

Summary of the proposed DRAFT 'Level 2 Devolution Framework Agreement' submitted by the Department of Levelling Up, Housing & Communities (DLUHC)

LEVEL 2 DEVOLUTION FRAMEWORK AGREEMENT

Key offers & stipulations

Strategic Growth Levers

- Confirms the integration of LEP functions into the County Council, subject to government endorsement of an integration plan.
- Alignment of UKSPF with devolution deal responsibilities in collaboration with borough and district councils, where relevant, from 2025/26.

Trade and Investment

- Closer working from the Department of Business & Trade (DBT) to make it easier for businesses to access the information, advice and support they need through DBT global and sector offering.

Skills and Education

- Fully devolve the Adult Education Budget (AEB) from 2026/27 subject to readiness conditions and Parliamentary approval of the required secondary legislation conferring the appropriate functions.
- Funding for Free Courses for Jobs will also be devolved and be ring-fenced.
- Working with the designated Employer Representative Body, devolved areas will support and provide input into the Local Skills Improvement Plan (LSIP) for the area.
- The Department for Education will seek to work with the Department for Levelling Up, Housing and Communities, the County Council and other relevant partners to support the continuity of activity within the Careers Hub

Housing and Land

- Access to additional land assembly and compulsory purchase powers for housing and regeneration purposes, subject to the agreement of the relevant local planning authority and the consent of the Secretary of State for Levelling Up, Housing and Communities.
- A Homes England commitment for collaborative working to reduce the barriers to affordable housing delivery, regeneration and wider housing growth, through the development of shared delivery plans for the region (and potential future funding).

Transport

- If an area concludes that bus franchising will deliver better outcomes, the Government will consider conferring franchising powers under the Transport Act 2000 to area institution where it demonstrates capability and intention to deliver their chosen franchise model, and that franchising will deliver better services than their Enhanced Partnership without needlessly delaying benefits to passengers.

Net Zero and Climate Change

- Offer to engage in the national Local Net Zero forum and commitment to ensuring devolved areas have a meaningful role in planning our future energy systems.
- Commitment to explore how funds that target net zero initiatives could be simplified and consolidated at the local level, where this provides the best approach to tracking climate change.
- Proposed draft for the development of Local Environment Improvement Plans (EIPs), to support join up of local objectives and requirements in environmental and other relevant local strategies/plans/statutory duties.

Additional Themes

In addition to the specific powers and functions details, the deal offer includes commitments to enhanced engagement with central government departments and agencies:

- *Department for Business and Trade*
The Department for Business and Trade will work with the County Council, to make it easier for businesses to access the information, advice and support they need, drawing on the DBT global and sector offer to strengthen partnerships and increase economic growth.
- *Department for Work and Pensions*
DWP offers to work together with the County Council on shared strategic employment priorities through a place-based approach.
- *Homes England*
A commitment is included in the deal for collaborative working with the County Council to reduce the barriers to affordable housing delivery, regeneration, and wider housing growth, through the development of shared delivery plans for the region with the potential for future funding.

Governance

- Areas will maintain their current governance arrangements and elections will continue to take place on the same cycle.
- No statutory requirement to issue a proposal and consult upon it locally.
- Strategic partnership governance arrangements are specifically acknowledged as the mechanism for bringing together the County Council as the body holding accountability for the deal powers with Borough and District Councils and other key local stakeholders