

James Newman OBE Chair, Hull & East Yorkshire LEP Room 91 The Guildhall Alfred Gelder Street Hull HU1 2AA 01482 485260 info@heylep.com

> Ref: JHN/KP/JB/TC Date: 12 02 2024

Dear Colleague,

Re: Hull and East Yorkshire Devolution Deal

I am writing to you, as Chair of the Hull and East Riding Local Enterprise Partnership (HEY LEP), to encourage you to participate in the consultation process regarding the proposed Devolution Deal for the Hull and East Yorkshire region.

The Deal proposals outline the significant benefits that would arise to help the regional economy and includes:

- Control of a £13.34 million per year allocation of investment funding, worth £400 million over 30 years to be invested by the Hull and East Yorkshire Mayoral Combined Authority (MCA) to drive growth and take forward its priorities over the long term.
- Up to £15 million capital funding in the current Spending Review period to support transport, flood and coastal erosion programmes across the area, a brownfield employment programme in Hull and a coastal regeneration programme in the East Riding of Yorkshire.
- Up to £5 million of capital funding in the current Spending Review period to further support Hull and East Yorkshire's economic growth priorities, including any further expansion of the Siemens Gamesa Offshore Wind Facility.
- £4.6 million for the building of new homes on brownfield land in 2024/25, subject to sufficient eligible projects for funding being identified.
- £2 million of Mayoral Capacity Funding over 3 years (FY 2024/25 2026/27) to support the Hull and East Yorkshire MCA in the early stages of this deal.

- UK Shared Prosperity Fund (UKSPF) planning and delivery at a strategic level from 2025/26, subject to funding, policy and delivery considerations at the next Spending Review.
- New powers to shape local skills provision to better meet the needs of the local economy and local people, including devolution of the core Adult Education Budget, as well as input into the new Local Skills Improvement Plans.
- New powers to drive the regeneration of the region and to build more affordable homes, including compulsory purchase powers and the ability to establish a Mayoral Development Corporation.
- New powers to improve and better integrate local transport, including the ability to introduce bus franchising and control of appropriate local transport functions.
- Responsibility for a consolidated local transport settlement for the Hull and East Yorkshire MCA, which Government will provide Hull and East Yorkshire MCA at the next Spending Review.
- A commitment to explore a new rail partnership with Great British Railways, once established, so their priorities can be taken into consideration in future decisions regarding their local network.
- Observer representation from Department for Energy, Security and Net Zero on the Humber Energy Board, through which they will support the development of a Net Zero Strategy.
- A commitment for Hull and East Yorkshire MCA and a subset of the Department for Culture, Media, and Sport's arm's length bodies to establish a collaborative partnership to share expertise and insight across culture, heritage, sport, communities and the visitor economy.
- A commitment for Government to consider the development of a specialist med-tech business park in Hull, including exploring support for Phase 1 of the project.

As a small or medium (SME) business owner, your views are much valued and will help both Hull and East Riding Local Authorities to consider the way forward in conversation with the Government.

The Deal, if approved, will enable the region to be on the same trajectory as all other Yorkshire Local Authorities and elect a Mayor to speak with one voice on behalf of the region to Government regarding funding, investment and economic policies and priorities. Indeed, we have seen other Mayors such as those in Manchester and West Yorkshire 'improve their initial deals', resulting in even more powers and increased investment at a local basis, rather than decisions been made in Whitehall that are not locally influenced.

Having a Mayor and a Mayoral Combined Authority does not mean that the two Local Authorities will merge as the day-to-day responsibilities of each Council will remain. A successful consultation outcome and an elected Mayor will enable the region to compete for resources, represent the business community and work with other northern Mayors to maximise our assets.

However, when completing the consultation, it is important to note that having an elected Mayor for the region is a major condition of getting all the powers and investment funding mentioned above. These will not come to the region without having a Mayor, as this is not negotiable with Government. Saying that, having a Mayor has proved to be the right governance structure for the successful delivery of economic growth in other places.

The consultation can be found here: <u>Hull and East Yorkshire Devolution - Home</u> (<u>heydevolution.com</u>) . If you would like any further information, I would urge you to review both local authority websites, join the social media conversations or attend one of the planned roadshows.

Yours sincerely,

e Anlenne

James Newman OBE Chair Hull & East Yorkshire LEP

Cc Stephen Parnaby OBE Deputy Chair Hull & East Yorkshire LEP