

Public Document Pack



Agenda for a meeting of the Executive to be held remotely on Tuesday, 19 May 2020 at 11.00 am

Members of the Executive – Councillors

LABOUR
Hinchcliffe (Chair)
I Khan
Ross-Shaw
Ferriby
Jabar
Farley

Notes:

- Please note that, under the current circumstances we are unable to produce any paper copies. A webcast of the meeting will be available to view live on the Council's website at <https://bradford.public-i.tv/core/portal/home> and later as a recording
- Any Councillors and members of the public who wish to make a contribution at the meeting are asked to email jill.bell@bradford.gov.uk & yusuf.patel@bradford.gov.uk by **10.30 on Friday 15 May** and request to do so. In advance of the meeting those requesting to participate will be advised if their proposed contribution can be facilitated and those participants that can be will be provided with details how to electronically access the meeting. Councillors and members of the public with queries regarding making representations to the meeting please email Jill Bell & Yusuf Patel.
- Approximately 15 minutes before the start time of the Executive meeting the Governance Officer will set up the electronic conference arrangements initially in private and bring into the conference facility the Portfolio Holders, the Chief Executive and the Council's legal advisor so that any issues can be raised before the start of the meeting. The officers presenting the reports at the meeting of the Executive will have been advised by the Governance Officer of their participation and will be brought into the electronic meeting at the appropriate time.

From:

Parveen Akhtar

City Solicitor

Agenda Contact: Jill Bell / Yusuf Patel

Phone: 01274 434580/4579

E-Mail: jill.bell@bradford.gov.uk / yusuf.patel@bradford.gov.uk

To:

A. PROCEDURAL ITEMS

1. DISCLOSURES OF INTEREST

(Members Code of Conduct - Part 4A of the Constitution)

To receive disclosures of interests from members and co-opted members on matters to be considered at the meeting. The disclosure must include the nature of the interest.

An interest must also be disclosed in the meeting when it becomes apparent to the member during the meeting.

Notes:

- (1) Members may remain in the meeting and take part fully in discussion and voting unless the interest is a disclosable pecuniary interest or an interest which the Member feels would call into question their compliance with the wider principles set out in the Code of Conduct. Disclosable pecuniary interests relate to the Member concerned or their spouse/partner.*
- (2) Members in arrears of Council Tax by more than two months must not vote in decisions on, or which might affect, budget calculations, and must disclose at the meeting that this restriction applies to them. A failure to comply with these requirements is a criminal offence under section 106 of the Local Government Finance Act 1992.*
- (3) Members are also welcome to disclose interests which are not disclosable pecuniary interests but which they consider should be made in the interest of clarity.*
- (4) Officers must disclose interests in accordance with Council Standing Order 44.*

2. INSPECTION OF REPORTS AND BACKGROUND PAPERS

(Access to Information Procedure Rules – Part 3B of the Constitution)

Reports and background papers for agenda items may be inspected by contacting the person shown after each agenda item. Certain reports and background papers may be restricted.

Any request to remove the restriction on a report or background paper should be made to the relevant Strategic Director or Assistant Director whose name is shown on the front page of the report.

If that request is refused, there is a right of appeal to this meeting.

Please contact the officer shown below in advance of the meeting if you wish to appeal.

(Jill Bell / Yusuf Patel - 01274 434580 434579)

B. STRATEGIC ITEMS

LEADER OF COUNCIL & CORPORATE

(Councillor Hinchcliffe)

3. DEVOLUTION DEAL FOR WEST YORKSHIRE - REVIEW OF GOVERNANCE ARRANGEMENTS

1 - 14

On the 11th March 2020, the Chancellor announced a “minded to” Mayoral Devolution Deal for the West Yorkshire area (which covers the Local Authority areas of Leeds, Wakefield, Kirklees, Calderdale and Bradford). A report went to Executive on the 24th March which outlined the details of the devolution deal, its benefits for Bradford District, its people and its businesses and set out the required next steps.

This devolution deal unlocks revenue and capital funding worth £1.8 billion over the next 30 years. It follows similar deals in metropolitan areas including Greater Manchester and the West Midlands and will be the largest per person deal to date. The deal includes commitments on transport, business support, skills, innovation and tackling climate emergency.

Specific commitments for Bradford District include:

- An additional £500,000 in direct funding to help Bradford Council develop a masterplan for Bradford city centre, maximising regeneration opportunities from Northern Powerhouse Rail.
- A package of measures to transform Bradford City Centre through pedestrianisation, new cycle infrastructure and better access to Bradford Interchange
- A new park-and-ride site for South Bradford providing alternative access to the city centre and key employment sites
- Support for an ActEarly research hub (building on the Born in Bradford work at Bradford Royal Infirmary) which focuses on early interventions in childhood health to improve lives and opportunities for children and their families. The Council are currently working with Born in Bradford to examine how the proposal might be shaped in light of the response to the Coronavirus pandemic

In addition to this, we are working with Combined Authorities on developing these commitments in the context of the impact of the recent COVID pandemic.

The proposed deal from the Government requires a number of governance changes. It requires that there will be a directly elected Mayor for West Yorkshire to be elected in May 2021. It will also unlock a number of central Government powers and funding to allow more local and accountable decision making.

The report approved by Executive on the 24th March 2020 endorsed the “minded to” deal on behalf of Bradford District and agreed for a statutory review to be undertaken jointly with the other West Yorkshire Councils and the Combined Authority and for a draft Governance scheme to be produced for consideration.

This activity has now taken place and is attached to the report of the Chief Executive (**Document “BP”**). This includes the statutory Review (appendix 1 to Document “BP”) and a draft governance Scheme (appendix 2 to Document “BP”).

All WYCA Constituent Councils (including CBMDC) need to endorse the review and Scheme at this point so a consultation can take place which will be led by West Yorkshire Combined Authority. Executive will receive a further report in due course to consider the outcome of this consultation.

Recommended –

- (1) To consider the Governance Review attached as Appendix 1 to Document “BP” and endorse its conclusions, including that an Order under S104 and S105 in relation to the changes to constitutional arrangements considered in the Review and the delegation of additional functions to the Combined Authority would be likely to improve the exercise of statutory functions in relation to the Combined Authority’s area.**
- (2) To consider and comment on the draft Scheme for the establishment of the Mayoral Combined Authority, attached as Appendix 2 to Document “BP”.**
- (3) To agree that a public consultation exercise is undertaken on the proposals contained in the Scheme and comment on the draft consultation questions, which are attached as Appendix 3 to Document “BP”.**
- (4) To agree that engagement with the Combined Authority and other Constituent Councils should progress as described in Document “BP” and (subject to agreement to recommendations (1) – (3)) to agree that the Managing Director of the Combined Authority shall, in consultation with the Chief Executive and Leader of this Council, be authorised to take any steps to finalise the Scheme and**

progress the public consultation exercise as set out above.

- (5) To note the updated timetable set out in Appendix 4 to Document “BP” and the next steps including, subject to the approval by the Constituent Councils and Combined Authority, the submission of a summary of the consultation responses to the Secretary of State in August/September 2020 and subsequently consent to any draft Order in September 2020 so that a mayoral combined authority model and associated changes may be adopted and implemented by May 2021, as set out in the Deal.**

- (6) To resolve that this decision is exempt from call-in on the grounds of urgency, for the reasons set out in paragraph 10.1 of this report.**

THIS AGENDA AND ACCOMPANYING DOCUMENTS HAVE BEEN PRODUCED, WHEREVER POSSIBLE, ON RECYCLED PAPER

This page is intentionally left blank



Report of the Chief Executive to the meeting of Executive to be held on 19th May 2020

BP

Subject:

Devolution Deal for West Yorkshire - Review of Governance Arrangements

Summary Statement:

On the 11th March 2020, the Chancellor announced a “minded to” Mayoral Devolution Deal for the West Yorkshire area (which covers the Local Authority areas of Leeds, Wakefield, Kirklees, Calderdale and Bradford). A report went to Executive on the 24th March which outlined the details of the devolution deal, its benefits for Bradford District, its people and its businesses and set out the required next steps.

This devolution deal unlocks revenue and capital funding worth £1.8 billion over the next 30 years. It follows similar deals in metropolitan areas including Greater Manchester and the West Midlands and will be the largest per person deal to date. The deal includes commitments on transport, business support, skills, innovation and tackling climate emergency.

Specific commitments for Bradford District include:

- An additional £500,000 in direct funding to help Bradford Council develop a masterplan for Bradford city centre, maximising regeneration opportunities from Northern Powerhouse Rail.
- A package of measures to transform Bradford City Centre through pedestrianisation, new cycle infrastructure and better access to Bradford Interchange
- A new park-and-ride site for South Bradford providing alternative access to the city centre and key employment sites
- Support for an ActEarly research hub (building on the Born in Bradford work at Bradford Royal Infirmary) which focuses on early interventions in childhood health to improve lives and opportunities for children and their families. The Council are currently working with Born in Bradford to examine how the proposal might be shaped in light of the response to the Coronavirus pandemic

In addition to this, we are working with Combined Authorities on developing these commitments in the context of the impact of the recent COVID pandemic.

The proposed deal from the Government requires a number of governance changes. It requires that there will be a directly elected Mayor for West Yorkshire to be elected in May 2021. It will also unlock a number of central Government powers and funding to allow more local and accountable decision making.

The report approved by Executive on the 24th March 2020 endorsed the “minded to” deal on behalf of Bradford District and agreed for a statutory review to be undertaken jointly with the other West Yorkshire Councils and the Combined Authority and for a draft Governance scheme to be produced for consideration.

This activity has now taken place and is attached to this report. This includes the statutory Review (appendix 1) and a draft governance Scheme (appendix 2).

All WYCA Constituent Councils (including CBMDC) need to endorse the review and Scheme at this point so a consultation can take place which will be led by West Yorkshire Combined Authority. Executive will receive a further report in due course to consider the outcome of this consultation.

Kersten England
Chief Executive

Portfolio:
Leader of Council and Corporate

Report Contacts:

Overview & Scrutiny Area:
Corporate

Michael Bowness
Phone (01274) 435928

Phil Witcherley
Phone: (01274) 431241

1. SUMMARY

- 1.1 The West Yorkshire “minded-to” Devolution Deal was announced as part of the Budget on 11 March 2020. Subject to consultation and statutory process, this will lead ultimately to the adoption of a mayoral combined authority model with additional functions, and will require an Order of the Secretary of State.
- 1.2 Subsequent to the Budget announcement, the Combined Authority and each Constituent Council:
- Endorsed the “minded to” Deal agreed.
 - Agreed to be party to a Review of the Combined Authority’s constitutional arrangements and of the functions carried out by the Combined Authority over the Combined Authority’s area, as set out in this report and pursuant to S111 of the Local Democracy, Economic Development and Construction Act 2009.
 - Authorised the Combined Authority’s Managing Director, in consultation with the Chief Executive of each Constituent Council, to carry out the Review on behalf of each Constituent Council and the Combined Authority.
 - Authorised the Combined Authority’s Managing Director, in consultation with the Chief Executive of each Constituent Council, and on behalf of each Constituent Council and the Combined Authority to prepare a draft Scheme for consideration by the Constituent Councils and the Combined Authority, subject to the outcome of the Review.
- 1.3 Following these approvals this report seeks to consider:
- the outcome of the statutory Review, which has been undertaken jointly by the Constituent Councils and the Combined Authority;
 - whether an Order of the Secretary of State would likely improve statutory functions; and
 - the draft Scheme.
- 1.4 Subject to authorisation of Combined Authority and each Constituent Council, it is proposed that a consultation and engagement exercise with partners and stakeholders is undertaken on the draft Scheme. Following this exercise, it is proposed that Combined Authority and each Constituent Council receive a report in August/September 2020 to consider the outcome of the consultation and resolve to submit a summary of responses to the Secretary of State.
- 1.5 The structure of the consultation will be based on previous consultations undertaken by other MCAs. However, it should be noted that due to the current pandemic, the proposed consultation process will operate differently to similar consultations carried out by other MCAs. Consideration has been given to how the consultation will be promoted and how individuals who do not have online access may be able to participate. In addition, the Consultation Institute have been

procured to provide quality assurance and external challenge of the full consultation process, including the survey questions

2. BACKGROUND

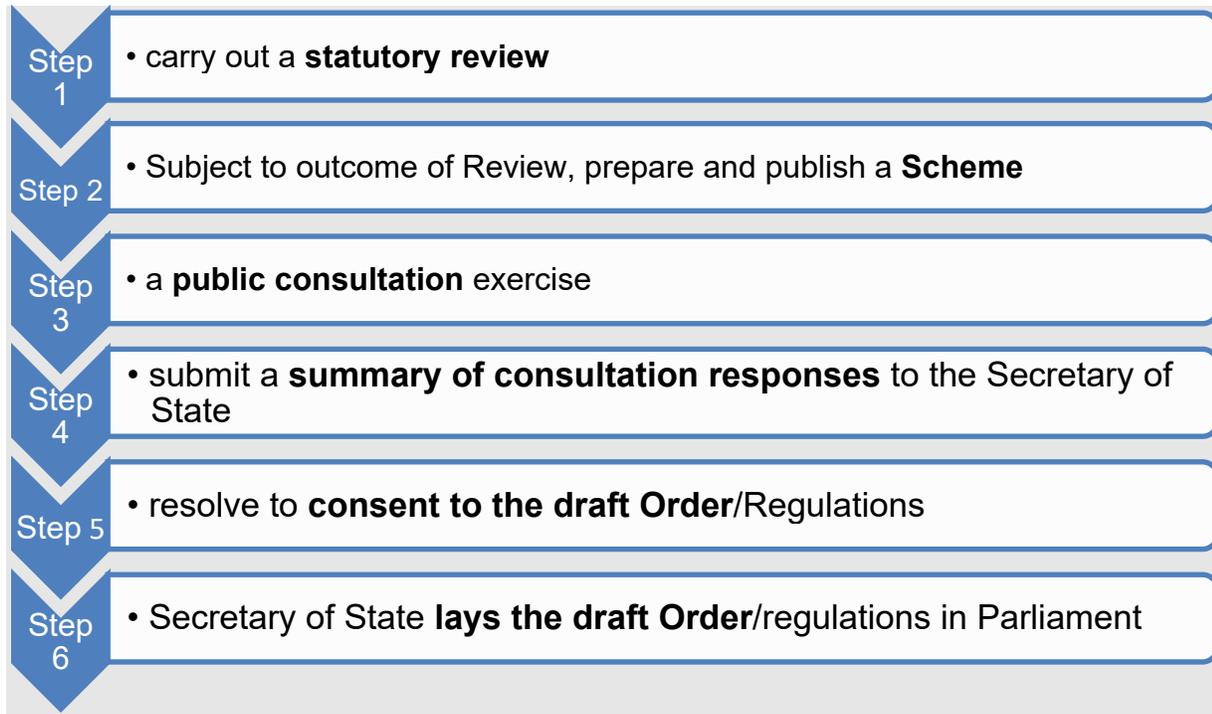
- 2.1 The Deal will devolve a range of powers and responsibilities to West Yorkshire Combined Authority, supporting the region to drive economic growth and prosperity within its communities and across the north. It will build upon the area's history of collaboration to maximise this investment and increase its contribution to the national economy.
- 2.2 The Deal will unlock significant long-term funding and give the region greater freedom to decide how best to meet local needs and create new opportunity for the people who live and work there. This agreement is the first step in a process of further devolution. The Government will continue to work with West Yorkshire on important areas of public service reform and infrastructure investment, to support inclusive economic growth in towns, cities and rural areas whilst tackling the climate emergency.
- 2.3 The initial funding for the financial year 2020/2021 will be available prior to the first Mayoral election, subject to: the establishing legislation being in place; and a revised Assurance Framework being approved. The revised Assurance Framework will consider opportunities to accelerate decision making at times when a more agile approach is required, including through the officer delegation scheme.

Process for enacting the deal

- 2.4 The Local Democracy, Economic Development and Construction Act 2009 (the 2009 Act) sets out statutory processes to be followed before any Order is made to:
 - a) Adopt a mayoral combined authority model (S107A/B)
 - b) Provide for the Mayor to carry out and delegate mayoral general functions (S107D)
 - c) Provide for the joint exercise of general functions by the Mayor (S107E)
 - d) Change the constitutional arrangements of a Combined Authority (voting, membership) (S104)
 - e) Delegate transport related functions to the Combined Authority (S104), and
 - f) Delegate some general local authority functions concurrently to the Combined Authority (S105).
 - g) Delegate public authority functions to the Combined Authority (S105A)
 - h) Authorise the Mayor to exercise functions currently carried out by a police and crime commissioner (S107F).
- 2.5 Each aspect listed in 2.4 above 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.

2.6 It was previously agreed that the process set out in the flow chart below be followed. This process addresses all statutory procedural requirements, facilitates an understanding of the overall impact of the changes, and maximises engagement with stakeholders including the public.

2.7 Flow chart of proposed process:



2.8 The following sections of the report provides: a summary of the Governance Review; a summary of the Scheme; and detail of the proposed consultation exercise. Full documents are available in the appendices to this paper.

Governance Review

2.9 Section 112 of the 2009 Act provides that where one or more of the authorities which undertook the Review conclude that the exercise of the power to make an Order under S104 or 105 would be likely to improve the exercise of statutory functions in West Yorkshire, they may prepare and publish a scheme relating to the exercise of the power in question – that is, the making of an order in relation to new transport-related functions, concurrent functions with local authorities and changed constitutional arrangements, (including those changes related to adopting a directly elected mayoral model). A summary is provided here, with the full Governance Review available at Appendix 1.

2.10 The Secretary of State may only make an order under S104 or S105, if they consider that to do so is likely to improve the exercise of statutory functions in the Combined Authority’s area. In making any such order, the Secretary of State must have regard to the need:

- To secure **more effective and convenient local government** for the area; and
 - to reflect the **identities and interests of our local communities**
- 2.11 The review has found that the economic evidence provides a rationale to continue to work across the West Yorkshire area, recognising that it continues to operate as a strong and coherent functional geography in its own right. It has a strong and diverse sectoral mix with significant growth potential, underpinned by notable economic assets and infrastructure, and through its links with the wider Leeds City Region, Yorkshire and the Northern Powerhouse.
- 2.12 Despite its economic successes, West Yorkshire is still a net spender of UK tax revenues, and there are significant challenges in relation to securing its ambitions to promote faster and more inclusive growth, achieving a zero-carbon economy and delivering a 21st century transport system for the area. And there is not enough local control over the policies which affect our economy.
- 2.13 The idea of West Yorkshire authorities working together on a range of transport and economic activities is not new. Leeds City Region was a pilot forerunner city region, the City Deal was secured in 2012 and £1bn Growth Deal was agreed in July 2014. This success has enabled the Combined Authority (established in 2014), the five West Yorkshire councils, and the Leeds City Region Enterprise Partnership ('the LEP') to make a strong start.
- 2.14 The minded-to devolution deal represents a significant step forward in delivering more and better jobs to the area. It delivers significant new responsibilities and investment that will benefit our communities and businesses across the region. It means that decisions previously taken centrally can now be taken closer to the people affected and gives the area greater financial freedom and flexibility to manage our investment choices according to local priorities. The MCA will promote local democracy through direct democratic accountability in exercising locally more of the levers of change that will drive economic growth. The review notes that the devolution deal is dependent on the establishment of an MCA and concludes that this is the appropriate mechanism by which the powers and funding proposed can be devolved to West Yorkshire.
- 2.15 The review concludes that:
- current regional governance arrangements - based on a non-mayoral combined authority - do not represent the best model in terms of delivering the long-term ambitions of the authorities within the area for economic growth and delivery of public services;
 - there is limited practical scope for the existing governance arrangements to be meaningfully strengthened, short of creating a mayoral combined authority;
 - a change is required to enable the West Yorkshire authorities to pursue their economic policy agenda at greater pace, while continuing to collaborate with the wider Leeds City Region, Yorkshire and the North in pursuit of shared economic objectives; and

- the statutory criteria for the minded to proposal are met, i.e., that making an Order under S104 and 105 will likely improve the exercise of statutory functions in that area.

