalents with direct allocation to localities to remove the need for bidding and an ongoing funding commitment.
- **Pooled funding for local business support** e.g. start-up, post start up, R&D/innovation etc to be delivered at a local level.
- **Ability to be more innovative with local taxation** to deliver economic growth, e.g. business rate retention, Capital Gains Tax and Stamp Duty.
- **Equitable availability and distribution of housing growth incentives**
- **Carbon reduction funding package** to support businesses to achieve Net Zero and produce cost savings.
- **International trade partnership** between the devolved area and central government

Difference to the area:

These initiatives aim to create a more robust and resilient local economy, fostering innovation, sustainability, and inclusive growth.

- **Improved local economic development** by aligning national support with local priorities.
- **Sustainable growth and regeneration** through longer-term funding and direct delivery powers.
- **Increased employment opportunities** by unlocking employment sites and supporting job-generating schemes including the Green Innovation Corridor.
- **Delivery of a single settlement for business support activity.**
- **Facilitation of additional borrowing for business support activity** based on the certainty of funding and business rate retention.
- **Enhanced innovation and competitiveness** within key industries.
- **Greater local control and efficiency** in business support and economic development activities.
- **Reduced economic inactivity** and improved employability in high-need communities including NEET.
- **Fostering local entrepreneurialism**; building on relationships with our university partners to provide facilities, advice and training around innovation required to support new and existing start-ups and spin outs across the county.

Education, Employment and Skills

The case for change / key opportunity areas:

- **Skills development:** Devolution of responsibility, funding, and powers to develop education, employment, and skills provision at the local level.
- **Develop, inform and support new career pathways:** linked to local need and growing industries
- **Business start-up support:** Enterprise and innovation programs to increase business start-ups and foster an enterprise culture.
- **Green industry:** Green Skills investment programme with local universities

Key asks:

- **Devolved skills revenue funding to allow local skills commissioning focused on local sector support including:**
 1. 14-19 education support programmes and curriculum improvement powers.
 2. Post-16 education and training provision to allow clear pathways and including targeted work around NEETs to improve levels of attainment and progression at 16 and 19 years.
 3. Adults Skills Plan with clear pathways focussing on level 1/2 skills to create a ladder of opportunity.
 4. Enterprise and innovation programmes targeting local growth sectors and business development skills to increase business start-ups.
 5. Ensure re-investment into communities to enable them to thrive economically and socially.
 6. Careers Education, Information, Advice and Guidance (CEIAG) programmes including the role of colleges, our workforce and lifelong learning.
 7. Programmes and support to tackle economic inactivity and worklessness
 8. Apprenticeship programmes including local control of Apprenticeship Levy
 9. Establishment of a local Skills Advisory Panel
- **Longer-term funding streams:** Integrated funding streams for business support and skills aligned with local economic priorities over the longer term to allow for more effective planning.
- **Devolved capital fund:** For unlocking and facilitating the delivery of strategic employment projects and around development or expansion of FE colleges.

Difference to the area:

These initiatives aim to create a more robust and sustainable local economy, improve the skills of our residents and enable them to meet the future workforce needs of the area, foster innovation, and provide better support for businesses and residents.

- **Economic Growth:** Strengthening the capability and skills of local firms and residents, leading to economic growth, and supporting key opportunities for growth or specialisation.
- **Enterprise and innovation:** Increased levels of commercialisation and a local skills offer which supports local growth sectors
- **Employment:** Addressing economic inactivity and worklessness, leading to increased productivity and better health outcomes.
- **Local Control:** Greater local control and longer-term funding for business support activities.
- **Cross-public sector:** Devolved skills-based approaches to mental health, troubled individuals and youth justice.
- **Better local integrated offer:** Expanded family hubs/family support programme including learning, skills and employment offer.
- **Supporting key local workforce demand:** Benefits for key sectors such as around care workforce



Environment & Energy

The case for change / key opportunity areas:

Strategic collaboration on energy policy Local energy planning and funding to create green investment zones and develop bespoke local policies for clean energy

