



Report of:	Meeting	Date
Leader of the Council, David Henderson and Chief Executive, Garry Payne	Council	17 September 2020

Lancashire Combined Authority

1. Purpose of report

- 1.1** The purpose of this report is to agree, in principle, that Wyre Council takes part in the discussions to establish a Lancashire Combined Authority with an Elected Mayor (with limited powers).

2. Outcomes

- 2.1** Better collaboration across local authorities in Lancashire on specific issues including transport, housing, regeneration and economic development.
- 2.2** Devolved powers, responsibilities and funding from Central Government to a Lancashire Combined Authority.

3. Recommendations

- 3.1** That the Council agree, in principle, to progress discussions around the role, function and governance structure to establish a Lancashire Combined Authority, including an Elected Mayor with limited powers.
- 3.2** That the Council receive a further report on the detailed Combined Authority proposal in due course to attain Wyre Council's consent to the establishment of the Lancashire Combined Authority.

4. Background

- 4.1** Devolution is a key priority for Central Government and this has been reaffirmed in the latest Queen's Speech which indicated that an English Devolution White Paper will be published in the Autumn setting ambitions 'for unleashing regional potential in England, and to enable decisions that affect local people to be made at a local level'. This timescale for publication has been reaffirmed in recent months, despite the pandemic,

although no confirmed date has been announced. The Government has pledged 'structural and institutional reform' and has stated that 'with more powers and funds must come more local democratic responsibility and accountability.' The paper will set out to increase the number of devolution deals and mayors, in addition to 'levelling' up the powers between mayoral combined authorities. There is expected to be a clear message that combined authorities are the only vehicle to secure significant additional powers and funding from Government.

4.2 Simon Clarke, Minister of State at the Ministry of Housing, Communities and Local Government, in his speech to the Local Government Association conference on 3 July said:

"The white paper will connect local recovery with levelling up...

Providing a place-based strategy to boost regional economic performance in every corner of the country, from the Northern Powerhouse and the Midlands Engine to the Western Gateway and the Oxford-Cambridge Arc.

Our transformative plan will include a clear, ambitious strategy for strengthening our local institutions...

With many more elected mayors and more unitary councils following in the footsteps of Dorset, Buckinghamshire and Northamptonshire.

So that we can remove the complexity of governance and reduce costs to the taxpayer while making space for town and parish councils to be genuinely empowered."

4.3 A Combined Authority (CA) is a formal legal body set up using national legislation that enables a group of two or more councils to collaborate and take collective decisions across council boundaries on issues such as transport, regeneration and economic growth. Each of the councils who are members of a combined authority remain separate authorities. The creation of a CA means that member councils can be more ambitious in their joint working and can take advantage of powers and resources devolved from central government. There are now ten combined authorities in existence, or in the course of being established, across the country, ranging from the longest established – Greater Manchester – to the emerging combined authority in West Yorkshire. Each have a different number of constituent local authorities and varying levels of devolved powers and funding from Government.

4.4 The debate on a Combined Authority for Lancashire has been ongoing for a number of years. In December 2015, full Council made the decision not to participate in the discussions around developing a Combined Authority for Lancashire. The rationale for this decision was that there was a significant lack of information on the benefits and costs at that time

to Wyre becoming a member of the CA. There was also evidence that suggested that no devolution deal would come unless there was a directly elected Mayor and there was uncertainty around the control and co-ordination of surplus public land in Lancashire and how this may have a negative impact on the council. We have, however, always remained fully committed to developing closer collaborative working across Lancashire and stated that if there were clear benefits then we would reconsider our position.

5. Key issues and proposals

5.1 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 additional powers and funding from Government. Its aim is to carry out agreed joint functions which would be determined by the authorities in Lancashire and to enable collaboration and collective strategic decisions across boundaries. Agreeing to a CA 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

5.2 In return for establishing a CA, some of the benefits Lancashire could expect, which have been common to other CA's, may include:-

- A 30 year Investment Fund (potentially £500m to £750m for Lancashire)
- Powers to raise local levies
- An integrated transport body and local transport planning utilising Transport Grant and Transforming Cities Fund
- Strategic housing planning and the Housing Infrastructure Fund
- Adult education budgets and Apprenticeship Grant for Employers
- Powers over police and fire functions
- Spatial planning and Local Industrial Strategy
- Bus franchising.

An analysis has been carried out that shows that levelling up Lancashire to Greater Manchester (based on pro rata population) could equate to devolution funding of over £4.5 billion.

5.3 It would be for the new Lancashire CA, in negotiation with the Government to determine the focus and detail of a Devolution Deal and

the devolution 'ask' for Lancashire. This is a good opportunity to secure resources and powers from Government for Lancashire and to enable a number of funding decisions to be taken closer to local people.

- 5.4** It is for the authorities who make up the CA to determine a governance structure that works most effectively in the Lancashire context. There is no uniform agreed governance structure for a CA. A CA requires the consent of all local authorities covered by the CA. Eight of the ten existing combined authorities have a directly elected mayor and the combined authorities with an elected Mayor have received significant devolution deals. The elected Mayor chairs the CA and the Mayor is elected by the constituents. The Mayor has limited powers and in partnership with the CA Executive, exercises the powers and functions devolved from Government and in essence a CA operates to a similar principle as a Leader and Cabinet. The Government believes the role ensures clear accountability over the powers, functions and funding that is devolved from national to local level. Senior Civil Servants have indicated that in order to secure a devolution deal of significant worth, as Greater Manchester and other regions have done, an Elected Mayor is likely to be a requirement along with Local Government Reorganisation.
- 5.5** The Leaders of the Lancashire local authorities are keen to gain agreement from Government formally to establish a Lancashire Combined Authority and are seeking an agreement in principle from all the councils in Lancashire to start this process. The Secretary of State for Housing, Communities and Local Government would then commence the process and identify a Whitehall team which Lancashire will work with. Clusters of Lancashire Leaders have written to the Secretary of State indicating they are supportive of a Combined Authority for Lancashire with associated Local Government Reorganisation. On 12 August, the Leader of the Council has also written to the Secretary of State and indicated in principle support for Local Government Reorganisation with a Unitary council covering Wyre, Fylde, Blackpool, Lancaster and Ribble Valley. Discussions have been initiated with relevant Leaders so that work can commence in collaboration on both an evidence and business case.
- 5.6** A further report would be brought back to full Council in due course once there are more details around the proposal for the Lancashire Combined Authority and Local Government Reorganisation.

Financial and legal implications	
Finance	The Council's MTFP does not currently contain any budgetary provision to meet any costs associated with the establishment of a Combined Authority.
Legal	Combined Authorities are legal entities created through powers contained in sections 103-113 of the Local Democracy, Economic Development and Construction Act 2009. A combined authority can only be created once the

	Secretary of State is satisfied that the establishment of a combined authority will contribute to improved economic development and transport policy in the area. There is no power for public bodies other than local authorities to join a combined authority.
--	--

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

risks/implications	✓ / x
asset management	x
climate change	x
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

report author	telephone no.	email	date
Marianne Hesketh	01253 887350	Marianne.hesketh@wyre.gov.uk	13 July 2020

List of background papers:		
name of document	date	where available for inspection
None		

List of appendices

None