In addition, establishing a Mayoral Combined Authority model of governance for West Yorkshire will;

- have a positive impact on the interests and identities of local communities
- build on established regional governance arrangements which cover a coherent functional economic area and which represent the views and interests of local communities and
- secure more effective and convenient local government by reducing complexity and streamlining the delivery of public services within the area.

2.16 The review proposed that a scheme is published that confirms:

- Any MCA should cover the area of West Yorkshire;
- A West Yorkshire Mayor would be elected in May 2021;
- The mayor would become a member of the Combined Authority, and Chair meetings of the authority;
- Each council will continue to appoint a member to the new MCA, along with political representatives from opposition groups, and non-constituent members from the LEP and City of York Council would be appointed; and
- the Mayor and MCA will exercise specific statutory functions, and hold some powers concurrently with West Yorkshire local authorities. No functions are being removed from those Councils. Where existing functions currently held by Constituent Councils are to be shared with the Mayor or MCA, they must usually be agreed by those Councils.

Preparing a Draft Scheme

2.17 As proposed within the Review, a draft Scheme has been prepared. The Scheme will form the basis for a revised Order establishing the Mayoral Combined Authority. A summary is provided below with the full Scheme available at Appendix 2.

Scheme

2.18 The Scheme will form the basis for a revised Order establishing the mayoral combined authority. In addition to proposals relating to constitutional changes, the delegation of transport related functions and general local authority functions, the Scheme contains proposals relating to the adoption of a mayoral model, and the transfer of functions of a public authority to the Combined Authority, in accordance with S107B(2) and S105B(4) respectively. It contains information on:

- proposed membership, voting and any other constitutional arrangements;

- functions to be conferred on the mayoral combined authority and how they are exercised, that is, by the Combined Authority, concurrently with Constituent Councils or by the Mayor (including any constraints or limitations to the Mayor's powers);
 - any changes to the way in which the Combined Authority will be funded, including power for the Mayor to issue a precept, or prudential borrowing powers for functions other than transport;
 - practical arrangements, including any property transfers and ensuring transparency via enhanced scrutiny arrangements.
- 2.19 It will be important to ensure that any revised sub-regional arrangements secure and enhance effective working arrangements between the Mayoral Combined Authority and the Constituent Councils and their democratic arrangements, to facilitate a joined-up and collaborative approach to policy, delivery and decision-making. In addition, local protocols may be established to ensure wider engagement and support for decisions and council approvals.
- 2.20 The 'minded to' deal set out that responsibility for West Yorkshire Police and Crime Commission (PCC) functions would be taken by the Mayor from 2024. Because the PCC elections have subsequently been delayed until May 2021, there is now an opportunity for any newly elected Mayor to potentially exercise PCC functions in the period after May 2021, rather than from May 2024 as originally proposed.

Consultation

- 2.21 It is proposed that once the draft Scheme has been considered by Constituent Councils and the Combined Authority a wider public consultation with business and other stakeholders is undertaken. It is proposed that there is one consultation exercise co-ordinated by the Combined Authority, but that this is led by each council in relation to their district.
- 2.22 Following this, a summary of consultation responses will be brought back to the Constituent Councils and the Combined Authority to approve before the Scheme is submitted to the Secretary of State.
- 2.23 In line with other Mayoral Order consultations undertaken elsewhere in England, the primary consultation channel used will be an online survey asking respondents their views on the Scheme. The link to the survey and all associated documents will be hosted on the Combined Authority's Your Voice consultation and engagement website, plus West Yorkshire council's websites and will be co-branded by all partners.
- 2.24 Given the current Coronavirus situation, a communications plan will be developed, in partnership with local councils, to promote the consultation to the widest possible audiences using a range of digital and non-digital channels. These will include a combination of:

- Social media – including paid Facebook content
- Press releases targeting local and regional media
- Development of a toolkit so that councils and other partners can promote the consultation via their channels
- Potential local radio advertising and/ or interviews
- Direct engagement with community networks and equalities groups to improve accessibility
- Development of an animation and associated assets explaining what devolution means in simple, accessible language
- Mailshots to target postcodes.
- Direct e-shots to an extensive stakeholder list

2.25 Due to the current social distancing guidelines face-to-face consultation channels are not possible. In order to enhance the accessibility of the consultation for groups and individuals who may not be able to access digital channels, a specialist consultant has been procured to support effective targeting of particular postcode areas and equality groups. Contact has also been made with community and equalities groups and business representative organisations to be sure they have an opportunity to respond and share the consultation with their members to gather their views.

2.26 To ensure independence of process, specialist consultants have been commissioned to analyse the results and produce the final report. The Consultation Institute have also been asked to provide independent quality assurance and recommendations on the process adopted.

2.27 It is proposed that the consultation exercise will launch on 25 May for eight weeks, closing on the 19 July.

2.28 The draft consultation questions are available at Appendix 3.

Next Steps

2.29 With regard to next steps, it is proposed that the public consultation on the Scheme is launched on 25 May. Following this, a summary of consultation responses will be brought back to the Constituent Councils and the Combined Authority for consideration and approval. Once approved the Scheme, along with the summary of the consultation responses including any representations made on behalf of Constituent Councils will be submitted to the Secretary of State.

- 2.30 Details of the Scheme would then be embodied in the draft statutory Order to establish a mayoral combined authority, and consents sought in due course from each of the Constituent Councils and the Combined Authority in respect of the draft Order and any related Regulations.

3. OVERVIEW AND SCRUTINY

- 3.1 On 22 May members of the Combined Authority's Overview and Scrutiny Committee will hold a briefing session to consider a report which outlines the devolution deal along with the draft scheme, and draft consultation questions. As part of that session, consideration will also be given to future opportunities for Overview and Scrutiny during the devolution implementation process. In addition, the Committee is considering the design of the scrutiny structure in the Mayoral Combined Authority based on lessons learned in West Yorkshire since 2014 and in other MCAs to date.

4. FUTURE OF THE YORKSHIRE LEADERS BOARD

- 4.1 Throughout the devolution process to date, West Yorkshire Leaders have been clear that while securing a strong devolution deal for West Yorkshire is their immediate priority, it is vital to maintain a collective vision for devolution across the whole of Yorkshire.
- 4.2 The Yorkshire Leaders Board has been a key vehicle through which the entire region has been able to collaborate over recent months and years. As part of the Deal, Government has committed to continuing to work with all parts of Yorkshire to achieve shared ambitions on devolution, including exploring opportunities for developments beyond the current Deal in the future.
- 4.3 In order to support this work, and reflecting the strong Yorkshire brand and its cultural heritage, Government will provide £200,000 in 2020/21 to support the more formal establishment of the Yorkshire Leaders Board as a means of facilitating greater collaboration on a Yorkshire-wide basis. This is a positive step in ensuring continued dialogue with Government on the future of the region, and will enable councils and combined authorities to build upon the already excellent cross-border partnership work being undertaken.

5. CLEAN AND INCLUSIVE GROWTH IMPLICATIONS

- 5.1 As part of the Deal text, the Government welcomed West Yorkshire's commitment to becoming a net zero carbon economy by 2038, with significant progress by 2030. Although there are no immediate implications on Clean Growth arising as a direct result of the report, the Review and Scheme consider the potential for Mayoral Combined Authority governance arrangements to deliver West Yorkshire's clean growth ambitions.
- 5.2 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, the Review and Scheme consider the potential for

Mayoral Combined Authority governance arrangements to deliver West Yorkshire's Inclusive Growth ambitions.

6. STAFFING IMPLICATIONS

- 6.1 There will be staffing implications arising from the need to move at pace to undertake the necessary statutory process and to move to a mayoral model.
- 6.2 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.

7 EXTERNAL CONSULTEES

- 7.1 As part of the statutory process, as set out above, public consultation is required, with the results summarised and submitted to the Secretary of State before an Order creating the West Yorkshire Mayoral Combined Authority can be made (Appendices 3 and 4 set out more detail on the proposed process and timeline). As set out the consultation process and methodology will include digital and other appropriate means in order to ensure accessibility. At the current time, the Coronavirus pandemic impacts on consultation methodologies and the consultation approach has taken account for this.

8. FINANCIAL AND RESOURCE APPRAISAL

- 8.1 The 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 Deal will be considered as part of the Review and subject to future reports.

9. RISK MANAGEMENT AND GOVERNANCE ISSUES

- 9.1 The revised governance arrangements will be as detailed in the Order to be made by the Secretary of State once the review and consultation exercises have been carried out. Any risks which flow from the additional functions and resources will be managed in accordance with the governance arrangements and the overview and scrutiny arrangements which will apply.

10. LEGAL APPRAISAL

- 10.1 It is proposed that this decision is exempt from call-in on the grounds of urgency as any delay caused by the call-in process would prejudice the Combined Authority's and Constituent Councils' interests as delaying the start of the statutory Review process, which would have a significant detrimental impact on the proposed timeline set out in Appendix 4.
- 10.2 Statutory processes need to be followed, before any Order or regulations may be made to implement the Deal.

10.3 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.

11. OTHER IMPLICATIONS

11.1 Equality and Diversity

A mayoral combined authority model with its additional functions and funding will enhance the area's ability to address issues of equality and diversity.

11.2 Sustainability

Reviewed at paragraphs 5.1 and 5.2 above.

11.3 Greenhouse Gas Emissions Impacts

Reviewed as above.

11.4 Community Safety Implications

Not directly applicable.

11.5 Human Rights Act

Not applicable.

11.6 Trade Union

Not applicable at this stage.

11.7 Ward Implications

Not applicable.

11.8 Area Committee Action Plan Implications

Not applicable.

11.9 Implications for Corporate Parenting

Not applicable.

11.10 Issues Arising from Privacy Impact Assessment

Not applicable.

12. RECOMMENDATIONS

- 12.1 To consider the Governance Review attached as Appendix 1 to this report and endorse its conclusions, including that an Order under S104 and S105 in relation to the changes to constitutional arrangements considered in the Review and the delegation of additional functions to the Combined Authority would be likely to improve the exercise of statutory functions in relation to the Combined Authority's area.
- 12.2 To consider and comment on the draft Scheme for the establishment of the Mayoral Combined Authority, attached as Appendix 2 to this report.
- 12.3 To agree that a public consultation exercise is undertaken on the proposals contained in the Scheme and comment on the draft consultation questions, which are attached as Appendix 3 to this report.
- 12.4 To agree that engagement with the Combined Authority and other Constituent Councils should progress as described in this report and (subject to agreement to recommendations 12.1 – 12.3) to agree that the Managing Director of the Combined Authority shall, in consultation with the Chief Executive and Leader of this Council, be authorised to take any steps to finalise the Scheme and progress the public consultation exercise as set out above.
- 12.5 To note the updated timetable set out in Appendix 4 to this report and the next steps including, subject to the approval by the Constituent Councils and Combined Authority, the submission of a summary of the consultation responses to the Secretary of State in August/September 2020 and subsequently consent to any draft Order in September 2020 so that a mayoral combined authority model and associated changes may be adopted and implemented by May 2021, as set out in the Deal.
- 12.6 To resolve that this decision is exempt from call-in on the grounds of urgency, for the reasons set out in paragraph 10.1 of this report.

13. APPENDICES

- Appendix 1 – Governance Review
- Appendix 2 – Draft Scheme
- Appendix 3 – Draft consultation questions
- Appendix 4 – Timeline for implementation

This page is intentionally left blank

Appendix 1



West Yorkshire Authorities

Governance Review

Undertaken in accordance with Section 111 of the Local Democracy Economic Development and Construction Act 2009

Contents

Executive Summary.....	5
Purpose of Review.....	7
Methodology for the Governance Review.....	8
Ambition.....	9
West Yorkshire Context.....	10
West Yorkshire Economy	11
A functional economic market area	14
Economic Profile.....	16
(a) Structure	16
(b) Employment.....	18
(c) The role of public transport	18
Challenges	19
1. Growth	19
2. Productivity.....	20
3. Diversity and Inclusion.....	21
4. Innovation	21
5. Trade	22
6. Place.....	22
7. People	23
8. Infrastructure	24
Understanding current governance arrangements	26
Combined Authorities, LEPs and PCCs.....	26
(a) Combined Authorities	26
(b) LEPs	26
(c) Police and Crime Commissioners.....	27
West Yorkshire Combined Authority	27
Supporting structures	28
Functions.....	28
Leeds City Region LEP	29
West Yorkshire PCC	30
Case for change.....	31
The 'minded-to' West Yorkshire devolution deal.....	31
Governance.....	31
Functions.....	33
Criteria	40
Local requirements.....	40
Statutory tests	40
Governance options.....	41
Option 1 - Do nothing / business as usual	41
Option 2 – Strengthen existing arrangements.....	42
Option 3 - A Mayoral Combined Authority.....	42
Conclusions	44
Find out more.....	45
Appendix A – Draft Scheme.....	

Executive Summary

On 11 March 2020, a ‘minded-to’ Devolution Deal was agreed between government and local authority Leaders of West Yorkshire, comprising Bradford, Calderdale, Kirklees, Leeds, and Wakefield Councils, and West Yorkshire Combined Authority (‘the Combined Authority’). The deal agrees a significant shift of powers, funding and responsibility from Whitehall to the region in return for establishing the role of a directly elected Mayor for the area of West Yorkshire.

The additional powers and funding afforded through the deal, including £1.14 billion of additional investment over 30 years, would help to drive productivity by enabling additional investment in our towns, cities and rural areas in their infrastructure, skills, business, housing & regeneration, and in cultural and heritage assets, and by boosting trade, innovation, and inward investment.

The purpose of this governance review, undertaken in accordance with Section 111 of the Local Democracy, Economic Development and Construction Act 2009 (the 2009 Act) is to look at the exercise of statutory functions in West Yorkshire with a view to deciding whether to prepare and publish a scheme with new functions and changed constitutional arrangements, including a directly elected mayor. A public consultation would then be carried out on the proposals set out in the scheme. The Secretary of State would be provided with a summary of consultation responses and would need to consider whether an order should be made under the 2009 Act to establish a Mayoral Combined Authority (MCA) for the area.

Under section 112 of the 2009 Act, the review needs to conclude that the exercise of the power to make an order to establish an MCA for the West Yorkshire area would be likely to improve the exercise of statutory functions in relation to the West Yorkshire area.

The review has found that the economic evidence provides a rationale to continue to work across the West Yorkshire area, recognising that it operates as a coherent functional geography. It has a strong and diverse sectoral mix with significant growth potential, underpinned by notable economic assets and infrastructure, and through its links with the wider Leeds City Region, Yorkshire and the Northern Powerhouse.

Despite its economic successes, West Yorkshire is still a net spender of UK tax revenues, and there are significant challenges in relation to securing its ambitions to promote faster and more inclusive growth, tackle the climate emergency and deliver a 21st century transport system for the area. And there is not enough local control over the policies that affect our economy.

The idea of West Yorkshire authorities working together on a range of transport and economic activities is not new. Leeds City Region was a pilot forerunner city region, the City Deal was secured in 2012 and £1 billion Growth Deal was agreed in July 2014. This success has enabled the Combined Authority (established in 2014), the five West Yorkshire councils, and the Leeds City Region Enterprise Partnership (‘the LEP’) to make a strong start.

The ‘minded-to’ devolution deal represents a significant step forward in delivering more and better jobs to the area. It delivers significant new responsibilities and investment that will benefit our communities and businesses across the region. It means that decisions previously taken centrally can now be taken closer to the people affected and gives the area greater financial freedom and flexibility to manage our investment choices according to local priorities. Establishing an MCA for the area will promote local democracy through direct democratic accountability in exercising locally more of the levers of change that will drive economic growth. The review notes that the devolution deal is dependent on the adoption of an MCA model of

governance and finds that this is the most appropriate mechanism by which the powers and funding proposed can be devolved to West Yorkshire.

The review concludes that:

- current regional governance arrangements - based on a non-mayoral West Yorkshire Combined Authority - do not represent the best model in terms of delivering the long-term ambitions of the authorities within the area for economic growth and delivery of public services;
- there is limited practical scope for the existing governance arrangements to be meaningfully strengthened, short of adopting an MCA model of governance;
- a change is required to enable the West Yorkshire authorities to pursue their economic policy agenda at greater pace, while continuing to collaborate with the wider Leeds City Region, Yorkshire and the North in pursuit of shared economic objectives;
- the statutory criteria for preparing and publishing a scheme are met, i.e., the making of an order under S104 and S105 to enable the adoption of an MCA model of governance for the area of West Yorkshire will likely **improve the exercise of statutory functions in that area**;
- in addition, establishing an MCA model of governance for West Yorkshire will:
 - **have a positive impact on the interests and identities of local communities** – these proposals build on established regional governance arrangements which cover a coherent functional economic area and which represent the views and interests of local communities; and
 - **secure more effective and convenient local government** by reducing complexity and streamlining the delivery of public services within the area.

It is therefore proposed that a scheme is published (a draft scheme is included at Appendix A) that confirms:

- an MCA should cover the area of West Yorkshire;
- a West Yorkshire Mayor would be elected in May 2021;
- the mayor would become a member of the Combined Authority, and Chair meetings of the authority.
- each council will continue to appoint a member to the new MCA, along with political representatives from opposition groups, and non-constituent members from the LEP and City of York Council would continue to be appointed; and
- the Mayor and MCA will exercise specific statutory functions, and hold some powers concurrently with West Yorkshire local authorities. No functions are being removed from those councils. Where existing functions currently held by West Yorkshire local authorities are to be shared with the Mayor or the MCA, this must be agreed by the constituent councils.

Purpose of Review

West Yorkshire Leaders have agreed with Government that fulfilling the local economic priorities and drawing down significant additional powers and funding through the West Yorkshire Devolution Deal raises the question about the on-going appropriateness of regional governance arrangements which are currently based on the (non-Mayoral) Combined Authority, the LEP, and West Yorkshire's Police and Crime Commissioner (PCC). As part of the Deal, Leaders have therefore committed to consider the creation of a new, directly elected West Yorkshire Mayor, acting as Chair to West Yorkshire Combined Authority by May 2021 (and in addition ex officio PCC by 2024).