- **Delegation of capital funding to meet carbon reduction targets;** this would allow the locality to meet our strategic ambitions around climate mitigation, sequestration and adaptation and be able to direct support to businesses and homes to transition to Net Zero, invest in green technology and retrofit properties.
- **Use Great British Energy to facilitate Green Solutions Grant Funding** to support the reduction of carbon and produce cost savings within businesses.
- **Use Great British Energy to facilitate sustainable supply chain programmes** to support compliance, provide advice, funding, and incentivization.
- **Use Great British Energy to explore the implementation of hydrogen** in heat works and associated infrastructure
- **Enhanced planning regulations and powers around local energy generation and distribution** including network upgrades on major developments and generation around renewables, domestic heating, EV charging/alternative zero emission fuels).
- **Enhanced powers to implement local environmental policies,** in particular surface water infrastructure and flood defence
- **Preferential PWLB borrowing** for climate change projects.
- **Tackling fuel poverty and addressing affordable warmth**
- **Funding and powers to expand localised energy networks** including district heating networks and use of geo-thermal extraction.
- **Build upon the Future Homes Standard** to incorporate residential energy generation requiring solar panels and air source heat pumps.
- **Address current National Grid challenges** to ensure capacity and capability for now and the future.

Key asks:

- **Development of a local area energy plan to enable the long-term planning on a regional basis.**
- **County and city-wide planning approach to net zero** - Agreement to consider at a county/city-wide level the Planning implications for Climate change to achieve net zero by 2050.
- **Joined up approach to local area energy planning** – this would include renewables, EV charging/alternative fuel infrastructure, geo-thermal extraction etc.
- **Joined up approach to land management** for planning provision of renewable energy, tree planting, etc.
- **Joined up approach to developing green skills** to deliver transition to a green economy
- **Backing for green enterprise** including battery storage.
- **Development of Local Area Energy Plans** and the expansion of district heating network.
- **Enhanced strategic leadership of Local Transport** working with local bus companies to develop a sustainable bus network based on EV/Hydrogen and transition to zero emissions as part of the Local Transport Plan and Bus Service Improvement Plans.
- **Green Skills programmes** in partnership with Keele and Staffs University, local colleges, and employers.
- **Green Capital Investment Fund** to enable new and existing businesses to invest in green tech and reduce carbon emissions.
- **Enhance planning regulations** around energy generation and distribution.

Difference to the area:

These initiatives and opportunities can collectively contribute to achieving net zero targets, fostering sustainable development, and improving the overall quality of life.

- **Carbon Reduction:** Implementing clean energy policies and green solutions grant funding can significantly reduce carbon emissions and produce cost savings for businesses.
- **Economic Growth:** Backing green enterprises and creating eco-parks can stimulate economic growth and create job opportunities, such as the Green Innovation Corridor/the M54 Jct2 and i54 and the A50 A500 Manufacturing Corridor.
- **Sustainable Development:** Expanding district heating networks and enhancing planning regulations can lead to more sustainable and efficient energy use.
- **Green Skills Development:** Partnering with universities and colleges to develop green skills can prepare the workforce for a transition to a green economy.
- **Strengthening Leadership Partnership Arrangements** across the geography including with our local research institutions to secure a greater level of national innovation funding aligned to our key industries and economic ambitions.



Transport

The case for change / key opportunity areas:

- **Delivery of public transport improvements** through the commissioning and funding bus services and aligning the Bus Service Improvement plans.
- **Multi-Modal Journeys and Efficient Exchanges:** It supports multi-modal journeys and efficient exchanges through a joint strategic approach to multi-modal hubs (cars, trains, buses, active travel with EV charging) and provides greater integration for freight and can support a modal shift to public transport by integrating timetables, ticketing, and transport hubs.
- **Transition to Zero Emissions:** There is an opportunity to link transport to energy provision and work with local bus companies on electric/hydrogen fleets.
- **Improve public transport to support economic activity and leisure including the creation of local green transport options,** including metro to M54 Jct2 and i54 site.
- **Development of a Pipeline of Regional Investment Sites,** such as i54, that were identified in the former Regional Spatial Strategies are coming to an end with nothing new of scale on the horizon.
- **Investment in strategic road networks** would allow us to link development opportunities with key transport routes, e.g. A50/A500 corridor and A449.
- **Development and Delivery of Cross-Boundary Transport Schemes:** This initiative supports a whole region approach enhancing commuter links with Birmingham, Manchester and the East Midlands and an opportunity to more effectively integrate local and national transport networks through joint working with Highways England and Network Rail to reduce congestion caused by a predominately car-borne population.

