

Name of meeting: Overview & Scrutiny Management Committee

Date: 29th October 2020

Title of report: Devolution Deal for West Yorkshire

Purpose of report:

To provide the Committee with the latest progress on the devolution deal for West Yorkshire, particularly the draft Order currently being developed by Government. Alan Reiss, Director for Policy, Strategy & Communications from the West Yorkshire Combined Authority will be in attendance.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	No
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u> ?	Key Decision – No Private Report/Private Appendix – No
The Decision - Is it eligible for call in by Scrutiny?	n/a
Date signed off by <u>Strategic Director</u> & name	Jacqui Gedman 20/10/20
Is it also signed off by the Service Director for Finance IT and Transactional Services?	Eamonn Croston 20/10/20
Is it also signed off by the Service Director for Legal Governance and Commissioning Support?	Julie Muscroft 20/10/20
Cabinet member portfolio	Cllr Pandor, Leader of the Council

Electoral wards affected: ALL

Ward councillors consulted: YES

Public or private: Public

Has GDPR been considered: YES

1. Summary

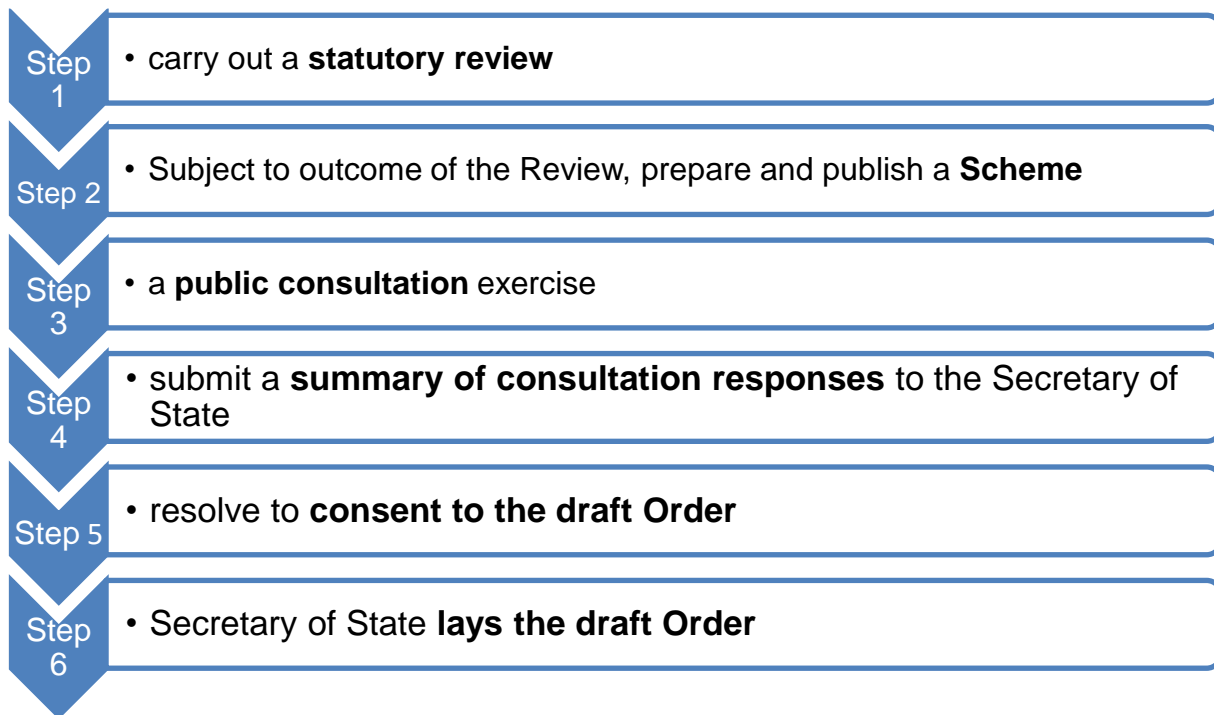
- 1.1 The West Yorkshire “minded-to” Devolution Deal was announced as part of the Budget on 11th March 2020. Subject to statutory processes, this will lead to the adoption of a mayoral combined authority model with additional functions.
- 1.2 At their meetings in September, the Combined Authority and each Constituent Council:
 - Considered the outcome of the public consultation on the Scheme, which has been undertaken jointly by the Constituent Councils and the Combined Authority; and
 - Resolved to submit the summary of the consultation responses to the Secretary of State.
- 1.3 Subsequently the consultation summary report, along with feedback comments from Leeds City Council and Kirklees Council were submitted to the Secretary of State. This submission, along with the Scheme will be used to draft the Order.
- 1.4 The draft Order is currently being produced and is due to be published by the Government at the end of October. Each Constituent Council and the Combined Authority will then be asked to agree the final Order in November.
- 1.5 Subject to authorisation from the Combined Authority and the Constituent Councils, the Order will be laid before Parliament in December and then made in January/February 2021.