West Yorkshire's councils, along with the Combined Authority, have therefore commissioned this review to look at whether strengthening existing collaboration arrangements by adopting an MCA model of governance would be the best way of improving delivery of a 21st century transport system, and more inclusive and cleaner growth across the City Region, and exercising PCC functions. Because the PCC elections have subsequently been delayed until May 2021, there is now an opportunity for any Mayor to exercise PCC functions from May 2021, rather than from May 2024 (as originally proposed in the West Yorkshire Devolution Deal).

To ensure compliance with the relevant legislation contained in the 2009 Act, the Review considers whether an MCA is the best governance model and would be likely to:

- Improve the **exercise of statutory functions** in the area of West Yorkshire;
- Secure **more effective and convenient local government** for the area; and
- have a positive or neutral impact on the **identities and interests of our local communities**

Methodology for the Governance Review

The governance review has comprised the following:

- West Yorkshire’s ambition and context, covering the area’s devolution journey and the devolution deal
- Economic assessment of:
 - a) the existence of a Functional Economic Market Area across West Yorkshire; and
 - b) the region’s economic strengths, challenges and opportunities
- Assessment of the current governance arrangements across West Yorkshire
- The case for change
- The devolved functions in scope
- An options appraisal that considers the alternative governance structures which could be pursued in the light of the above evidence
- Consideration of whether the preferred option meets the statutory tests
- Conclusions

Ambition

West Yorkshire local authorities, the Combined Authority and the LEP want our region to be recognised globally as a place with a strong, successful economy where everyone can build great businesses, careers and lives supported by world-class transport, housing and digital connectivity.

Securing more devolved powers and funding is a central enabler and we will deliver our ambitions by:

- Tackling the climate emergency
- Boosting productivity
- Enabling inclusive growth; and
- Delivering 21st century transport

West Yorkshire, a core part of the wider Leeds City Region, and located at the heart of the Northern Powerhouse, is an internationally significant economy in its own right comprising the five metropolitan areas of Bradford, Calderdale, Kirklees, Leeds and Wakefield, and which has:

- a £55.4 billion economy – bigger than 9 EU countries
- 2.3 million people
- 1.1 million jobs and nearly 92,000 businesses – West Yorkshire is the second largest LEP area by employment outside of the South East
- 1.6% of the land area of England
- a predominantly urban character but with 9% of the population living in the 38% of the geography defined as a DEFRA Rural Area.

Whilst overall, West Yorkshire - and the wider Leeds City Region - has been relatively successful in making the transition from a predominantly industrial to a more diverse economy there remain significant challenges, including in terms of labour market participation, skills and levels of economic activity. Well-co-ordinated, targeted, and locally determined investment and interventions are needed to address these issues.

West Yorkshire authorities are of the view that a radical devolution of powers and funding to local areas is needed to respond to our opportunities and address these challenges. Greater local control of the levers of growth, productivity and inclusion would enable West Yorkshire communities and businesses to be better served.

West Yorkshire Context

West Yorkshire has been on a considerable devolution journey to date and the following significant steps have already been taken in securing devolved powers and funding to the area:

- 2004 to 2009: Leeds City Region Concordat, expressing the shared local commitment to working together differently in the interests of the economy of the whole city region and all its diverse communities; establishment of the Leeds City Region Leaders Board, empowered to discharge, on behalf of the member Councils, the promotion and improvement of the economic wellbeing and competitiveness of the City Region; and the adoption of a City Region Development Plan to deliver Leeds City Region Leaders' shared ambition.
- Multi-Area Agreement (2008) – Leeds City Region was one of the first wave partnerships to agree freedoms and flexibilities with government around transport and skills.
- City Region Forerunner Pilot status (2009) - recognised the importance of the Leeds City Region economy to the North and that, without an ambitious package of devolution and local governance reform with particular reference to transport, skills and economic development, its full potential would not be realised.
- 2012 Leeds City Region City Deal – was a step change for the devolution of powers and funding from Government to the City Region, including initial funding and freedoms to build, manage and sustain a local £1 billion West Yorkshire Plus Transport Fund, and Leeds City Region to deliver a 'NEET free' City Region.
- 2014 - Following the establishment of the Combined Authority (a key condition of the City Deal), the first Leeds City Region Growth Deal - the largest secured in the country - which fully capitalised the £1 billion West Yorkshire Plus Transport Fund.
- 2015 – an initial, first stage Leeds City Region and West Yorkshire devolution deal with a focus on flexibilities including around skills, transport, employment and business support.

Building on these achievements, the 2020 West Yorkshire Devolution Deal provides the region with the opportunity to accelerate the delivery of local ambitions for a 21st century transport system and for faster, cleaner and more inclusive economic growth, provided it can be shown that the way it is all managed is fit for purpose.

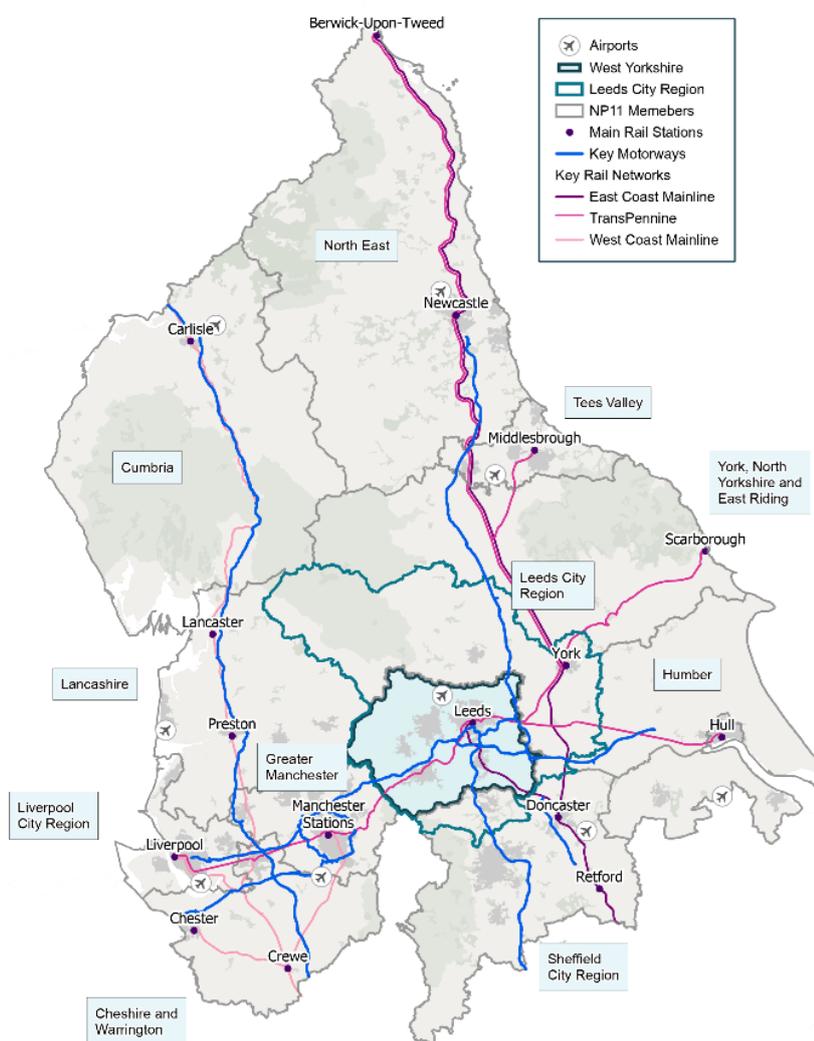
West Yorkshire Economy

This section provides an assessment of:

- the existence of a Functional Economic Market Area across West Yorkshire; and
- the region’s economic strengths, challenges and opportunities

Like all areas, the West Yorkshire economy also faces significant challenges as well as strengths in terms of achieving our full growth potential.

The following economic assessment is drawn from a broad survey of available data and intelligence, primarily analysis of published data from the Office for National Statistics and other official sources to provide an understanding of economic performance on a range of indicators.



A coherent, diverse and resilient region

West Yorkshire has an economically coherent, diverse and resilient economy that possesses a unique combination of economic strengths, assets and opportunities, including the following:

- An economy that values diversity, talent, and youth as the key to our future, exemplified by:
 - these distinctive strengths cited as a key reason for Channel 4 choosing Leeds as its new home;
 - Kirklees' Outstanding rated Huddersfield New College, which is ranked number one in England for Equality and Diversity; and
 - the University of Bradford, which has been identified as the best in the country for Social Inclusion.
- Home to substantial renewable and low-carbon energy capacity in on-shore wind, biomass, energy-from-waste and micro-generation; leading manufacturers in the low-carbon supply chain and strong environmental consultancy expertise, which will contribute towards our ambition to become a net-zero carbon city region by 2038, with significant progress by 2030, in order to play our part in limiting average global temperature rise to between 1.5 and 2.0 degrees Celsius.
- A thriving digital and tech hub cluster - employment in the digital sector in West Yorkshire has increased by 48% between 2015-18, faster than any other LEP area and six times the rate of growth seen in London since 2015 (8%). The cluster has the capability and potential to pioneer the next generation of technological change to transform outcomes for society, business and individuals across the region, including to become the most digitally connected and inclusive region in country.
- An economy that is focused on the future – for example the city of Bradford is the youngest city in the UK, with almost a quarter of the population under the age of 18. The City Region has the highest concentration of Higher Education institutions outside of London with some 7 universities, producing 30,000 graduates annually, of which 13,000 are in STEAM subjects.
- Leading business clusters e.g. Health-Tech, Fin-Tech and Digital Health. Also, in terms of sectors, the UK's largest regional finance centre, 140,000 jobs in the health economy, and more manufacturing jobs than anywhere in the North (with 13.5% of output vs 10.1% nationally), notably in textiles, food & drink, aerospace components, automotive engineering, printing & publishing and construction fabrication, and based on a core of precision engineering.
- Associated key assets that will enable the formation of the next wave of leading knowledge-based industries, clusters and businesses, including:
 - Leeds University's NEXUS;
 - Huddersfield University's 3M Buckley Innovation Centre;
 - the Wolfson Institute for Applied Health Research at Bradford Royal Infirmary; and
- At the centre of the UK, within one hour's drive of 7 million people, and at the heart of national railway and motorway networks, which provides easy access to global markets and means that Leeds City Region is ideally placed as a location for the logistics industry. Moreover, the City Region is a major connectivity hub for the Northern Powerhouse, with Leeds alone typically having more train passengers than anywhere else in the North (100,000 per day), equivalent to London Kings Cross.
- Outstanding historic and cultural assets enhancing both quality of life and economic growth (by £565m p.a.), including:

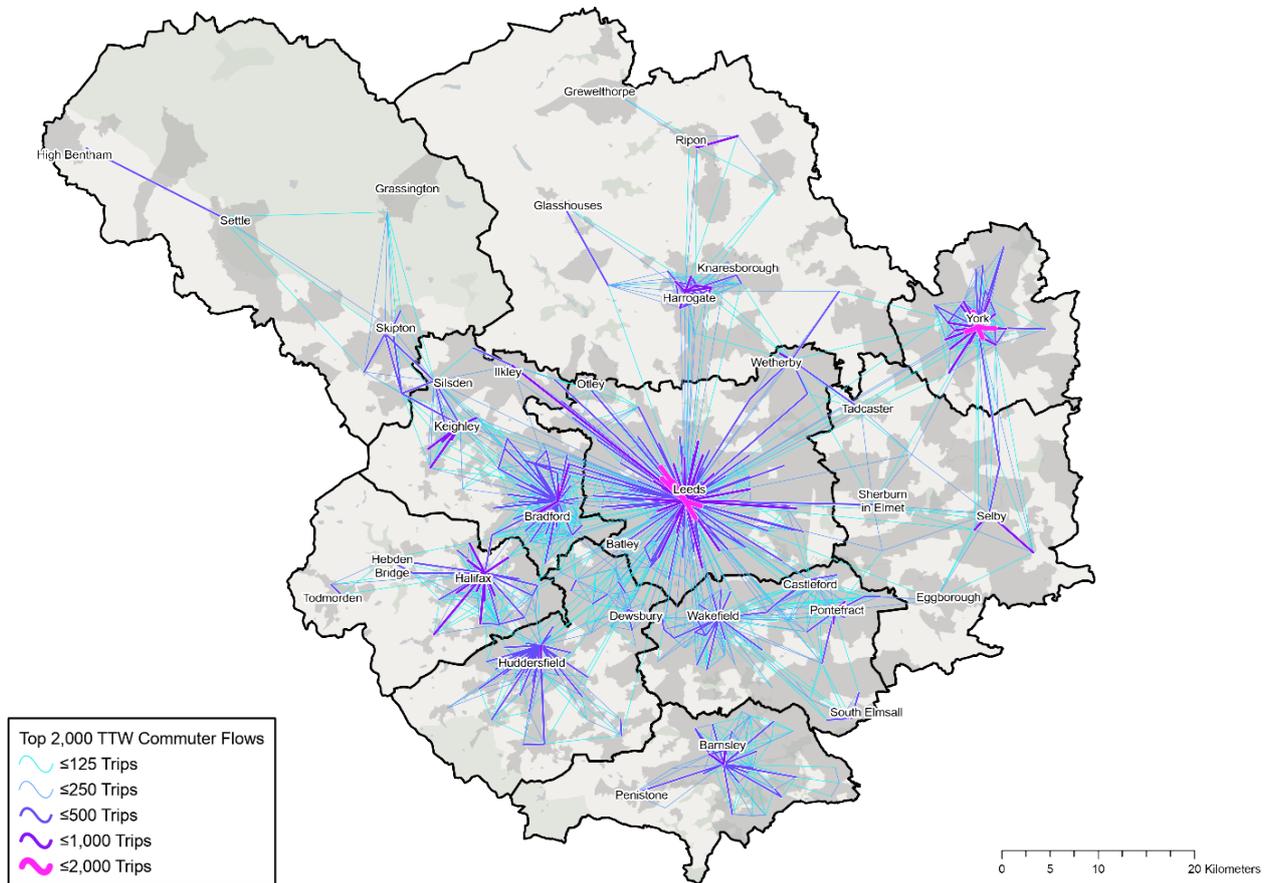
- the Sculpture Triangle which includes the internationally renowned Hepworth in Wakefield;
- Calderdale's historic, recently restored Halifax Piece Hall, which attracted 5 million visitors since reopening in 2017;
- Bradford's bid for 2025 City of Culture status, and Leeds 2023; and
- the role of sport and heritage across the region as distinctive economic drivers and the key to the identity of the place.

A functional economic market area

To improve productivity and jobs in those urban areas with several centres, such as West Yorkshire, and the wider Northern Powerhouse, there is a well-established evidence base which demonstrates the need to better connect the key towns and cities to reduce congestion, reduce journey times (shrink distances) between places, and improve freight transfer¹.

Although Leeds City Region is the area’s recognised functional economic market area, West Yorkshire represents its core, and in its own right evidences strong elements of economic self-containment but with clear linkages and interdependency with the wider City Region economic footprint in terms of a wider labour and housing market area.

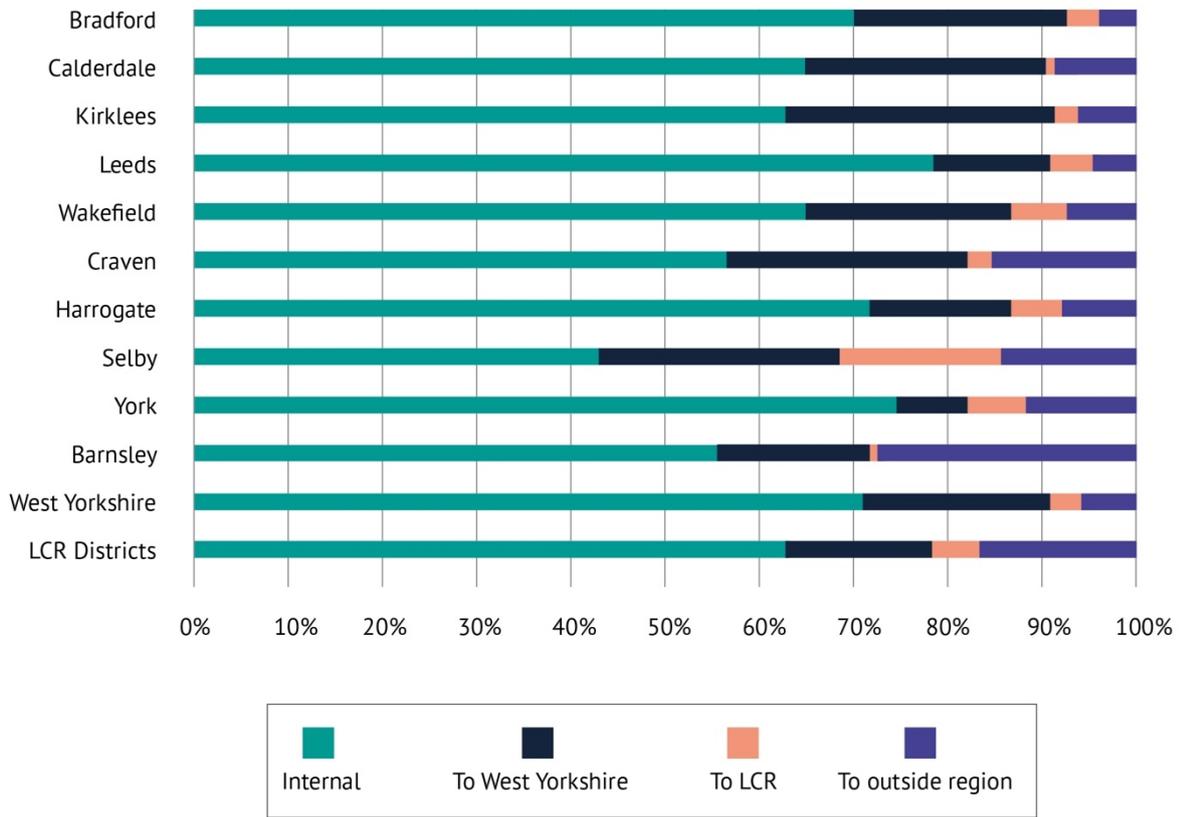
The map below reveals the economic context of West Yorkshire and the wider City Region via commuter flows. It highlights the top 2,000 travel to work-flows originating and terminating within the City Region (with colour, from blue to purple, representing strength of the flow) against a background of ‘urban’ areas. Flows are based on 2011 Census data and include all modes of transport.



¹ EU DG for Regional Policy (2012). Also SERC for the Northern Way (2009) found that a 20 minute reduction in journey times between Leeds and Manchester would generate productivity benefits (using wages as a proxy) in the region of 1.5% for West Yorkshire districts, after controlling for the skill, age, gender, and occupational mix of places.

The table below shows that a large proportion (70%) of West Yorkshire residents in work live and work in their home district, and that over 90% of West Yorkshire residents in work live and work in West Yorkshire. Only 5% of West Yorkshire commuters work outside the City Region compared to 17% of commuters in the remaining Leeds City Region Districts.

