

Combined Authority for Lancashire with an Elected Mayor

28 April 2020

Report of the Chief Executive

PURPOSE OF REPORT

To enable Council to form an in-principle decision regarding a Combined Authority for Lancashire, with an Elected Mayor.

This report is public

RECOMMENDATION

- (1) That Council supports ongoing work at a pan-Lancashire level to develop a model for a combined authority with a mayor.**

1.0 Introduction

- 1.1. This report invites Lancaster City Council to consider whether or not it is, in favour of support pan-Lancashire work to develop of model for a combined authority for Lancashire with an elected mayor.
- 1.2. The debate on a combined authority for Lancashire has been on-going for a number of years and after seeming to stall for a number of years, has been renewed in this calendar year. The catalyst for this appearing to be the Prime Minister's comments at last year's Northern Powerhouse Summit he wanted to progress devolution in those areas that did not already have some form of devolution and that devolution was tied to having an elected mayor.
- 1.3. There are now ten combined authorities across the country, ranging from the longest established – in Greater Manchester – to recently announced merging combined authority in West Yorkshire. Each have a different number of constituent local authorities and varying levels of devolved funding and powers from Government.
- 1.4. This paper does not ask Council to take a view on forming a unitary council with neighbouring councils to either the north or the south. Conversations about closer working arrangements and the benefits of collaboration continue, particularly with South Lakeland District Council and Barrow Borough Council.

2.0 Proposal

- 2.1 The establishment of a combined authority for Lancashire is an opportunity to create a single, clear and influential voice for Lancashire. It is a mechanism to gain powers and funding from Government. A combined authority is a legally formed, locally owned

body established by national legislation. Its aim is to carry out agreed joint functions (determined by the authorities in Lancashire) and to enable collaboration and collective strategic decisions across boundaries.

2.2 Agreeing a combined authority enables a devolution deal or other agreements to take place with government across a variety of public service areas. Typically, in other places this has included greater control through:

- integrated public services (health and social care, emergency services, housing providers, one public estate, schools)
- spatial planning
- apprenticeships and adult education
- wider freedoms around concessionary travel for young people
- homelessness
- crime e.g. co-commissioning

If you would like further information about the different devolution deals, that information has been collated by the Local Government Association and can be found at <https://www.local.gov.uk/topics/devolution/devolution-online-hub/devolution-explained/devolution-register>

2.3 In the first instance, agreeing to support work on the development of a combined authority, is not taking a position on forming a unitary council either within Lancashire or looking north. However, MHCLG officials have previously advised that a 15-member combined authority is unlikely to be able to demonstrate that it is “likely to improve the exercise of statutory functions”.

2.4 In return for establishing a combined authority Lancashire could expect devolution of funding and powers common to most combined authorities, such as:

- an investment fund
- powers to raise local levies
- powers over police and fire functions
- an integrated transport body and local transport planning
- bus franchising
- strategic housing planning
- powers over land assembly and infrastructure provision
- adult education

GOVERNANCE

2.5 It is for the authorities who make up the combined authority to determine a governance structure that works most effectively in the Lancashire context. There is no uniform agreed governance structure for a combined authority. A combined authority requires the consent of all local authorities covered by the combined authority. This needs to be one whole contiguous geographical area but does not require all the local authorities within the county boundary to be part of the combined authority.

2.6 Eight of the ten existing combined authorities have a directly elected mayor. The elected mayor is the chair of their area's combined authority and is directly elected by the residents of this area. The mayor, in partnership with the combined authority, exercises the powers and functions devolved from government. The government believes the role ensures clear accountability over the powers, functions and funding that is devolved from national to local level.

DEVELOPING THE DETAILED PROPOSAL

- 2.7 The Leaders of the Lancashire local authorities are keen to gain agreement from government formally and are seeking an agreement in principle from all the councils in Lancashire to start this process. Lancashire councils are seeking to achieve this from all councils by the end of April 2020.
- 2.8 The Secretary of State for Housing, Communities and Local Government would then commence the process and identify a Whitehall team Lancashire will work with. Work has already been agreed in principle to develop an evidence base for a Greater Lancashire Plan throughout 2020 which will provide a good baseline of information on a number of themes. This may provide the basis for identifying priorities for a devolution deal but will be reviewed once the work is complete in the Autumn. During 2020 the Lancashire authorities would seek to collectively develop the detailed proposal for consideration by each council, to seek consent. If this is successful a Shadow Combined Authority would be established, although the timeline for this would be determined in 2020/21 when the work around the governance structure is completed.
- 2.9 Once this work is completed the council will consider a further report on the detailed Combined Authority proposal and the consent of full council would be required to proceed.

FINANCE

- 2.10 Approval of the annual budget for the combined authority including decisions on any levies, precepts or other demands for financial contribution from constituent authorities is subject to unanimous agreements by the constituent members. The scale of funding for Lancashire devolved from Government will be determined through the devolution deal but is likely to be significant.

LEGAL

- 2.11 The powers to establish a Combined Authority are contained within the Local Democracy, Economic Development and Construction Act 2009 and The Cities and Local Government Devolution Act 2016. A constitution for the Combined Authority will also be developed. The council's own constitution will be reviewed, and any necessary amendments will be made. A parliamentary order is needed to establish a Combined Authority.

3.0 Conclusion

- 3.1 Prior to COVID the government was strongly indicating that they wanted to see devolution and local government reform. Although we hope the collective council response to the pandemic has demonstrated to government the vital role of district councils, there is a suggestion that not all councils will survive the financial impacts of Coronavirus. So, it seems likely that discussions about devolution and local government reform will continue. Taking a position on a possible combined authority in Lancashire and participating in those discussions will allow our council to continue to explore which local government structures might best serve our residents and our region.

LEGAL IMPLICATIONS

The Legal implications are contained within the report.

FINANCIAL IMPLICATIONS

At this stage there are no significant financial implications to consider.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments.

DEPUTY MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

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