Key asks:

- **Five-year Highways and Transport Settlement;** Post HS2 settlement focussed on improvements to roads, bus routes and rail stations, enhancing active travel and development of a whole region approach to public transport including the development of a sustainable bus and rail network for travel to work areas.
- **Devolved funding and power** to the area to create transport plans and strategies covering the whole geography and build relationships with neighbouring Transport Authorities. Devolution of greater powers to coordinate strategic infrastructure activity across the area and adjacent authorities to deliver cross-boundary transport schemes.
- **Strategic Planning Powers and National Planning Policy Framework update** to enable better land use and transport planning integration.
- **Greater influence over National Highways and Network Rail decision making.**
- **Confirm the delivery timetable for the M6/M54 link road, M6 J15 Upgrades and A50 Improvements.**
- **Continue/replace UKSPF & REPF funding** with an ongoing commitment.
- **Powers over trunk road improvements within the area.**
- **Devolution of Bus Franchising Powers** to ensure transport routes meet the reality of where people need to travel, particularly in rural areas and under-served residential areas and to provide a stimulus to work with local bus companies around electric and hydrogen fleet.
- **Reduce reliance on bidding for funding** to support a more joined-up approach to Local Transport Plan policy and schemes.
- **Create a devolved capital fund pot** for unlocking strategic employment projects.
- **Development corporation/delivery vehicles** to deliver Invest to save programmes of road repairs.

Difference to the area:

- **Strengthened leadership and partnership arrangements** across the geography.
- **Addressing Transport Connectivity and integration of transport systems:** Prioritizing travel to education/work in opening and intensifying new bus routes and local rail stations to address the lack of transport connectivity in rural parts of the district.
- **Enhanced economic growth through Inward Investment Opportunities:** Without a devolution deal, there is little certainty over the delivery of large-scale inward investment opportunities.
- **Improved Public Transport:** This initiative will improve public transport, supporting economic activity and leisure.
- **Increased sustainability and reduced environmental impact:** through green transport options.

Housing, Regeneration & Strategic Planning

The case for change / key opportunity areas:

- **Strengthened collaboration around land use** to enable strategic decisions to be made to provide additional benefits across the geography, including the opportunity to engage with Homes England on an area wide basis.
- **Compulsory purchase powers** – with the consent of the relevant local authority, devolved powers could enable potential future growth opportunities
- **Planning & Licensing fee powers** - Currently planning and licensing fees are not set locally. If Local authorities were able to have more control over this, re-investment could be made in the local area.
- **Devolved funding** and targeted business rate retention from future growth to create a strategic regeneration and housing enabling fund - Currently there is a lack of tailored funding to target derelict and non-viable locations across the county as a whole and as a result sites are remaining inaccessible to development.
- **Devolved Homelessness prevention funding** - Currently Councils are struggling to deliver tailored homelessness prevention solutions and to provide adequate temporary accommodation for homeless households.
- **Devolved net zero funding** – this would include funding for retrofitting existing buildings to help meet net zero targets.

Key asks:

- **Devolved Powers as listed above**
- **Devolved Funding as above**

Difference to the area:

- **Strengthened collaboration and strategic coordination** – This would substantially enhance cooperation between neighbouring planning authorities across the area and enable authorities to better understand the needs across the wider area. It would also support the development of coherent strategies to address unmet housing needs, deliver spatial and infrastructure plans and enable greater opportunities for enhanced partnership arrangements with Homes England and local authorities across the geography.
- **Compulsory purchase powers** – with the consent the relevant local authorities, this could assist to unlock sites and locations across the area.
- **Planning & Licensing fee powers** - Having these powers set at a local level would enable reinvestment in the local area.
- **Devolved funding and business rate retention to create a strategic regeneration and housing enabling fund** - Devolved funding would be able to provide targeted interventions towards derelict and non-viable locations which would then assist to unlock land for development and would also promote regeneration opportunities.
- **Devolved Homelessness prevention funding** - Devolved funding would enable more flexibility, innovation and allow authorities to provide tailored homelessness prevention solutions to meet the specific needs of their geography.
- **Devolved net zero funding** - Decarbonizing housing stock and improving energy efficiency can reduce the environmental impact and promote sustainability.