West Yorkshire and Leeds City Region commuting destinations

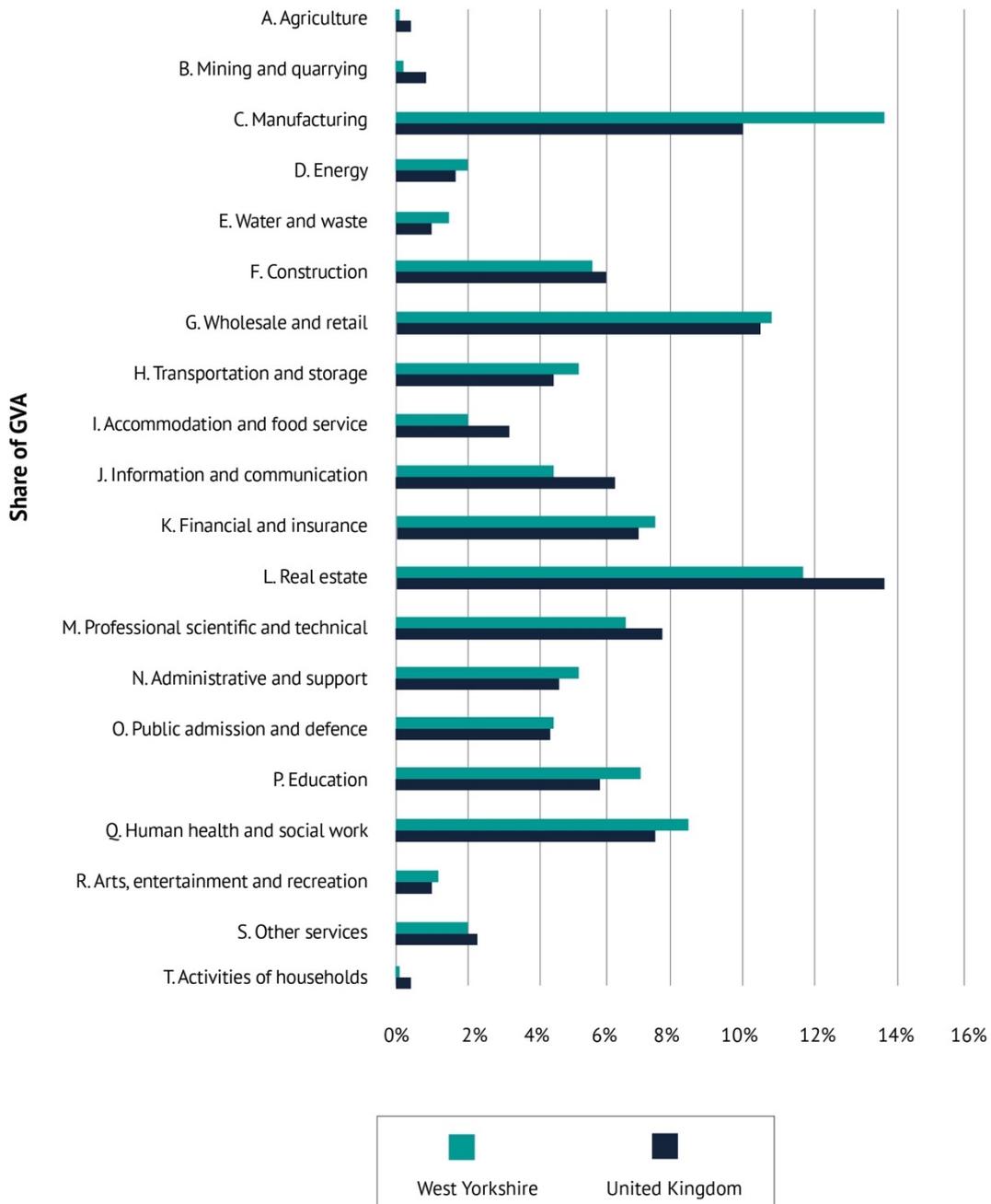


Economic Profile

(a) Structure

West Yorkshire’s diverse economic structure closely resembles that of the UK:

GVA by broad sector, 2017



Source: Office for National Statistics, 2018

However, this masks a broad range of specialisms across districts as illustrated by the table below. The prevalence of machinery & transport component manufacturers in multiple districts

emphasises the region's importance in supply chains. In many districts, this often higher-value activity sits alongside sectors where lower skilled jobs often dominate such as food production and more basic manufacturing industries. Knowledge intensive services are more prevalent in Leeds, though Bradford and Calderdale have at least some degree of specialism here.

Top 5 location quotients for West Yorkshire districts (district employment share >0.9%)

Rank	Bradford	Calderdale	Kirklees	Leeds	Wakefield
1	Water collection, treatment and supply	Insurance & pension funds	Manufacture of textiles	Advertising and market research	Warehousing and support activities for transportation
2	Printing and reproduction of recorded media	Manufacture of machinery and equipment	Manufacture of furniture	Auxiliary financial services activity	Manufacture of other non-metallic mineral products
3	Manufacture of machinery and equipment	Manufacture of furniture	Manufacture of machinery and equipment	Financial services	Manufacture of food products
4	Manufacture of food products	Manufacture of other non-metallic mineral products	Manufacture of fabricated metal products	Computer programming & consultancy	Manufacture of rubber and plastic products
5	Financial services	Financial services	Wholesale trade	Landscaping & building services	Wholesale trade

Source: Business Register & Employment Survey, Office for National Statistics, 2019

West Yorkshire is home to almost 92,000 businesses. In line with the UK as a whole, 99.5% of these are SMEs.

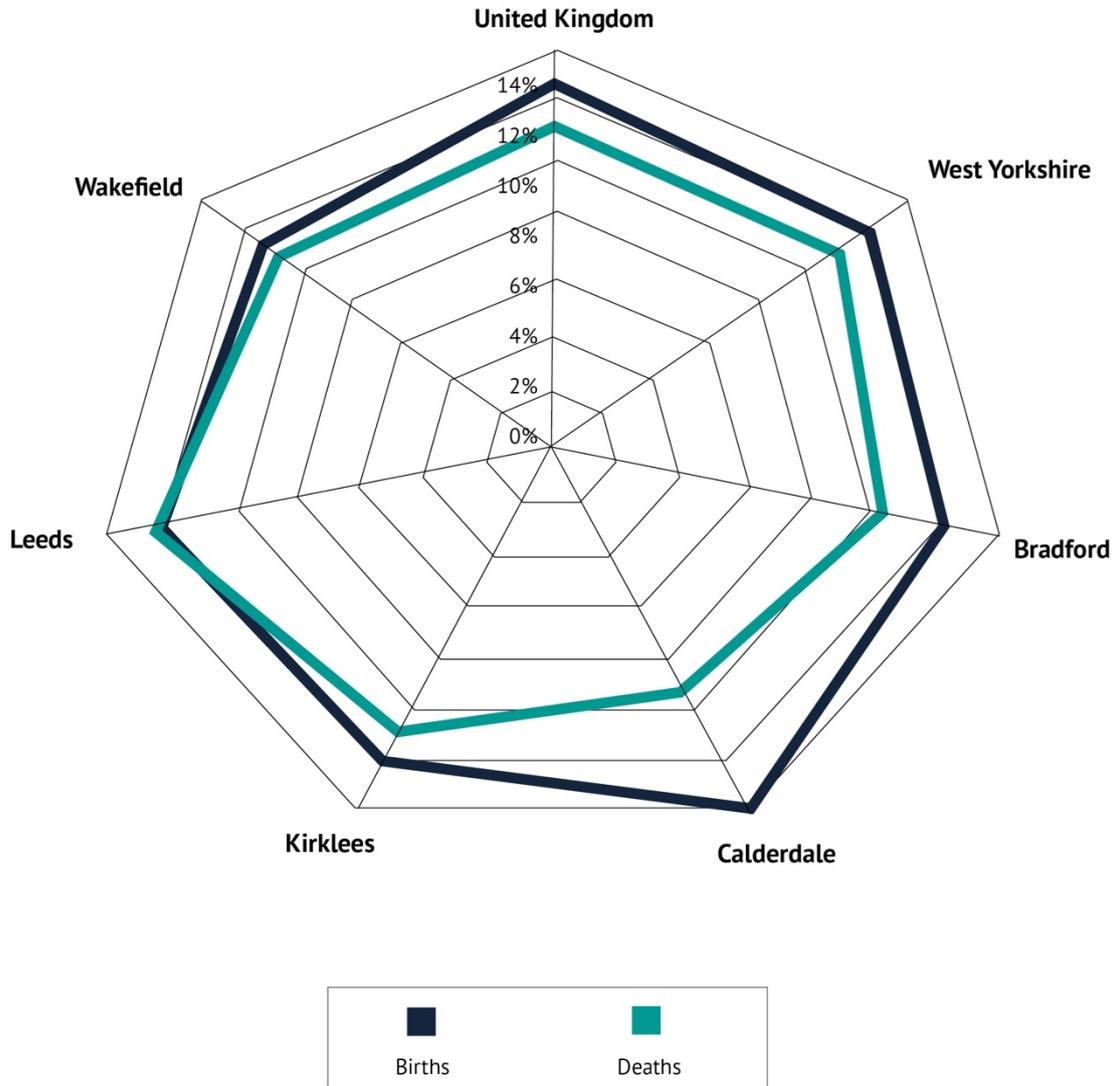
However, the area has relatively fewer micro businesses and more small and medium size firms. Businesses with 10-249 staff constitute 16.9% of our business base, compared to 15.2% nationally. This pattern is more pronounced among the manufacturing base. 30% of 5,800 manufacturers employ 10-249 staff, compared to 22% nationally.

The number of businesses in West Yorkshire has increased by 18.5% since 2014, ahead of national growth (17%). Transport & storage has increased from 3,000 in 2014 to 5,000 in 2018, an increase of 69%, compared to a 44% increase nationally. Both the UK and our region have seen a substantial increase in businesses in the energy sector in recent years, though the number of businesses in the sector remains small in absolute terms (200 in West Yorkshire as of 2019).

The area's business base is relatively stable with the combined business birth and failure rate, (or churn rate) at 23.6% in West Yorkshire and 24.4% in the UK. (A higher churn rate can indicate a more dynamic business base).

Within West Yorkshire, Leeds is the only district where the churn rate is higher than the national rate, albeit only marginally, at 24.9%, suggesting a relatively high degree of dynamism in the economy despite low net growth in the business base. Away from Leeds, business failures were generally below the UK average in most districts suggesting a relatively stable business base.

Business births and death rates



Source: *Business Demography, ONS 2018*

(b) Employment

The number of jobs in West Yorkshire rose to 1.1 million in 2018, an increase of 40,000 (3.8%) on 2015. This is faster than the 3.5% growth across England and 3.3% across Great Britain over this period. Within West Yorkshire, Leeds (8%) and Wakefield (5%) have seen the strongest growth with a more mixed picture elsewhere.

(c) The role of public transport

Within this area, the quality of public transport, and in particular local bus networks, have multiple impacts on the regional economy, amongst them:

- They join up our towns, cities and rural areas and allow people to access jobs, services and learning and leisure opportunities across the area, therefore affecting productive activities. In metropolitan areas, bus networks are estimated to generate £2.5 billion in economic benefits against public funding of £0.50 billion. More than 50% of this benefit is attributable to user benefits from access to jobs, training, shopping and leisure activities².
- They can increase participation in economic activity by providing affordable access to jobs and education. This is particularly important for our most deprived areas.
- Conversely, the effect of service cuts may have dramatic consequences in terms of labour market participation; research suggest that 11% of those who use bus as their means of travel to work would either change jobs or leave the labour market if there was no bus service available.

In addition the rail network offers the following economic benefits:

- Labour market mobility;
- Facilitating housing development;
- Social mobility; and
- Easing road congestion.

². PTEG (2013). *The Case for the Urban Bus. The Economic and Social Value of Bus Networks in Metropolitan Areas*: "...around £1.3bn reflect user benefits from access to jobs, training, shopping and leisure opportunities. The remaining benefits accrue to other transport users and society at large, through decongestion, reduced pollution, lower accident rates, improved productivity and the stand-by value of bus

Challenges

The headline economic data summarised below indicates that for a sub region of its scale and demographic composition, and despite its strengths and assets, West Yorkshire is not punching at its weight and is falling behind.

1. Growth

In recent years, West Yorkshire's economic growth has outpaced that seen in all other core city LEP areas, with the exception of Greater Birmingham & Solihull, at an average of 3.5%. Despite this, average annual growth has remained below UK levels since 2012. In the years preceding the recession, its GVA growth rate of 4.6% was below the national average, and lower than other northern core city LEP areas.

Within the area, GVA growth was at, or above, national levels in only Leeds and Calderdale prior to the financial crisis of 2008, though across West Yorkshire as a whole growth was a little below the national average. This gap has widened since the recession, with growth averaging 2.8% per year since 2009 compared to 3.3% nationally. Wakefield has seen growth outpace UK levels over that period, however.

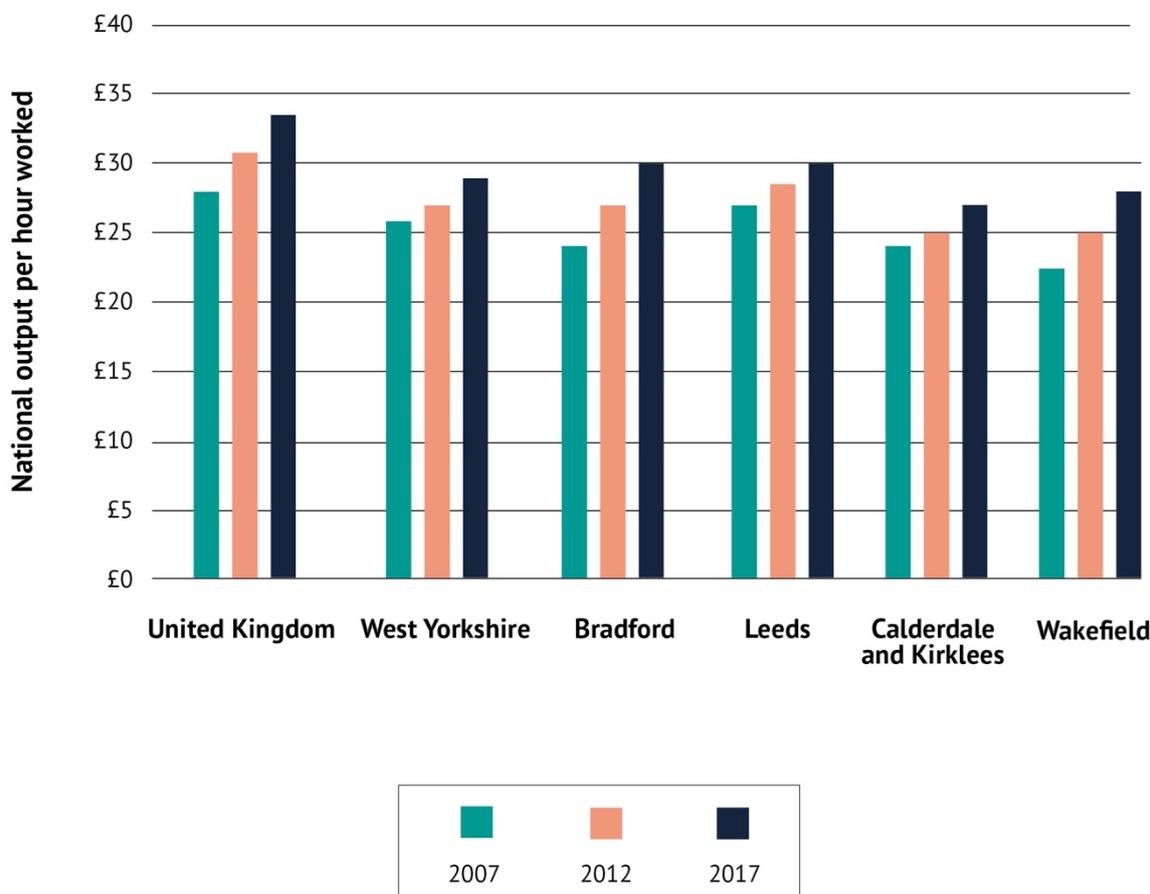
Area	GVA (£m), 2017	Compound annual growth rate, 2000-8	Compound annual growth rate, 2009-17	Share of West Yorkshire GVA
Bradford	10,031	4.0%	2.3%	18.9%
Calderdale	4,774	4.9%	3.3%	9.0%
Kirklees	7,650	3.6%	3.0%	14.4%
Leeds	23,252	5.4%	2.7%	43.8%
Wakefield	7,326	4.0%	3.5%	13.8%
West Yorkshire	53,033	4.6%	2.8%	-
England	1,562,694	4.9%	3.5%	-
UK	1,819,754	4.9%	3.3%	-

2. Productivity

Whilst UK productivity growth has been below trend since the recession, local productivity has persistently lagged behind UK levels. In 2008, output per hour in West Yorkshire was £25.65, about 89.6% of UK output. In 2017, output per hour in West Yorkshire had risen to £29.29, though is just 87% of UK levels. In value added terms, if productivity in West Yorkshire matched UK levels the economy would be £7.9 billion larger.

Although in absolute terms productivity is increasing in all parts of West Yorkshire, all areas have productivity levels below the UK average. In Leeds and Bradford it is now close to 90% of the UK average, but this falls to around 83% elsewhere in the area.

A range of factors influence this relative productivity underperformance. ONS research suggests that West Yorkshire has a higher proportion of firms with relatively low productivity compared to the country as a whole, and London in particular. This creates a long tail of underproductive firms.