2. Information required to take a decision

- 2.1 As previously reported, the Deal will devolve a range of powers and responsibilities to West Yorkshire Combined Authority. It will unlock significant long-term funding and give the region greater freedom to decide how best to meet local needs.
- 2.2 The initial gainshare funding for the financial year 2020/2021 will be available prior to the first Mayoral election, but subject to: the establishing legislation being in place; and a revised Assurance Framework being approved.

Process for enacting the deal

- 2.3 The Local Democracy, Economic Development and Construction Act 2009 sets out statutory processes to be followed before any Order is made. Each aspect has a specific statutory procedure to be followed. In addition, the consent of each Constituent Council and the Combined Authority is required to any Regulations giving the Combined Authority powers to borrow for non-transport functions, however these are to be progressed separately and at a later date to the making of the Order.
- 2.4 It was previously agreed that the process set out in the flow chart below be followed. This process addresses all statutory procedural requirements.
- 2.5 **Flow chart of proposed process:**



2.6 Stages 1-4 are now complete. [Appendix 1](#) is an updated timeline on the implementation process.

Next Steps

2.7 The draft Order is currently being drafted by Government in-line with the previously published Scheme. It is expected to be published fully at the end of October.

2.8 The Combined Authority and each Constituent Council will then be asked to agree the draft Order in the second week of November. The dates of the key meetings are listed below:

- **Bradford** - Executive 9/11, Council 10/11
- **Calderdale** - Cabinet 9/11, Council 11/11
- **Kirklees** - Council 11/11, Executive 12/11
- **Leeds** – Executive 9/11, Council 11/11
- **Wakefield** - Cabinet 10/1, Council 11/11
- **WYCA** - 10/11

2.9 Subject to authorisation of the Combined Authority and each Constituent Council, it is proposed to agree that the final Order is delegated to the Managing Director of the Combined Authority, in consultation with the Leader and Chief Executive of each Constituent Council and the Chair of the Combined Authority for final minor amendments or changes to wording should they be required.

2.10 As part of the parliamentary process, the draft Order is being considered by Parliament's Joint Committee on Statutory Instruments (JCSI). Their role is to focus on the technical quality of the draft Order as opposed to the policy content and amendments at this point would be those required to ensure that the Order is well drafted. The JCSI process may therefore lead to technical amendments being made to the Order, these will be non-negotiable.

2.11 The Order is to be laid before Parliament in December and made in January/February 2021. This is essential to enable a mayoral election to take place in May 2021 and further

to enable the first gainshare payment to be received during this financial year.

- 2.12 Once the Order has been laid in parliament, the functions detailed in the Order will be conferred to the Combined Authority in line with the following timescales
- Combined Authority functions will be conferred once the Order has been made in parliament.
 - Mayoral functions, once the mayor is in office.
- 2.13 Local protocols will be developed and agreed between the Combined Authority and constituent councils. These protocols will detail how any concurrent functions will be operated and how consent functions will work in practice.

3. Implications for the Council

3.1 Working with People

The premise of the “minded-to” Deal is on bringing funding and functions to a more local level. In due course, it is anticipated that the establishment of the Mayoral Combined Authority will have staffing implications in terms of additional resources to deliver the ambition of the Deal and these will be considered at the appropriate point to ensure operational effectiveness and efficiency of the Combined Authority.

