

Subject:	Combined Authorities Update	Status:	For Publication
Report to:	Cabinet	Date:	21 st October 2015
Report of:	Chief Executive	Portfolio Holder:	Resources and Performance
Key Decision:	<input type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	Yes/No	Attached: Yes/No
Biodiversity Impact Assessment	Required:	Yes/No	Attached: Yes/No
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1.	RECOMMENDATION(S)
1.1	That members note the contents of the report.

2. PURPOSE OF REPORT

- 2.1 The purpose of the report is to update members on the latest combined authority discussions taking place within Lancashire.

3. CORPORATE PRIORITIES

- 3.1 The matters discussed in this report impact directly on the following corporate priorities:
- **Regenerating Rossendale:** This priority focuses on regeneration in its broadest sense, so it means supporting communities that get on well together, attracting sustainable investment, promoting Rossendale, as well as working as an enabler to promote the physical regeneration of Rossendale.
 - **Responsive Value for Money Services:** This priority is about the Council working collaboratively, being a provider, procurer and a commissioner of services that are efficient and that meet the needs of local people.
 - **Clean Green Rossendale:** This priority focuses on clean streets and town centres and well managed open spaces, whilst recognising that the Council has to work with communities and as a partner to deliver this ambition.

4. RISK ASSESSMENT IMPLICATIONS

- 4.1 All the risk issues raised in this report will be set out in full in the report for December's Full Council.

5. BACKGROUND AND OPTIONS

- 5.1 Combined authorities are legal entities that can be set up to undertake joint functions as agreed by its members. A combined authority would not result in the creation of a 'super council' or be a merger of authorities, but would facilitate closer working between organisations, providing greater opportunities such as maximising investment, the creation of jobs and improving access to Government funding for the benefit of the area.
- 5.2 The focus of combined authorities is around strategic decisions such as transport, economic development, housing and regeneration. Most importantly, combined authorities can use this joint influence to draw down powers and functions from central government for the benefit of the whole area.

5.3 The themes being discussed for the Lancashire Combined authority are:

- Prosperous Lancashire – growth business investment etc
- Connected Lancashire – digital, transport infrastructure
- Skilled Lancashire
- Better Homes for Lancashire
- Public Service integration

5.4 In order to become a combined authority and under the 2009 Local Democracy, Economic Development and Construction Act, a ‘governance review’ needs to be undertaken. This needs to analyse the options for authorities to work together and also to set out the benefits that a combined authority would bring to an area. The governance review sets out the evidence for the case for change.

5.5 An options appraisal has been undertaken of the various ways in which authorities in Lancashire can work together. The full option appraisal will be included in the governance review. The conclusion of the options appraisal is that the combined authority model is the best way in which authorities in Lancashire can collectively and individually achieve the greatest benefits for our communities. It also provides the best vehicle from which to negotiate with government on devolution of powers and funding.

5.6 If a combined authority is agreed as the most appropriate vehicle, then a scheme of governance arrangements must be published, consulted upon and submitted to the Secretary of State, who will then undertake a further consultation. The precise powers, functions and voting arrangements of the combined authority will be set out in the scheme.

5.7 Having a combined authority would allow us to agree a Devolution Deal with Government giving Local Authorities devolved funding for transport, skills, business support, health, housing and influence over HE/FE and other training providers.

5.8 A Lancashire Combined Authority (1.5m) would be similar in population size to Liverpool and Sheffield and we would be able to compete with other Northern city region areas.

5.9 Lancashire already has a range of initiatives and opportunities on which to build and support economic growth including:

- One of the largest Growth Deal allocations to the Lancashire LEP totalling £250m and a notional allocation of £232m EU funding
- Strong links to neighbouring city regions and opportunity to benefit from Liverpool’s super-port plans and the significant jobs growth in Manchester
- £130m investment in Superfast Broadband
- £340m investment and delivery programme for the Preston, South Ribble and Lancashire City Deal
- Investment in digital health, recognised as an important growth area for the UK economy
- Lancashire Business Growth Hub delivering £40m programmes to support high growth companies and start ups

5.10 38 areas have submitted proposals for devolution on 4th September (George Osborne set this as a deadline date for core cities). Lancashire didn’t submit proposals as we want to ensure that we have robust governance arrangements in place and a sound offer on which to negotiate a realistic deal. This approach has been well received by civil servants.

5.11 Devolution deals and proposals

Attached at Appendix A is a table which provides an overview of some of the key elements of the devolution deals which have already been agreed, and the key asks which are being negotiated. The table also provides a list of common themes.

5.12 Key milestones and timetable

October to November 2015

Prepare draft governance scheme and scheme of governance

9th December 2015

A report will be taken to Council for a formal decision

January to February 2016

Formal local consultation period and external stakeholder engagement

March 2016 onwards

Submission to the Secretary of State

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

6.1 Financial matters are noted in the report attached.

7. MONITORING OFFICER

7.1 Unless specifically commented upon within the report, there are no specific implications for consideration.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

8.1 Unless specifically commented upon within the report, there are no implications for consideration. Staffing issues have been discussed with colleagues in the People & Policy section.

8.2 Directors, Heads of Services and Budget Holders. All members were invited to LGA Combined Authority Members Briefing on 8th September 2015.

9. CONCLUSION

9.1 That members note the on-going discussions taking place regarding a combined authority for Lancashire.