Source: Office for National Statistics, 2019

3. Diversity and Inclusion

18.2% of the population are Black, Asian, Minority Ethnic (BAME), compared to 14.6% in England. One in nine (11%) business owners/directors is from a minority background in West Yorkshire. Whilst this is similar to England as a whole, the region has a higher share of business

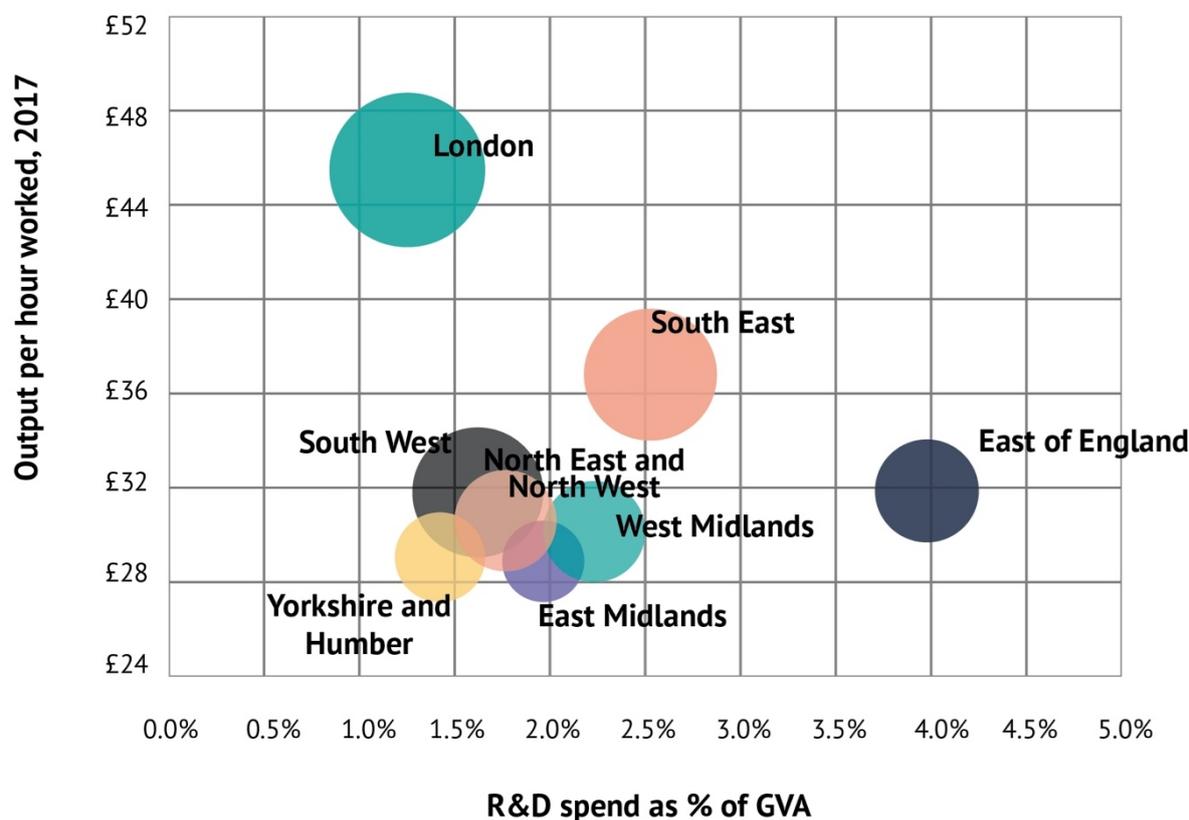
leaders from Asian backgrounds (8.7% compared to 6.8%). This is particularly true in Bradford and Kirklees, where 17% and 10% respectively of businesses owners are Asian.

The proportion of business leaders from ethnic minority backgrounds is therefore lower than the share of all workers from those backgrounds. Whilst this is true in most similar LEP areas, it does suggest that people from such backgrounds are under-represented in senior business positions.

A number of additional inclusion and deprivation related issues are identified in the Place challenge below.

4. Innovation

The national industrial strategy sets out the ambition for the UK to spend 2.4% of GDP on research and development (R&D). Although the 2014 Research Excellence Framework (REF) identified 23% of West Yorkshire HEI research as world leading, and 42% as internationally excellent, Yorkshire & Humber as a whole spends only 1.4% of GVA on R&D - less than any other English region. This is economically significant, and the chart below shows the generally positive correlation between R&D spend and productivity, though London is an outlier in this regard.



Source: Gross Expenditure on R&D, 2017 Office for National Statistics, 2019

5. Trade

The Yorkshire & Humber region accounts for 7.7% of UK goods exported in 2018, broadly in line with its 7% share of UK businesses. However, whilst the number of exporters has increased by 25% since 2013, it has remained relatively stable since 2016.

On average, Yorkshire & Humber goods exporters exported goods worth £1.49m in 2018, up from 1.25m in 2016. However, the value of goods exports per exporter remains lower than in other English regions other than London.

In total, West Yorkshire exported goods worth £6.17 billion in 2018. 10.6% of West Yorkshire goods went to the US compared to 15% across other core city areas and over 20% in the West Midlands. West Yorkshire is similarly underexposed to other key markets such as China, Germany and Singapore, though has a higher share of trade with Ireland and Canada.

6. Place

More than one in five people living in West Yorkshire (22% or almost 517k) live in areas defined as being amongst the most deprived 10% in England, and within the region there is considerable spatial variation. Relative levels of deprivation - and wider place-based challenges - in West Yorkshire have increased in recent years, which can be characterised as follows:

- 13% of West Yorkshire households are in fuel poverty.
- People born in Yorkshire & the Humber have significantly shorter life expectancies at birth compared to England average. The social gradient in life expectancy is steeper in Yorkshire & the Humber; people who live in more deprived neighbourhoods have shorter lives than those in less deprived areas and the difference is more pronounced here compared to the England average.
- West Yorkshire contains 162km of canals and 734km of statutory main rivers. 17k residential properties in West Yorkshire face a 1 in 100 year flood risk (Flood Zone 3) and a further 17,000 properties are in an area with a 1 in 1,000 year risk. Over 5,000 businesses are located in Flood Zone 3 with an additional 5,000 located in Flood Zone 2.
- Between 2001 and 2011, West Yorkshire (similar to national trends) has seen a decrease in the proportion of owned (outright & mortgage) and social rented properties, and near 5.2% increase in the number of privately rented properties.
- Housing sales in West Yorkshire are still recovering from the 2008/09 recession and prices in the areas lag behind the England average (£160,000 vs £240,000) - although this is skewed by the high prices in London and the South-East - and over the last 20 years the gap between house prices in Yorkshire and the Humber and England has widened. Locally there is considerable spatial variation in average house prices, and house price growth, even at sub-district level. These factors correlate with deprivation, which in turn means inequality of the wealth effect.
- Rates of active travel (walking and cycling) - important for public health, quality of life, the environment, and with implications for productivity - are lower than the England average.
- Gross median hourly pay for full-time jobs in West Yorkshire is 92% of the national average. All districts in West Yorkshire pay below the England average. The figure for Leeds is close to parity (96% of the national average) with the remaining districts occupying a fairly consistent level at 88 to 89% of the national average.
- 24% of jobs in West Yorkshire pay less than the Living Wage Foundation's Living Wage rate, which is intended to reflect the level of pay people need to get by. In contrast, for Oxfordshire LEP it is 13%. The largest number of low-paid people is in Leeds but Kirklees and Wakefield have higher proportions of low-paid people.
- West Yorkshire has more than its fair share of skills-based deprivation. Based on the Index of Multiple Deprivation 2019, 22% of neighbourhoods in the region are among the 10% most deprived nationally in relation to skills, with Bradford (33%), and Wakefield

(28%) the worst affected. However, all districts have more than their fair share of skills deprivation

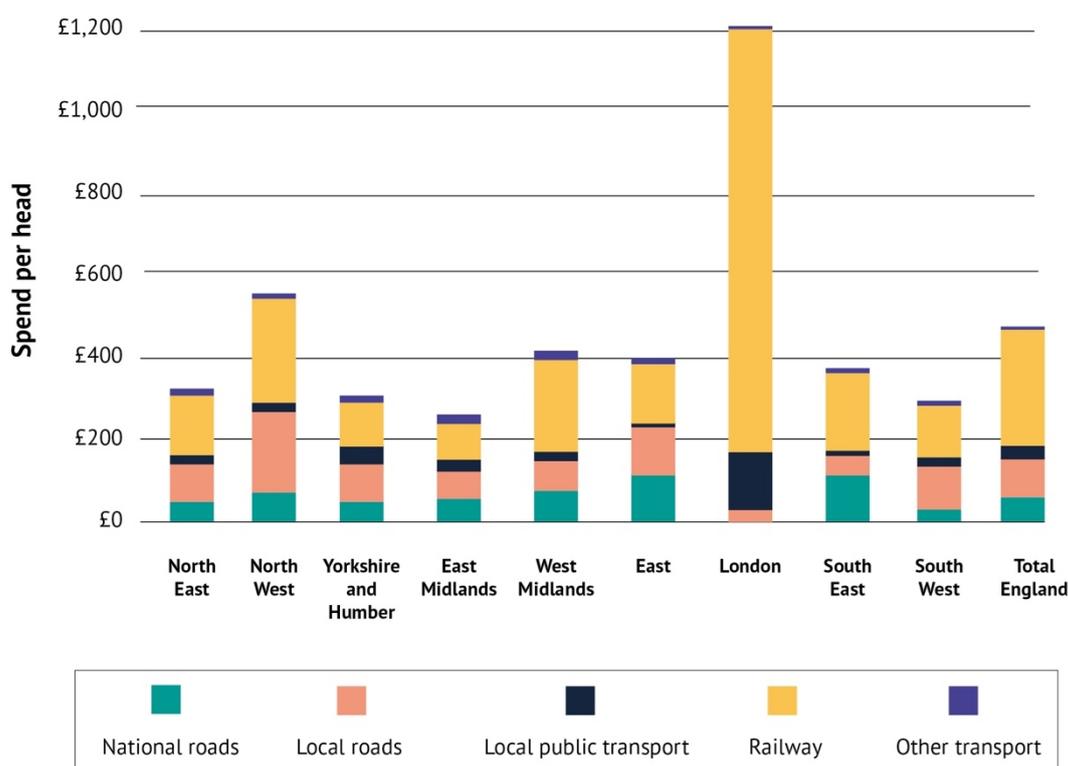
7. People

- West Yorkshire generally performs poorly in terms of skills supply - the proportion qualified at level 4 and above is 6 points lower than the national average – 33% of people aged 16-64 are qualified to NVQ4+ locally, compared to 39% nationally. Meanwhile the proportion qualified below level 2 is 5 points higher (27% in West Yorkshire and 22% nationally).
- The qualification profile at district level is quite disparate within West Yorkshire. For example, only 25% of the population in Wakefield is qualified to level 4. In Bradford there are significantly more people qualified below level 2 than qualified at level 4 and above. Leeds and Calderdale perform significantly better. The proportion of people qualified at level 4+ in Leeds is 13 points higher than in Wakefield. Nonetheless, all districts underperform against the national average on higher level qualifications. This helps explain why despite the area having a large HE sector, the extent to which it currently addresses local skills needs is limited, with graduate retention rates low relative to some comparable areas.
- The area has seen a strong recent improvement in its labour market performance but still has a significant number of people who are excluded from the labour market, with disadvantaged groups most at risk: employment in manual roles (semi-skilled operatives, labourers) saw decline in recession and also shows signs of further contraction following a period of recovery.
- Although West Yorkshire has a deficit of higher skilled employment, recent employment growth has nonetheless been driven by expansion of higher skilled occupations: the number of people employed in these roles has grown by 98,000, or 28%, over the last 15 years, four times the overall rate of employment growth.
- 44% of people working in the region are employed in higher skilled roles, versus a national average of 48%. Only in Leeds is the skills profile similar to the national average. Employment in professional roles is particularly low at 20% of the total compared with national average of 23%. Employment in middle-skilled, service-intensive and manual roles are all proportionately higher in the region than nationally.

8. Infrastructure

- Low levels of public sector investment have left the supply of infrastructure lagging behind what is needed to support a world-leading economy. For example, transport investment totalled £315 per head in Yorkshire & Humber in 2017/18, below the average for England of £475. This is skewed by London (£1,019 per head), but only the East Midlands had lower investment levels than Yorkshire & Humber.

Transport investment per head- English regions, 2017-18



Source: Country and Regional Analysis, HM Treasury, 2018

- The volume of traffic is increasing and infrastructure improvements are not keeping pace which means congestion continues to be a problem (with longer journey times and reduced averaged speeds). This has both economic and environmental impacts; it disrupts or delays the movement of people and goods, and it contributes to increased pollution and carbon emissions.
- Public transport is a key opportunity to reduce congestion, however only around 1 in 10 residents of West and North Yorkshire commute by bus, and bus passenger journeys in the area have declined by 13% since 2009/10. This trend is similar for other regions outside London, except the South East and South West. One reason for the decline in bus usage is the reduction in services. The number of bus miles operated in the Yorkshire and Humber Region has reduced by 14% between 2009/10 and 2017/18. This is one and a half times the England average.
- Almost 1 in 5 residents of West Yorkshire live within 1km of one of the area's 69 rail stations, however data from the last census revealed that rail's modal share of commuters is just 4% (less than the national average). Rail use, both nationally and locally is growing, despite recent poor performance indicators (Transport Focus survey results reveal that passengers' perceptions of rail journeys, stations, and services in West Yorkshire are below average for similar metropolitan areas). Station usage data reveals

that growth has been less strong in West Yorkshire compared to England overall. Leeds station accounts for 43% of all station entries and exits in West Yorkshire.

- Access to Superfast Broadband falls to 69% in the 20% most deprived areas and only 3% of properties have access to Full Fibre Broadband (FFBB). Access to FFBB improves as the deprivation decile improves with 7% of properties in the 5th decile and above being connected.

Understanding current governance arrangements

The Combined Authority and the LEP work in partnership with one another - and with local councils and business - to seek to ensure everyone in our region benefits from a strong, successful economy and a modern accessible transport network. These ambitions will be driven by a forthcoming Local Industrial Strategy and Strategic Economic Framework which will capture and align economic policy making across the city region.

Combined Authorities, LEPs and PCCs

(a) Combined Authorities

Because the geographic areas covered by functional economic market areas (illustrated by, for example, travel to work areas) are typically significantly larger than the areas of individual local authorities, there is considered likely to be scope for improvements to be made to the exercise of some statutory functions and economic outcomes through joint decision making and close co-ordination of delivery activity across these economic areas.

All combined authorities are statutory 'bodies corporate' with legal personality and exercise functions as set out in orders and primary legislation. CAs may be made as either non-mayoral or mayoral – the mayoral variant has a directly elected mayor that personally exercises and/or delegates specific ("mayoral") functions, in addition to being a voting member, and Chair, of the Combined Authority.

The constituent district authorities need not cede any of their functions to their combined authority, although they may choose to do so, or to share appropriate functions with the combined authority, where this would demonstrably improve the exercise of those functions. The combined authority model provides a way to take on powers and funding which would otherwise be managed from Whitehall.

The combined authority model therefore allows groups of relevant authorities to work closely together on a voluntary basis to create a strategic economic framework and policies to deliver, for example, improvements in transport and other infrastructure across their sub-regions and economic investment activity. It is intended to support improved strategic decision making and leadership on these and other issues.

As a combined authority has a separate legal identity from its constituent authorities it is able to hold budgets, employ staff and enter into contracts (e.g. to act as accountable body for funding distributed by government) and, in the case of West Yorkshire Combined Authority, to collaborate with local authorities within the wider Leeds City Region functional economy. The activities of a combined authority are governed by its members, a majority of whom must be elected members of the constituent local authorities, ensuring its local democratic mandate. A combined authority makes the delivery of strategic decisions more streamlined and efficient, e.g. by removing the requirement for each district authority to ratify the same decision separately.

(b) LEPs

From 2011, local enterprise partnerships (LEPs) were established as a public-private sector partnership. There are 38 LEPs across England. They are business led partnerships between local authorities and local private sector businesses. Each is tasked to play a central role in

determining local economic priorities and undertaking activities to drive economic growth and job creation, improve infrastructure and raise workforce skills within the local area. LEP boards are led by a business Chair and board members are local leaders of industry, educational institutions and the public and third sectors.

(c) Police and Crime Commissioners

PCCs were elected for the second time in May 2016 in 40 force areas across England and Wales. Every force area, including West Yorkshire, is represented by a PCC, except Greater Manchester and London, where PCC responsibilities lie with the Mayor.

The PCC does not run operational policing, that is the role of the Chief Constable; the role of the Commissioner is to be the voice of the people for the area, hold the police to account, set the policing budget and produce a Police and Crime Plan for the area.

Under the terms of the Police Reform and Social Responsibility Act 2011, PCCs will:

- appoint (and will be able to dismiss) the Chief Constable. The Chief Constable will appoint all other officers within the Force;
- set out a five-year police and crime plan (the Plan), although it may be refreshed each year and may be fully revised at the Commissioner's discretion;
- determine local policing priorities, publish the plan, set a local precept and set the annual Force budget (including contingency reserves) in consultation with the Chief Constable. The Plan will need to take account of national policing challenges, set out in the national 'Strategic Policing Requirement';
- receive the policing grant from the Home Office, various grants from the Ministry for Housing Communities and Local Government and the local precept (as well as any other funding streams);
- commission policing services from the Chief Constable (or other providers - in consultation with the Chief Constable). These services shall be set out in the Plan where the Commissioner's objectives and funding will be publicly disclosed;
- publish the Plan, which will remain a public document, including any updates or amendments made, during the five-year period;
- publish an annual report at the end of the financial year, which will set out progress made by the Commissioner against the objectives set out in the Plan;
- publish annual financial accounts alongside the annual report, including showing how resources were used to address priorities and how value for money was secured;
- have a general duty to regularly consult and involve the public and have regard to the local authority priorities; and
- be able to require a report from the Chief Constable at any time about the execution of their functions

West Yorkshire Combined Authority

The 2013 Review of West Yorkshire governance arrangements relating to transport, economic development and regeneration concluded that West Yorkshire Integrated Transport Authority and West Yorkshire Passenger Transport Executive should be abolished and a combined authority for the area created, both as the best option for the area going forward in terms of delivering the 2012 City Deal, and because it would be likely to improve:

- the exercise of statutory functions relating to economic development, regeneration and transport in the area;
- the effectiveness and efficiency of transport; and
- the economic conditions in the area.

In making the order to create the Combined Authority, the Secretary of State also had regard to the need to: secure more effective and convenient local government for the area; and to reflect the identities and interests of the area's local communities. On that basis, West Yorkshire Combined Authority was created in April 2014. Membership is comprised of elected members of the West Yorkshire partner councils of Bradford, Calderdale, Kirklees, Leeds and Wakefield, plus York and the Chair of the LEP. Voting members are: five elected members, one appointed by each of the five constituent West Yorkshire councils, and three elected members agreed by the constituent councils to reflect the balance of political parties across the Combined Authority area.

In addition there is: an elected member appointed by City of York Council (which is a non-constituent member of the Combined Authority) and the Chair of the LEP (these members are non-voting except where the Combined Authority has resolved to give them a vote on any issues).

Currently, West Yorkshire has a non-mayoral combined authority. The West Yorkshire Devolution Deal commits, subject to a statutory review, to the Combined Authority being made Mayoral with a directly elected Mayor to be elected by the voters of West Yorkshire by May 2021.

Supporting structures

The work of the Combined Authority (and the LEP) is supported through an integrated officer body and various Committees and advisory panels (comprising council members and private, other public, and third sector representation) including:

- Transport Committee, with supporting joint and district consultation sub-committees;
- West Yorkshire and York Investment Committee;
- Overview and Scrutiny and Governance and Audit Committees; and
- Advisory Panels: Business, Innovation and Growth; Employment and Skills; Green Economy; Inclusive Growth and Public Policy; and Place.

Functions

The Combined Authority exercises a combined range of specific statutory duties, powers and functions for economic development & regeneration and transport.

It works closely with the LEP to develop, shape and deliver policies that meet the needs of employers in the region, and this is enabled through the General Power of Competence which the Combined Authority exercises in respect of promoting economic development and regeneration.