3.2 Working with Partners

The “minded-to” Deal will encourage collaboration on systems, structures and procedures to support the area to make decisions, set strategy and manage delivery across a range of partners in West Yorkshire. Inclusive Growth is a key priority for West Yorkshire Combined Authority and the LEP. Although there are no immediate implications on Inclusive Growth arising as a direct result of the report.

3.3 Place Based Working

The “minded-to” Deal will put in place appropriate governance structures that reflect the needs and opportunities across the West Yorkshire area and the places within it.

3.4 Climate Change

As part of the “minded-to” Deal text, the Government welcomed West Yorkshire’s commitment to becoming a net zero carbon economy by 2038, with significant progress by 2030. There are however, no immediate implications on Clean Growth arising as a direct result of the report.

3.5 Improving outcomes for children

The “minded-to” Deal includes measures around funding and functions focused on skills and education, including careers advice, apprenticeships and Further Education.

3.6 Other (e.g. Legal/Financial or Human Resources)

- Statutory processes need to be followed, before any Order or regulations may be made to implement the “minded-to” Deal.
- S101(5) Local Government Act 1972 provides that two or more local authorities (defined to include a Combined Authority) may discharge any of their functions jointly and may arrange for the discharge of those functions by an officer of one of the authorities.
- The ‘minded to’ Devolution Deal includes a number of flagship funding arrangements including £38m for 30 years into the West Yorkshire Investment Fund, £317m from the Transforming Cities Fund and control over the £63m annual Adult Education budget. The implications of these and the other funding provisions contained within the ‘minded to’ Deal will be subject to future reports.

- Equalities Impact Assessments have been undertaken for both the consultation process and the overall implementation of the deal. These assessments have taken account of the obligations under section 149 of the Equality Act 2010 (i.e. the public sector equality duty). It is not expected that the proposals described in this report will have any adverse impacts on people with protected characteristics. The Combined Authority will ensure that the equality impact assessments are reviewed throughout the devolution implementation process.

4. Consultees and their opinions

- 4.1 As part of the statutory process, as set out above, a public consultation has been undertaken. The summary of the results was discussed at Council in September and submitted to the Secretary of State in September 2020.
- 4.2 Kirklees Council also submitted additional feedback following discussion at Council, namely:
- The Leader of the Conservative Group asked that the recommendation which had been agreed by Leeds (at both Council and at Cabinet) relating to the ability to veto Mayor decisions relating to planning be included in the Kirklees decision.
 - Members asked that the report in November should not be subject to exemption from call-in. They are aware of the tight timetable but nonetheless there is a degree of unhappiness about the process.
- 4.3 The consultation was discussed by Overview & Scrutiny Management Committee formally 9th June and informally 10th July.
- 4.4 WYCA Scrutiny Committee are holding a workshop 3rd November to discuss how a future scrutiny model may look once the mayoral arrangements are in place. All scrutiny chairs from the 5 constituent councils have been invited.

5. Officer recommendations and reasons

- 5.1 To note progress on the devolution process in West Yorkshire, notably the next stage in agreeing to the draft order.

6. Appendices

[Appendix 1](#) – Timetable for implementation

7. Contact officer

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8. Background Papers and History of Decisions

The 'minded to' Devolution Deal is referenced as a background document within this report.

West Yorkshire Devolution Deal – Review of Governance Arrangements: Cabinet 24th March 2020

<https://democracy.kirklees.gov.uk/documents/s35794/West%20Yorkshire%20Devolution%20Deal.pdf>

Devolution Deal for West Yorkshire – Review, Scheme and Consultation: Cabinet May 21st 2020

<https://democracy.kirklees.gov.uk/documents/g5962/Agenda%20frontsheet%2021st-May-2020%2015.00%20Cabinet.pdf?T=0>

Devolution Deal for West Yorkshire – Consultation Outcomes: September 9th 2020

<https://democracy.kirklees.gov.uk/documents/s37412/Council%20Devo%20Consultation%20Report%209%20Sept20.pdf>

9. Service Director responsible

Jacqui Gedman – Chief Executive –

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