The Combined Authority is the statutory body created under the Transport Act 1968 to secure public transport services and facilities required for the sub region. The five District authorities currently exercise local highways functions, including highways maintenance and traffic management. Under the Transport Act 1985, the Combined Authority is also responsible for procuring public passenger transport services following the de-regulation of the bus market. The Combined Authority has a duty as the Local Transport Authority to 'secure or promote the provision of a system of public transport which meets the needs of the area' and delivers public

services to the people of West Yorkshire via the Metro branded network of bus stations, travel centres and public transport information.

Amongst its other transport duties, the Combined Authority also:

- prepares the Statutory Local Transport Plan for the area, and other related plans and strategies (including for bus, rail and freight) and manages the local transport allocation from Department for Transport
- is responsible for administering the English National Concessionary Travel Scheme for subsidising public transport;
- is party to rail franchise agreements;
- is responsible for reviewing rail passenger services and advising Department for Transport under the Railways Acts.

Combined Authority transport functions are funded by:

- the transport levy placed on the District Authorities
- Department for Transport rail and other grants
- Devolved funds, e.g. Department for Transport major scheme grant funds, Growth Deal funding (until 2021), West Yorkshire+ Transport Fund gainshare funding (post 2021), enabling significant delivery including:
 - an additional 2,000 park and ride spaces at 14 West Yorkshire rail stations bringing the total to around 7,000, encouraging rail use and reducing car journeys into our town and city centres
 - rail stations at Apperley Bridge, Kirkstall Forge and Low Moor, opened with almost £27 million of investment from the Combined Authority, and which people used to make almost ¾ million journeys in 2018/19.
 - £60 million of investment in cycling and walking schemes across the region over the past five years. 67km of new and improved cycling and walking with more than 2.3 million trips made on the infrastructure to date.
 - £79 million invested in building eight new college facilities and refurbishing two further facilities, expected to deliver a £600m impact over the next five years
 - £45 million from the Growth Deal invested into creating ten Enterprise Zone sites across the Leeds City Region deliver over 1.5 million square feet of new commercial space
 - £4 million invested into creating a district heat network in Leeds City Centre providing low cost, low carbon heating to almost 2,000 homes as well as a number of businesses

Leeds City Region LEP

In 2011, the LEP was established as one of the first in the country as a public-private sector partnership.

The LEP brings together business and council leaders to ensure that services and investment are well co-ordinated across the City Region and support businesses to grow, eg through the Growing Places Fund, Inward Investment, Skills, Low Carbon and Inclusive Growth.

From March 2020, in order to comply with Government's requirement that LEP areas can no longer be partly overlapping, the geography of the LEP was changed to cover the West Yorkshire

district areas of Bradford, Calderdale, Kirklees, Leeds and Wakefield only and membership of the LEP Board now reflects that change whilst continuing to be known as Leeds City Region LEP.

West Yorkshire PCC

The West Yorkshire PCC was first elected in 2012 and again 2016 and his term of office is now due to end in May 2021 following the cancellation of the May 2020 elections. The PCC is supported by a Deputy PCC and an Office of the PCC (OPCC). The OPCC employs a number of statutory and core staff in addition to other staff that support wider service provision under the direction and control of the PCC.

The West Yorkshire Police and Crime Plan 2016-21 is built around delivering the following four key outcomes:

- tackle crime and anti-social behaviour;
- safeguard vulnerable people;
- make sure criminal justice works for communities; and
- support victims and witnesses.

The Plan also sets out 16 priorities for the OPCC, West Yorkshire Police and partners, identified by people and partners from across West Yorkshire through the consultation exercise 'Your Plan, Your Priorities'. The Plan priorities are shown in the following table:

Burglary	Domestic Abuse	Human Trafficking and Modern Slavery	Radicalisation
Child Sexual Abuse	Drugs and Alcohol Misuse	Major Threats	Road Safety
Community Cohesion	Hate Crime	Mental Health	Sexual Abuse
Cyber Crime	"Honour" Based Violence	Missing People	Strategic Policing Requirement

Case for change

The Combined Authority arrangements within West Yorkshire provide a framework for collaboration that is currently limited to economic development and transport, and available funding streams which are similarly constrained. West Yorkshire authorities have undertaken an assessment of the opportunities and challenges existing across the region demonstrating that access to a broader range of powers and devolved funding is needed to achieve the area's full growth potential.

The 'minded-to' West Yorkshire devolution deal

Government and West Yorkshire authorities have agreed an ambitious 'minded-to' devolution deal that will provide the area with significant new powers and funding to increase opportunities and living standards through inclusive growth and productivity improvements. The content of this deal expands on the model seen in other areas with a clear focus on clean and inclusive growth and driving increased productivity.

The deal is described as 'minded-to' as the proposals are subject to formal consent by the individual councils and parliamentary approval of the relevant legislation to implement the proposals over the coming months.

Governance

The economic and social challenges facing the region need to be addressed and opportunities maximised if the area is to grow and prosper. The powers and funding available through existing membership of the Combined Authority do not provide sufficient scope to tackle the key long-term, entrenched issues facing the West Yorkshire identified above in relation to growth, productivity, diversity and inclusion, innovation, trade, place, people and infrastructure. There is strong evidence that strengthened governance arrangements in the West Yorkshire area, with additional powers and funding, will deliver significant economic outcomes locally and improve the contribution of the area to the Northern Powerhouse and national economy.

For example, a compelling headline case for governance reform in the City Region has been made by the OECD³ which recognises that: "Institutional factors are crucial in ensuring successful consultation and co-ordinating among stakeholders within regions, with other regions and central government...thus, governance matters."

The OECD further concluded that in Leeds City Region - which was seen to be particularly affected by its polycentricity, geographic dispersion, and institutional complexity - it was challenging to generate effective communication, strong co-ordination and a shared sense of purpose in response to the challenges it then faced. Therefore, it was recommended that the City Region would benefit from strengthened and more established regional governance arrangements.

Moreover, the West Yorkshire authorities have an opportunity through the 'minded-to' devolution deal to take on a greater level of local control and responsibility for a number of key drivers of economic growth with an unprecedented range of additional powers and funding. This opportunity does not exist within the existing the Combined Authority arrangements as Government has been clear that strong, accountable governance exercised through a mayoral combined authority is an essential prerequisite of any further devolution of powers and functions to a city region.

³ Promoting Growth in All Regions, OECD, 2012

Under the terms of the deal a Mayoral West Yorkshire Combined Authority with a new directly elected mayor for the area will provide a stable and directly accountable platform for devolution of resources and a wider range of powers from central government. The MCA will exercise a broader range of functions as detailed below, with the Mayor exercising certain powers with personal accountability to the electorate, devolved from central Government and set out in legislation. The Mayor may choose to delegate function(s) to members of the Combined Authority. No constituent council functions will be removed from those councils.

The Mayor will chair Combined Authority meetings within which each of the five constituent authorities will appoint one member. Three elected members will continue to be agreed by the constituent councils to reflect the balance of political parties across the Combined Authority area.

The MCA will be able to explore opportunities for further collaboration with its neighbouring councils, including Harrogate, Craven, Selby, York and North Yorkshire County Council, and across the whole of Yorkshire through the Yorkshire Leaders Board. York will remain as a non-constituent member and the Mayoral Combined Authority may invite representatives from other partner councils to attend (and speak) at any Mayoral Combined Authority meeting

The relationship with business is integral to the proposed arrangements, with the LEP represented on the Combined Authority through a non-voting member, and the Mayor represented on the LEP Board.

It is anticipated that decision making will generally be by way of consensus and with clear voting arrangements set out in the constitution for the occasions where it is not possible for all constituent members to agree.

In addition, for the following decisions, the majority of members must include the consent of three of the five members for the constituent councils (but not that of the three additional constituent council members appointed for political balance):

- Approving the Combined Authority's budget (excluding decisions which relate to the Mayor's budget); and
- Setting a levy.

The Mayor will be required to consult the Combined Authority on Mayoral strategies, and this will be subject to the following specific conditions:

- The spatial development strategy will require the consent of the members of each of the five constituent councils (but not that of the three additional constituent council members appointed for political balance);
- The Combined Authority will be able to amend the Mayor's budget if five eighths of the members agree to do so; and
- The Combined Authority will be able to amend the Mayor's transport strategy if a majority of members agree to do so.

The following decisions by the Mayor will require the consent of the Combined Authority member (but not the member appointed for political balance), or substitute member acting in that member's place, appointed by the constituent council in whose area the decision will apply:

- the designation of any area of land as a Mayoral development area leading to the establishment, by order, of a Corporation (the consent of the relevant national park authority is also required if the land falls within the designated national park area);
- the compulsory purchase of land or buildings by the Mayor;

- any decision that could lead to a financial liability falling directly upon that constituent council; and
- such other matters as may be contained in the Combined Authority constitution and agreed with the Mayor.

The Mayor and the Combined Authority will be scrutinised and held to account by the Combined Authority’s Overview and Scrutiny and Governance and Audit Committees. The arrangements currently established for the Combined Authority will be retained, subject to any amendments required to reflect the introduction of the Mayor and any new statutory provisions. The Mayor and the Combined Authority may also seek to enhance scrutiny and develop wider conference with all elected members in the Combined Authority’s area to engage on key issues.

Functions

The deal specifies that the new MCA would continue to exercise the range of current Combined Authority functions in relation to economic development regeneration and transport - outlined elsewhere in this review (save for the Mayor taking responsibility for preparing the transport plan and strategies).

The new MCA and Mayor would exercise distinct new functions. These would be devolved from central Government and set out in legislation and draw down from Whitehall significant new funding streams. No transfer would be required of statutory responsibility from local authorities to the MCA or Mayor as a result of the deal.

The various powers in scope, and their rationale, are considered in the grid below and encompass a broad set of ambitions covering:

- Finance and Investment
- Transport
- Skills and Employment
- Innovation
- Trade and Regional Business Support
- Housing and Planning
- Culture Heritage and Digital
- Climate, flooding and the environment
- Public Service Reform

Functions – Finance and Investment	Economic Challenge Addressed	Rationale
<p>Power for the Mayor to:</p> <ul style="list-style-type: none"> charge business rate supplement (subject to ballot); and set a precept on council tax to fund Mayoral functions <p>Power for the Combined Authority to borrow up to an agreed cap for non-transport functions</p>	<p>1,2,3,4,5,6,7,8</p>	<p>The Mayoral Combined Authority will be able to utilise the new functions (and existing Combined Authority powers and devolved funding, eg borrowing for transport functions) in relation to charging a business rates supplement and borrowing powers to create a fully devolved, flexible single pot to be named the West Yorkshire Investment Fund (WYIF), covering all devolved budgets, and in line with an agreed assurance framework to ensure that all funded interventions are aligned to the balanced economic outcomes for the area. This will transform the region’s capacity to drive its ambitions of faster, more inclusive and greener growth and delivery of a 21st century transport system. The WYIF would comprise a number of devolved income streams, including from the following funds agreed in the deal:</p> <ul style="list-style-type: none"> £38m per annum to the Combined Authority for 30 years (25% capital and 75% revenue), to capitalise the WYIF, subject to five-yearly gateway assessments to confirm that the investment has contributed to economic growth; The Combined Authority will be able to use capital receipts from asset sales as revenue funding for public service transformational initiatives; Combined Authority powers to borrow (within limits agreed with HMT) for its new functions will allow the Combined Authority to invest in economically productive infrastructure; Powers to raise a Strategic Infrastructure Tariff would enable the Combined Authority to raise funding for strategic infrastructure and would operate alongside any local forms of developer contributions; and Mayoral power to introduce a supplement on business rates for expenditure on a project or projects that will promote economic development in the area, subject to a ballot of affected businesses. Flood risk management schemes worth at least £101m will be taken forward in West Yorkshire over the course of the six-year programme, as a result of the announcement by the Chancellor at Budget of a £5.2bn envelope; and A £25 million Heritage Fund to support the British Library in establishing a potential ‘British Library North’. In addition, the Mayoral power to set a precept on local council tax bills would help pay for the Mayor’s work (and no other Combined Authority functions). A precept would offer greater transparency to West Yorkshire residents in relation to the funding of Mayoral functions.

Functions - Transport	Economic Challenge Addressed	Rationale
<p>Power for the Mayor to:</p> <ul style="list-style-type: none"> draw up a local transport plan and strategies request local regulations requiring large fuel retailers to provide Electric Vehicle charging points implement bus franchising in the area; and pay grants to bus service operators <p>Combined Authority transport powers to set up and coordinate a Key Route Network (KRN) on behalf of the Mayor, along with:</p> <ul style="list-style-type: none"> powers to collect contributions from utility companies for diversionary works needed as a result of highways works carried out on the Key Route Network; and powers to operate a permit scheme designed to control the carrying out of works on the Key Route Network 	<p>2,6,8</p>	<ul style="list-style-type: none"> The additional powers devolved to the Mayoral Combined Authority will unlock the devolution of the following transport related funds and funding flexibilities: A consolidated local transport budget, devolved to the Mayor, including all relevant devolved highways funding, starting with a five-year, integrated transport settlement beginning in 2022/23 from a wider £4.2bn envelope. £317m to the Combined Authority from the Transforming Cities Fund to deliver the projects included in the Leeds City Region bid; to take forward the next stage of development of the Outline Business Case for the redevelopment of Leeds station, subject to endorsement of the current business case, which will deliver improvements both in track and services and in the station's accessibility and environment; and up to £500,000 to support Bradford's master planning work to explore the regeneration opportunities of potential NPR services. <p>In addition to the ability to pay grants to bus service operators, access to franchising powers under the Bus Services Act 2017 will provide the opportunity for the Mayor to specify bus services in West Yorkshire as part of an integrated local transport system and help to facilitate the delivery of smart, simple integrated ticketing across the city region.</p> <p>Through the Automated and Electric Vehicles Act, the Mayor's power to request from the Secretary of State local regulations requiring large fuel retailers to provide Electric Vehicle charging points within the Combined Authority area will be beneficial in terms of promoting lower carbon transport modes.</p> <p>The establishment of a statutory Key Route Network (KRN) would build on existing local arrangements to enable better collaborative decision-making on major strategic transport issues. The identified KRN will be collaboratively managed at the West Yorkshire level by the respective local highway authorities in partnership with the Combined Authority on behalf of the Mayor (who would be responsible for the overall coordination of the collaborative arrangements). There will be no transfer of statutory responsibility for such roads from the existing highway authorities. Responsibility for resourcing maintenance and operational management of the network would remain the responsibility of the respective local highway authorities.</p>

Functions - Economic development and Skills	Economic Challenge Addressed	Rationale
<ul style="list-style-type: none"> • Mayor to have the functional power of competence • Combined Authority duty to prepare an assessment of economic conditions • Combined Authority adult education and skills functions 	<p>2,3,7</p>	<p>The Mayor will not have the general power of competence, however the Mayor will have, as an ancillary power, a functional power of competence which complements the Combined Authority’s existing powers and enables the Mayoral CA to do things appropriate or incidental to, or connected with, the Mayor’s and Combined Authority’s functions. It will also aid the delivery of the comprehensive programme of collaboration with Government departments and national agencies which is envisaged in the deal, in order to build on West Yorkshire’s economic strengths and assets and address its weaknesses, including in relation to: transport; skills and employment; innovation; trade and regional business support; housing and planning; culture, heritage and digital; climate, flooding and the environment; and public service reform (for example to explore the feasibility and opportunities around an ‘Act Early’ Health Institute).</p> <p>The Combined Authority’s powers to prepare an assessment of economic conditions will underpin the pending Local Industrial Strategy and ensure that regional policy making is evidence based and takes account of current and emerging economic conditions, including for example in respect of providing business support.</p> <p>By devolving the annual Adult Education Budget and conferring the relevant powers on the Combined Authority, the provision of adult skills in West Yorkshire will be better aligned with locally determined priorities to ensure the skills system is demand led so that all our residents have the skills required to help businesses to grow, innovate and diversify. A workforce that has transferable and relevant skills is a prerequisite to delivering inclusive growth within the region.</p>

Functions - Housing and planning and regeneration	Economic Challenge Addressed	Rationale
<p>Mayoral powers:</p> <ul style="list-style-type: none"> statutory spatial planning powers to produce a West Yorkshire Spatial Development Strategy (SDS) - exercisable with the unanimous consent of the constituent authorities power to designate a Mayoral Development Area and then set up a Mayoral Development Corporation (subject to the consent of the constituent council affected by the exercise of the function) housing and land acquisition powers to support housing, regeneration, infrastructure and community development and wellbeing. <p>Combined Authority housing and regeneration powers in relation to:</p> <ul style="list-style-type: none"> compulsory purchase (subject to the consent of the constituent council affected by the exercise of the function), plus provision of housing and land, land acquisition and disposal, and development and regeneration of land seeking consent to raise a Strategic Infrastructure Tariff 	<p>6,7,8</p>	<p>An SDS for West Yorkshire (supported by the proposed additional Mayoral and Combined Authority housing and development powers) would enable a common strategic vision for spatial planning across the area to be agreed and implemented, ensuring policy decisions are made more effective by reducing the impact of administrative boundaries. This enhanced coordination would also allow the individual local planning authorities to develop their individual local plans with a common base in evidence and strategy.</p> <p>SDSs in particular are considered effective in cementing this joint-working as the local plans of constituent members have to be in general conformity with them, whilst democratically accountable governance arrangements (such as requiring unanimous agreement from districts) can help ensure that the SDS is truly a common vision.</p> <p>The scope and preferred approach to developing any West Yorkshire SDS is a matter for local agreement, in line with the National Planning Policy Framework. Because the MCA would be given powers over other areas of strategic policy, such as strategic transport powers, an SDS could help ensure that there is a corresponding land-use policy tool to prevent coordination failure between land-use policy and these other policy areas.</p> <p>In the context of climate crisis, it is a regional SDS's ability to coordinate key strategic policies to tackle the pressing issues in a cross-boundary way that provides significant value added when compared to a local plan, including by providing strategic co-ordination on: energy policy; regeneration; renewal and retrofitting; modal shift; utilising broadband infrastructure; strategic waste management; flood risk management; developing and enhancing blue and green infrastructure; and ensuring policies deliver biodiversity net gains.</p> <p>In addition, £3.2m will be devolved to the MCA to support development of a pipeline of strategic housing sites across the region. Government will explore the potential for investment into housing propositions that emerge from development of this pipeline, including through the Brownfield Housing Fund, with a national £400m envelope, and future funding streams. If successful, this funding will support the Combined Authority in bringing more land into development for delivery of housing on brownfield sites beyond existing local plans.</p>

Functions – Police and Crime Commissioner (PCC)	Economic Challenge Addressed	Rationale
PCC functions to be exercised by the Mayor or the Mayor's appointed Deputy Mayor for Policing	3,6,7	<p>Would enable opportunities to be explored for efficiencies through wider strategic public service integration.</p> <p>Improved functional effectiveness by strengthening links such as between inclusive growth and community safety and cohesion, eg by diverting vulnerable people (for example care-leavers) away from the criminal justice system by ensuring they have a structured pathway towards personal wellbeing, relevant and transferable skills, and access to good work and building on West Yorkshire OPCC strategies around reducing reoffending and victims already developed and in place.</p>

Criteria

This section sets out the local and legislative criteria against which possible regional governance options are then considered.

Local requirements

- Add value to West Yorkshire’s delivery of outcomes **through clear, transparent and accountable regional decision making**;
- **Enable control over additional funding and powers** which would otherwise be managed from Whitehall (such as in the current Devolution Deal, and future Deals);
- **Work more effectively in partnership** with others, such as:
 - with local authorities at West Yorkshire / Leeds City Region and Yorkshire level, e.g. in delivering a comprehensive approach to delivering faster, greener and more inclusive growth; and
 - across the North of England, for example on the Transport for the North agenda, including HS2, Northern Powerhouse Rail and rail franchising.
- Ensure strategic decisions eg on economic investment, planning and transport are made at the **most appropriate administrative level, and as locally as possible**; and
- **Enable efficiency savings to be realised**, either financial savings from devolved project and programme delivery, also co-ordination, time and transaction cost savings through reduced fragmentation of decision making and strategic planning.

Statutory tests

Section 112 of the 2009 Act provides that where one or more of the authorities which undertook the review conclude that the exercise of the power to make an order under S104 or 105 would be likely to improve the exercise of statutory functions in West Yorkshire, they may prepare and publish a scheme relating to the exercise of those functions. The Secretary of State may only make an order (under S104 or S105) if they also consider that to do so is likely to **improve the exercise of statutory functions** in the Combined Authority’s area. In making any such order, the Secretary of State must have regard to the need:

- To secure **more effective and convenient local government** for the area; and
- To reflect the **identities and interests of our local communities**

Governance options

This Section examines the effectiveness of existing governance structures at the West Yorkshire level and considers their appropriateness against that of other possible governance models. An assessment of the following three options is provided below:

- Option 1 - Do nothing / business as usual
- Option 2 - Strengthen existing arrangements
- Option 3 – An MCA

Option 1 - Do nothing / business as usual

The (non-mayoral) combined authority model in West Yorkshire has demonstrated several strengths:

- Enabled the historic fragmentation of previous regional governance arrangements to be addressed by establishing a single, integrated regional authority bringing together statutory economic development and transport functions;
- Created the opportunity for various types of collaborative effort, including a stronger shared sense of strategic purpose between partners on the challenges of promoting faster, cleaner and more inclusive growth and the delivery of a 21st century transport system;
- Been able to effectively and efficiently discharge significant devolved powers and funding, including those agreed the 2012 City Deal, and to fulfil ambitions set out in the Leeds City Region Strategic Economic Plan (SEP) , such as proposals for a £1 billion West Yorkshire Plus Transport Fund; and has
- Provided a visible, stable and streamlined body corporate to which Government has been demonstrably confident in devolving significant further powers and funding, such as via the £1 billion 2014 Growth Deal, which would otherwise have been controlled by Whitehall.

The PCC model and West Yorkshire PCC have delivered various benefits:

- Provided stronger and more transparent local accountability of the police, e.g., the West Yorkshire PCC has been directly elected by the public to hold the Chief Constable to account, making the police answerable to the communities they serve.
- Ensuring community needs are met as effectively as possible and improving local relationships through building confidence and restoring trust, which is a key aspect of promoting social cohesion and maintaining public order.
- Working in partnership across a range of agencies at local and national level to ensure there is a unified approach to preventing and reducing crime, including sharing learning and best practice.

The following are however considered to be drawbacks of maintaining the status quo / business as usual:

- Foregoes co-ordination benefits of having strategic powers on skills, planning, housing, economic development transport within a single streamlined authority, and in some instances West Yorkshire may not be able to take forward strategic infrastructure schemes;
- Retaining existing separate Combined Authority and PCC governance arrangements potentially hinders further exploring opportunities for efficiencies and collaboration through more alignment and integration, e.g. in terms of links between inclusive growth and community cohesion.
- The powers and funding on offer through the West Yorkshire Devolution Deal are conditional upon the adoption of a directly elected Mayor.

Option 2 – Strengthen existing arrangements

Under this option, the existing non-mayoral Combined Authority would be further strengthened through the exercise of additional powers, duties and functions, including for example the following:

- Power to borrow up to an agreed cap for non-transport functions;
- Adult education and skills functions;
- Duty to prepare an assessment of economic conditions;
- Housing functions relating to compulsory purchase, plus provision of housing and land, land acquisition and disposal, and development and regeneration of land; and
- Ability to seek consent to raise a Strategic Infrastructure Tariff.

The above functions would need to be devolved to the Combined Authority via secondary legislation, and therefore would require Government (and local) approvals to make the relevant order. Moreover, a number of the functions are only meaningful if accompanied by devolved funds, for example the Adult Education Budget needs in practice to be devolved to the area to give effect to the related functions. There is however currently no evidence that Government is either likely to consent to the transfer of these additional functions to the Combined Authority or provide additional devolved funding in order to make these functions meaningful, outside of a Mayoral devolution deal.

Under this option, the benefits of promoting collaboration with - and potentially integrating the Combined Authority and PCC staffing structures - could be also explored, e.g., in order to seek to secure some overall efficiency savings. However, the main governance reform driver in terms of streamlining public decision-making arrangements would not be deliverable because the Combined Authority would first need to have in place a directly elected Mayor in order to take on and exercise PCC powers on an ex officio basis.

Option 3 - A Mayoral Combined Authority

This option would require the existing Combined Authority to become an MCA.

The adoption of an MCA model of governance with an elected Mayor for West Yorkshire will enable the area to unlock the additional benefits of the 'minded-to' devolution deal through the

additional powers and funding from government, as described above. An MCA is the government's preferred governance mechanism for the greater transfer of powers and funding, and in line with other devolution deals the West Yorkshire deal is dependent on adopting an MCA model of governance.

In addition to the Combined Authority's existing joint governance arrangements for key growth levers such as transport, skills, economic development and regeneration - which allow for strategic prioritisation across its area and integrated policy development - the following value is added from West Yorkshire moving to a mayoral combined authority model:

- the 30-year gainshare funding mechanism agreed in the deal provides the basis for the long term approach needed to address the long standing economic challenges facing the region, as well as building on the area's significant assets and strengths;
- an opportunity to draw together a range of devolved and other funding sources into a flexible West Yorkshire Investment Fund programme to enable a holistic approach to tackling shared priorities and driving growth;
- greater local accountability and decision-making power, working in partnership with the Government, constituent councils and the LEP;
- a unified and influential voice to strengthen conversations with government, national agencies and business leaders in the development of local growth policy, strategic interventions, securing a greater share of national resources and influencing national decision making;
- greater visibility and influence as part of the group of mayoral combined authorities with an increasing level of national influence and access to important initiatives only available to these authorities;
- alignment of decision-making at a strategic level across a broader range of statutory functions, including skills, planning, housing, economic development transport and under a coherent strategy, appraisal framework and investment programme;
- consistency in the governance arrangements for strategic transport and other infrastructure assets that span across a wider geography;
- an important role and voice across the Northern Powerhouse, by working with partners across the North of England to promote opportunities for pan-Northern collaboration, including the Yorkshire Leaders Board, Transport for the North and the NP11, to drive productivity and build the Northern Powerhouse;
- closer working across the wider public sector on integrating functions and services, including PCC powers, and providing innovative solutions to the challenges of reducing financial resources and new and improved ways of working; and
- a stable and accountable platform underpinned by statutory powers to access greater devolved powers and funding delegated from government as part of future deals to enable locally devised interventions.

Conclusions

To ensure the effective exercise of statutory functions across the area of West Yorkshire, adopting an MCA model of governance for the area (Option 3) is considered optimal. An MCA for the area offers greater flexibility and accountability, and moreover devolved powers and funding, than can be provided through either continuing with the existing arrangements (Option 1) or strengthening existing arrangements (Option 2).

The new MCA governance model, along with the additional devolved powers and funding resulting from the 'minded-to' deal, would better enable the area to pursue its objectives of promoting faster, more inclusive and cleaner growth and delivering a 21st century transport system.

It is therefore concluded that:

- current regional governance arrangements - based on a non-mayoral Combined Authority for West Yorkshire - do not represent the best model in terms of delivering the long-term ambitions of the authorities within the area for economic growth and delivery of public services;
- there is limited practical scope for the existing governance arrangements to be meaningfully strengthened, short of adopting a mayoral combined authority model;
- a change is required to enable the West Yorkshire authorities to pursue their economic policy agenda at greater pace, while continuing to collaborate with the wider Leeds City Region, Yorkshire and the North in pursuit of shared economic objectives;
- the statutory criteria for preparing and publishing a scheme are met, i.e., the making of an order under S104 and S105 to enable the adoption of an MCA model of governance for the area of West Yorkshire is the best option and will be likely to **improve the exercise of statutory functions in that area**;
- in addition, establishing an MCA model for West Yorkshire will:
 - **have a positive impact on the interests and identities of local communities** – these proposals build on established regional governance arrangements which cover a coherent functional economic area and which represent the views and interests of local communities ; and
 - **secure more effective and convenient local government** by reducing complexity and streamlining the delivery of public services within the area.

It is therefore proposed that a governance scheme is published (a draft scheme is included at Appendix A) that confirms:

- A mayoral combined authority should cover area of West Yorkshire;
- A West Yorkshire Mayor would be elected in May 2021;
- The Mayor would become a member of the Combined Authority, and chair meetings of the authority;
- Each constituent council will continue to appoint a member to the new mayoral combined authority, along with political representatives from opposition groups, and non-constituent members from the LEP and City of York Council would be appointed; and

- the Mayor and MCA will exercise specific statutory functions, and hold some powers concurrently with West Yorkshire local authorities. No functions are being removed from those councils. Where existing functions currently held by West Yorkshire local authorities are to be shared with the Mayor or the MCA, this must be agreed by the constituent councils.



Find out more

westyorks-ca.gov.uk

West Yorkshire Combined Authority

40-50 Wellington House,
Wellington Street,
Leeds,
LS1 2DE

All information correct at time of writing (May 20)

This page is intentionally left blank

Scheme setting out proposals for changes to the governance and functions of the West Yorkshire Combined Authority

Section 112 Local Democracy, Economic Development and Construction Act 2009

Preamble

This scheme has been jointly prepared by:

- City of Bradford Metropolitan District Council,
- Borough Council of Calderdale,
- Council of the Borough of Kirklees,
- Leeds City Council,
- Council of the City of Wakefield, and
- West Yorkshire Combined Authority

This Scheme sets out proposals to change the governance arrangements of the West Yorkshire Combined Authority (the Combined Authority), by adopting a mayoral model (with the Mayor exercising the functions currently exercised by the Police and Crime Commissioner for West Yorkshire) and making related changes to constitutional arrangements.

It also sets out proposals for the Combined Authority to be delegated additional functions.

Interpretation

In this Scheme:

“the 2008 Act” means the Housing and Regeneration Act 2008,

“the 2009 Act” means the Local Democracy, Economic Development and Construction Act 2009,

“the 2011 Act” means the Police Reform and Social Responsibility Act 2011,

“the 2014 Order” means the West Yorkshire Combined Authority Order 2014 (SI 2014/864),

“the Combined Authority” means the West Yorkshire Combined Authority,

“Constituent Councils” means

- City of Bradford Metropolitan District Council,
- Borough Council of Calderdale,

- Council of the Borough of Kirklees,
- Leeds City Council,
- Council of the City of Wakefield

“Deputy Mayor for Policing and Crime” means the deputy mayor for policing and crime for the Combined Area,

“Combined Area” means the area consisting of the areas of the Constituent Councils,

“LEP” means the Leeds City Region Enterprise Partnership,

“Mayor” means the mayor for the Combined Area,

“Mayoral Function” means any function which is the responsibility of the Mayor, other than a PCC Function,

“PCC Function” means any function carried out by a PCC, which is exercisable by the Mayor,

“MCA” means the mayoral combined authority,

“Non-Mayoral Function” means any function of the Combined Authority which is not a Mayoral Function or a PCC Function,

“PCC” means police and crime commissioner,

“Review” means the review carried out the West Yorkshire Authorities under section 111 of the 2009 Act in 2020, and

“West Yorkshire Authorities” means the Constituent Councils and the Combined Authority.

Introduction

- 1.1 On 11th March 2020, the West Yorkshire Authorities agreed a “minded to” devolution deal with HM Government. The deal details £1.8bn of government investment (including £1.14bn over 30 years), which will be subject to local influence and decision making, enabling spend on local priorities, together with a range of devolved functions. This devolution deal is subject to adopting the model of a directly elected mayor (Mayor) over the Combined Area (West Yorkshire) that is, becoming a mayoral combined authority (MCA).
- 1.2 The West Yorkshire Authorities must also follow relevant statutory procedures to adopt the model of a directly elected mayor, and secure changes to the constitutional arrangements set out in the 2014 Order (which established the Combined Authority) and the additional functions set out in the deal.
- 1.3 The West Yorkshire Authorities therefore conducted a review under section 111 of the 2009 Act (the Review) in relation to:
 - changing constitutional arrangements of the Combined Authority, and
 - the delegation to the Combined Authority of additional functions under section 104 and section 105 of the 2009 Act (transport-related functions of the Secretary of State and functions concurrent to local authorities).
- 1.4 Having considered the findings of the Review, the West Yorkshire Authorities concluded that an Order by the Secretary of State to make the changes considered in the Review, including delegating additional functions to the Combined Authority, would be likely to improve the exercise of statutory functions in relation to the Combined Area. The West Yorkshire Authorities have therefore resolved to prepare and publish this Scheme under section 112 of the 2009 Act.
- 1.5 In addition, to secure the devolution of new government investment and the range of additional functions set out in the devolution deal, the West Yorkshire Authorities have included the following proposals in this Scheme:
 - to adopt the model of an MCA for the Combined Authority, and
 - for the Combined Authority to be delegated functions under section 105A of the 2009 Act (functions of a public authority).
- 1.6 It is also proposed that the functions currently exercised by the PCC for West Yorkshire (the PCC Functions) will be exercised by the Mayor from 2021. The postponement of the PCC elections to May 2021 has created a potential opportunity to transfer those functions to the Mayor by that time, subject to feasibility.
- 1.7 Proposals contained in the Scheme will be subject to public consultation from 25 May 2020 to 19 July 2020.

-
- 1.8 As set out below, it is proposed that the Combined Authority will continue to exercise the functions conferred on the Combined Authority by the 2014 Order, as well as the new additional functions described in this Scheme.
 - 1.9 Any transfer to the Combined Authority, or to the Mayor, of existing functions or resources currently held by any Constituent Council must be by agreement with the Constituent Council.

2 Proposed MCA for West Yorkshire

2.0.1 The following part of the Scheme sets out how it is proposed that the Combined Authority will operate and discharge its functions as an MCA.

2.1 Geography

2.1.1 The area of the Combined Authority as MCA shall remain the Combined Area, as defined by the 2014 Order - that is, the area consisting of the areas of the Constituent Councils (West Yorkshire).

2.2 Name

2.2.1 It is proposed that the name of the Combined Authority as an MCA remains West Yorkshire Combined Authority.

2.3 Election of Mayor

2.3.1 It is proposed that the first Mayor will be elected in May 2021. The Mayor will be elected by the local government electors for the Combined Area (West Yorkshire).

2.3.2 As set out in the 2009 Act, the Mayor is to be returned under the simple majority system ('first past the post'), unless there are three or more candidates. If there are three or more candidates, the Mayor is to be returned under the supplementary vote system.

2.3.3 It is proposed that the initial term of the Mayor will be 3 years. Each subsequent mayoral term will be 4 years.

2.3.4 The 2009 Act provides that the Mayor will be entitled to the style of "Mayor" and the title of the Mayor will be the West Yorkshire Combined Authority Mayor.

2.4 Membership

- 2.4.1 It is proposed that the current membership arrangements for the Combined Authority are retained as set out in the 2014 Order, with the addition of the Mayor who by virtue of their office will be a member of the Combined Authority. The Combined Authority as MCA shall therefore comprise the following eleven members:
- the Mayor,
 - 5 elected members from Constituent Councils (one appointed by each Constituent Council),
 - 3 additional elected members for political balance jointly appointed by the Constituent Councils,
 - 1 elected member appointed by the City of York Council (the Non-Constituent Council), and
 - 1 person nominated by the Leeds City Region Enterprise Partnership (the LEP Member).
- 2.4.2 Of these, the elected member appointed by the City of York Council and the LEP Member are required by statute to be non-voting – see further below.
- 2.4.3 Other than in relation to the Mayor, no changes are proposed to the membership arrangements set out in the 2014 Order. These shall continue to apply to members of the Combined Authority other than the Mayor, in relation to:
- substitute arrangements (one for each member)
 - appointment arrangements and
 - terms of office.

2.5 Role of the Mayor

- 2.5.1 As provided by the 2009 Act, the Mayor by virtue of their office will be the Chair of the Combined Authority.
- 2.5.2 The Mayor will be responsible for functions of the Combined Authority which are Mayoral Functions, as set out below, and also exercise the PCC Functions.

Deputy Mayor

2.5.3 The 2009 Act requires the Mayor to appoint one of the members of the Combined Authority as a Deputy Mayor, who will act in place of the Mayor if for any reason the Mayor is unable to act or the office of Mayor is vacant. Provisions within the 2014 Order relating to the appointment of a Chair and Vice Chair of the Combined Authority from amongst its members will therefore no longer apply, and will be omitted; the Deputy Mayor will chair meetings of the Combined Authority in the absence of the Mayor.

Deputy Mayor for Policing and Crime

2.5.4 Where an Order provides for the Mayor to exercise PCC Functions, the Secretary of State must by Order authorise the Mayor to appoint a Deputy Mayor for Policing and Crime – see further paragraph 3.6 (PCC Functions).

2.6 Partnership Arrangements

2.6.1 As an MCA, the Combined Authority will continue to explore opportunities for further collaboration with partner councils, including Harrogate Borough Council, Craven District Council, Selby District Council, City of York Council and North Yorkshire County Council, and across the whole of Yorkshire through the Yorkshire Leaders' Board. The Combined Authority may invite representatives from any partner council to attend (and speak) at any meeting of the Combined Authority.

2.6.2 The Combined Authority may enter into joint arrangements with other local authorities in respect of Non-Mayoral Functions, under S101(5) Local Government Act 1972 and, it is proposed that arrangements for the Combined Authority as MCA provide that Mayoral Functions may also be carried out under joint arrangements – see paragraph 2.7.2.5.

2.6.3 It is proposed that the current governance arrangements of the Leeds City Region Enterprise Partnership (“the LEP”) will be revised to include the Mayor as a member of the LEP Board to ensure continued recognition of the LEP’s importance in the design and delivery of local economic strategies.

2.7 Decision-making arrangements

2.7.1 Decisions of the Combined Authority

2.7.1.1 The Combined Authority will be responsible for any function of the Combined Authority which is not the responsibility of the Mayor (any Non-Mayoral Function). Decisions on Non-Mayoral Functions will be taken by the Combined Authority, (that is, at a meeting of the members of the Combined Authority acting collectively), or taken in accordance with arrangements agreed by the Combined Authority, including:

- by a committee or sub-committee of the Combined Authority which has delegated authority for the function, or
- under joint arrangements agreed by the Combined Authority, or
- by an officer with delegated authority.

2.7.1.2 No business of the Combined Authority will be transacted at a meeting unless the Mayor (or the Deputy Mayor acting in place of the Mayor) and at least three members of the Combined Authority appointed by a Constituent Council who are not members appointed for political balance, are present at the meeting.

2.7.1.3 The following voting arrangements will apply at meetings of the Combined Authority:

- Un-weighted voting based on one member one vote,
- The Non-Constituent Member and the LEP Member must be non-voting (a requirement of section 85(4) of the Local Transport Act 2008) but could individually be given a vote on some or all issues voted upon, subject to agreement of the Voting Members (in accordance with section 85(5) of the Local Transport Act 2008),and
- The Mayor (or Deputy Mayor acting in their place) will not have a second or casting vote.

2.7.1.4 The Combined Authority aims to reach decisions by consensus. If it is not possible to reach a consensus on a matter that requires a decision, the matter will be put to the vote.

2.7.1.5 Any matter that comes before the Combined Authority will be decided by a simple majority of the members of the Combined Authority present and voting (whether a motion or an amendment), unless otherwise provided for in legislation or as set out below.

2.7.1.6 Where the decision relates to any new Non-Mayoral Function which the Combined Authority acquires pursuant to the Deal, or where otherwise

required by the Combined Authority's constitutional arrangements, that majority must include the vote of the Mayor.

2.7.1.7 For the following decisions, the simple majority of members must include three of the five members of the Combined Authority appointed by a Constituent Council (who are not appointed for political balance):

- approving the Combined Authority's budget (other than any decision which relates to the Mayor's budget, which is subject to the statutory provisions referred to in paragraph 4.3), and
- setting a levy.

2.7.2 Decisions of the Mayor

2.7.2.1 In accordance with the 2009 Act, any Mayoral Function will be exercisable only by the Mayor except where the Mayor delegates such a function to:

- the Deputy Mayor,
- another Member of the Combined Authority,
- an officer of the Combined Authority,
- under joint arrangements – see paragraph 2.7.2.4, or
- the Deputy Mayor for Policing and Crime, where provided for by Order.

2.7.2.2 It is proposed that any member or officer of the Combined Authority may assist the Mayor in the exercise of Mayoral Functions, but that the Mayor cannot delegate to their political advisor.

2.7.2.3 It is proposed that some decisions in respect of Mayoral Functions will require the consent of the member appointed by any Constituent Council directly affected by the decision, (who is not appointed for political balance). This consent requirement applies to the following:

- a) The designation of any area of land as a Mayoral Development Area leading to the establishment, by Order, of a Mayoral Development Corporation (the consent of the relevant national park authority is also required if the land falls within the designated national park area) (see paragraph 3.5.2);
- b) The compulsory purchase of land or buildings by the Mayor (see paragraph 3.5);
- c) Any decision that could lead to a financial liability falling directly upon that Constituent Council; and

- d) Such other matters as may be contained in the Combined Authority’s constitutional arrangements and agreed with the Mayor.

2.7.2.4 The Mayor will be required to consult the Combined Authority on any policy or strategy, relating to the exercise of a Mayoral Function, and this will be subject to the following specific conditions:

- a) The Spatial Development Strategy will require the consent of each of the five members of the Combined Authority appointed by a Constituent Council (who are not appointed for political balance)
- b) The Combined Authority will be able to amend the Mayor’s transport strategy if a majority of members agree to do so.

2.7.2.5 It is proposed that in relation to the Mayoral Functions, joint arrangements under S101(5) of the Local Government Act 1972 are provided for by Order, in accordance with S107E of the 2009 Act.

2.7.2.6 Decision-making arrangements in respect of the Mayor’s budget for Mayoral Functions are set out in paragraph 4.3 of this Scheme.

2.7.3 PCC Functions

2.7.3.1 Decision-making arrangements in respect of PCC Functions are set out in paragraph 3.6.

2.8 Scrutiny Arrangements

2.8.1 The Mayor and the Combined Authority will be scrutinised and held to account by the Combined Authority’s Overview and Scrutiny Committee(s).

2.8.2 In accordance with the 2009 Act, the Combined Authority ensures that the Overview and Scrutiny Committee has power to:

- (a) review or scrutinise decisions made, or other action taken, in connection with the any functions which are the responsibility of the Combined Authority;
- (b) make reports or recommendations to the Combined Authority with respect to the functions that are the responsibility of the Combined Authority;

- (c) make reports or recommendations to the Combined Authority on matters that affect the Combined Area or the inhabitants of the Combined Area.
- 2.8.3 As an MCA, the Combined Authority’s arrangements must also ensure that the Overview and Scrutiny Committee has power to:
- (a) to review or scrutinise decisions made, or other action taken, in connection with the discharge by the Mayor of any Mayoral Functions,
 - (b) to make reports or recommendations to the Mayor with respect to the discharge of any Mayoral Functions,
 - (c) to make reports or recommendations to the Mayor on matters that affect the Combined Authority's Area or the inhabitants of the Combined Area.
- 2.8.4 The Committee’s power to “call-in” a decision (that is, direct that a decision is not to be implemented while it is under review or scrutiny by the Committee, and recommend that the decision be reconsidered) extends to decisions taken by the Mayor in connection with Mayoral Functions.
- 2.8.5 The overview and scrutiny arrangements currently established for the Combined Authority will be retained, subject to any amendments to reflect:
- the introduction of the Mayor (such as a requirement for the Mayor to respond to reports or recommendations made by any Overview and Scrutiny Committee);
 - the scrutiny of additional Mayoral and Non-Mayoral Functions; and
 - any statutory provisions
- 2.8.6 The Mayor and the Combined Authority may also seek to enhance scrutiny and develop wider conference with all elected members in the Combined Area (West Yorkshire) to engage on key issues.
- 2.8.7 There will be separate oversight and scrutiny arrangements in respect of PCC Functions, which will be carried out by a Police and Crime Panel – see further paragraph 3.6.

2.9 Audit

- 2.9.1 The Combined Authority will retain its current Governance and Audit Committee, which carries out the statutory functions of an audit committee in accordance with the 2009 Act, which include:
- reviewing and scrutinising the Combined Authority's financial affairs,

- reviewing and assessing the Combined Authority's risk management, internal control and corporate governance arrangements,
- reviewing and assessing the economy, efficiency and effectiveness with which resources have been used in discharging the Combined Authority's functions, and
- making reports and recommendations to the Combined Authority in relation to reviews the Committee has conducted.

2.9.2 It is proposed that membership of any audit committee may include co-opted members.

2.10 Appointments - political advisors

2.10.1 It is proposed that the Mayor may appoint one person as the Mayor's political adviser.

2.11 Standing Orders

2.11.1 It is proposed that the Combined Authority will continue to make standing orders for the regulation of its proceedings and business and may vary or revoke any such standing orders.

2.12 Remuneration

2.12.1 It is proposed to amend the arrangements in the 2014 Order (which provides that no remuneration is to be paid by the Combined Authority to members of the Combined Authority, other than for travel and subsistence) to provide that an allowance may be paid to:

- the Mayor,
- the Deputy Mayor, (provided that they are not a Leader of a Constituent or Non-Constituent Council, or the Chair of the LEP)
- the Deputy Mayor for Policing and Crime.

The Combined Authority shall approve a scheme for allowances, following consideration of a report from an Independent Remuneration Panel, which the Combined Authority may appoint.

3 Functions of the Combined Authority as MCA

- 3.0.1 The prime purpose of conferring functions on the Combined Authority is to improve the exercise of statutory functions in relation to the Combined Area. In pursuit of this prime purpose, the Combined Authority will take on those functions set out in the “minded to” Devolution Deal (and retain those functions which were previously exercised by the Combined Authority in respect of the Combined Area).
- 3.0.2 Mayoral Functions and PCC Functions will be the responsibility of the Mayor, and are exercisable only by the Mayor, unless delegated by the Mayor. Mayoral Functions are listed in paragraph 3.1, and PCC Functions addressed in paragraph 3.6.
- 3.0.3 All other functions of the Combined Authority will be Non-Mayoral Functions – see further paragraph 3.2.
- 3.0.4 Where any Mayoral or Non-Mayoral Function is concurrent with any Constituent Council, (that is, where Constituent Councils share any function), arrangements for their exercise will be a matter for agreement between the Combined Authority and a Constituent Council.
- 3.0.5 It is proposed that the Constituent Councils, Public Authorities and the Combined Authority will agree operating protocols for the exercise of concurrent functions by the Combined Authority where considered appropriate. These protocols will recognise the strategic role of the Combined Authority and safeguard the role of Constituent Councils in local decision making and delivery.

3.1 Functions exercised by the Mayor - overview

3.1.1 It is proposed that the Mayoral Functions will be:

a) **Transport**

- I. Power to draw up a local transport plan and strategies

- II. Power to request local regulations requiring large fuel retailers to provide Electric Vehicle charging points
- III. Bus franchising powers
- IV. Ability to pay grants to operators.

b) Housing and planning (see further paragraph 3.5 below)

- I. Housing and land acquisition powers to support housing, regeneration, infrastructure and community development and wellbeing
- II. Power to designate a Mayoral Development Area and then set up a Mayoral Development Corporation

- III. Statutory spatial planning powers to produce a Spatial Development Strategy

c) Finance (see further paragraphs 4.2 and 4.5 (Finance))

- I. Power for the Mayor to set a **precept** on council tax to fund Mayoral functions (resulting from the setting of the Mayoral budget)
- II. Power to charge **business rate supplement** (subject to ballot)

3.1.2 For the purposes of the discharge of Mayoral Functions it is also proposed that the Mayor may exercise the ancillary power set out under section 113A of the 2009 Act (general power of combined authority). By law, the Mayor may not exercise this power to borrow money.

3.1.3 As stated above, it is also proposed that the Mayor exercises **PCC Functions** – see paragraph 3.6.

3.2 Non-Mayoral Functions - overview

3.2.1 Non-Mayoral Functions to be exercised by the Combined Authority include any function conferred on the Combined Authority by the 2014 Order, with the exception of specified functions relating to the local transport plan only (see paragraph 3.3.1).

3.2.2 In addition to the functions of the Combined Authority conferred by the 2014 Order, it is proposed that the Combined Authority exercise the following additional Non-Mayoral Functions:

- a) **Transport-related powers** to set up and coordinate a Key Route Network on behalf of the Mayor (unless otherwise agreed locally, all operational responsibility for Key Route Network roads will remain with the Constituent Councils) (see further paragraph 3.3.3)
 - b) **Transport-related powers** to collect contributions from utility companies for diversionary works needed as a result of highways works carried out on the Key Route Network (see further paragraph 3.3.3)
 - c) Powers to operate a permit scheme designed to control the carrying out of works on the Key Route Network (see further paragraph 3.3.3)
 - d) **Adult education and skills functions** (see further paragraph 3.4)
 - e) **Housing functions** relating to compulsory purchase, plus provision of housing and land, land acquisition and disposal, and development and regeneration of land. (see further paragraph 3.5)
 - f) **Economic development** – duty to prepare an assessment of economic conditions (see further paragraph 3.5.3.2)
 - g) **Finance** – power to borrow up to an agreed cap for non-transport functions (see further paragraph 4.4).
 - h) The power to seek consent to raise a **Strategic Infrastructure Tariff** (see further paragraph 4.6).
- 3.2.3 Notwithstanding the above, any Constituent Council and the Combined Authority may, enter into arrangements under Section 101 of the Local Government Act 1972 and/or Section 9EA of the Local Government Act 2000 and the Local Authorities (Arrangements for Discharge of Functions) (England) Regulations 2012 to allow the delegation of functions from a Constituent Council to the Combined Authority. Any such delegation arrangement will require the agreement of the Combined Authority and the relevant Constituent Council.
- 3.2.4 The Combined Authority may also enter into joint arrangements with any Constituent Council or other local authority, in respect of Non-Mayoral Functions, in accordance with S101(5) of the Local Government Act 1972.

3.3 Transport

3.3.1 The Mayor will be given the functions in Part 2 of the Transport Act 2000 to produce a Local Transport plan and strategies. Members of the Combined Authority will be able to amend the Local Transport Plan and strategies if a majority of members agree to do so.

3.3.2 Consolidated Transport Budget

3.3.2.1 The Mayor will be responsible for a devolved and consolidated multi-year local transport budget for the Combined Area (West Yorkshire) including all relevant devolved highways funding, to enable greater surety of funding, more effective and efficient long-term asset management and procurement arrangements. This budget will be fully devolved and provide a firm funding settlement for a five-year period starting in 2022/23. This Mayoral budget is separate from the existing 20-year transport funding (West Yorkshire plus Transport Fund) that has already been agreed with Government.

3.3.2.2 It is proposed that the Combined Authority will be able to exercise the functions of a minister of the Crown contained in Section 31 of the Local Government Act 2003 to pay grants to the Constituent Councils for exercising highway functions. This function is a Mayoral Function exercisable concurrently with a Minister of the Crown.

3.3.3 Roads

3.3.3.1 The Combined Authority will take on highways powers to set up and coordinate a Key Route Network (KRN) on behalf of the Mayor. The strategy for the KRN will be developed, agreed and coordinated by the Combined Authority on behalf of the Mayor. The Combined Authority will be the Highway Authority for the KRN for the purposes of exercising the powers of the Highways Act 1980 and the relevant other primary and secondary legislation.

3.3.3.2 In partnership with Constituent Councils, the Combined Authority and the Mayor will develop a single strategic asset management plan, and where practical, work towards streamlined contractual and delivery arrangements across the Combined Area (West Yorkshire).

3.3.3.3 It is proposed to grant the Combined Authority functions in relation to the KRN as more particularly set out below. These will enable the KRN to be defined and allow the KRN roads to be strategically managed and

coordinated at the West Yorkshire level by the Combined Authority on behalf of the Mayor. However, unless otherwise agreed locally, all operational responsibility for highways will remain with the Constituent Councils. As such the specific functions of the Combined Authority which relate to operational management of the roads within the KRN will only be exercised with the unanimous approval of the five members of the Combined Authority appointed by a Constituent Council (who are not appointed for political balance).

3.3.3.4 The Combined Authority will be granted the following powers:

- a) Powers equivalent to those contained within the Road Traffic Regulation Act 1984 in relation to traffic orders (including sections 1, 2(4), 9, 23 and 65) and the power to enter into agreements as if it were a traffic authority pursuant to section 121A. The Combined Authority will only exercise such functions with the unanimous approval of the five members of the Combined Authority appointed by a Constituent Council (who are not appointed for political balance);
- b) Powers contained in the New Roads and Street Works Act 1991, the Traffic Management Act 2004 and the Traffic Management Permit Scheme (England) Regulations 2007 to enable the Combined Authority to manage street works and issue permit schemes to manage disruption and bid to the Secretary of State for Transport to seek approval to operate a lane rental scheme in relation to KRN roads, including seeking contributions from utility companies through lane rental and exercising the power to create an updated lane rental scheme as needed (subject to the Secretary of State's agreement) together with powers relating to moving traffic offences. The Combined Authority will only exercise such functions with the unanimous approval of the five members of the Combined Authority appointed by a Constituent Council (who are not appointed for political balance).
- c) The Combined Authority will be granted, in respect of the KRN, powers in relation to the enforcement of bus lane contraventions pursuant to the Bus Lane Contraventions (Penalty Charges, Adjudication and Enforcement) (England) Regulations 2005. The Combined Authority will only exercise such functions with the approval of the five members of the Combined Authority appointed by a Constituent Council (who are not appointed for political balance). The outcome will be to ensure a consistent approach to the enforcement, application of penalty charges etc. of bus lanes.

3.3.3.5 The Combined Authority will be granted functions equivalent to the below, concurrently with the relevant Constituent Council, unless otherwise stated:

- a) Section 6 of the Highways Act 1980 (enabling the Secretary of State or Highways England to delegate or enter into an agreement with a county council, metropolitan district council or London borough council in relation to the construction, improvement or maintenance of trunk roads). It is proposed that the section should be modified to include the Combined Authority amongst the authorities to which such functions may be delegated, to support better integration between local and national networks, or the equivalent legislative provision in order to achieve the aim of better integration.

- b) Section 8 of the Highways Act 1980 (enabling local highway authorities and Highways England to enter into agreements with other such authorities in relation to the construction, improvement, maintenance etc. of a highway for which any party to the agreement is the highway authority). It is proposed that the section be modified to allow the Combined Authority to be a party to such agreement as if it were a local highway authority, with the consent of any affected highway authority, or the equivalent legislative provisions in order to allow the Combined Authority to be party to such agreements.

3.3.3.6 Under the Automated and Electric Vehicles Act 2018, the Mayor will have the power to request from the Secretary of State local regulations requiring large fuel retailers to provide electric vehicle charging points within the Combined Area.

3.3.4 Buses

3.3.4.1 The Combined Authority will be granted powers under section 154 of the Transport Act 2000 to make grants to bus operators.

3.3.4.2 As an MCA, the Combined Authority will become a franchising authority under the Transport Act 2000. This Act provides for the Mayor to carry out functions in relation to making, varying or revoking a franchising scheme.

3.4 Adult Education / Skills and Employment

3.4.1 It is proposed that the Combined Authority will be given devolved functions in respect of Adult Education and will control the Adult Education Budget (AEB) from the academic year 2021/2022 subject to readiness conditions and successful passage through Parliament.

- a) These functions include those set out in the following sections of the Apprenticeships, Skills, Children and Learning Act 2009: section 86 (education and training for persons aged 19 or over and others subject to adult detention);
 - b) section 87 (learning aims for persons aged 19 or over: provision of facilities);
 - c) section 88 (learning aims for persons aged 19 or over: payment of tuition fees);
 - d) section 90 (encouragement of education and training for persons aged 19 or over and others subject to adult detention);
 - e) section 100 (provision of financial resources)
- 3.4.2 The Combined Authority will also have the responsibilities and functions under sections 15ZA, 15ZB, 15ZC, 18A(1)(b), 514A and 560A of the Education Act 1996 (duties and powers related to the provision of education and training for persons over compulsory school age)
- 3.4.3 In addition, the Combined Authority will also have the following authority functions to be held concurrently with Constituent Councils:
- a) sections 10 and 12 of the Education and Skills Act 2008 to ensure that its functions are exercised so as to promote the effective participation in education and training of relevant persons in its area aged 16 and 17, and to make arrangements to enable it to establish (so far as possible) the identities of such relevant persons.
 - b) sections 68, 70, 71 and 85 of the Education and Skills Act 2008 to make available to young persons and relevant young adults such support services as it considers appropriate to encourage, enable and assist the effective participation of such persons in education and training.
 - c) section 13A of the Education Act 1996 to ensure that their education and training functions are exercised with a view to promoting high standards, fair access to opportunity for education and training, and the fulfilment of learning potential.
 - d) section 51A of the Further and Higher Education Act 1992 to require relevant institutions in the further education sector to provide appropriate education to specified individuals aged between 16 and 18 years.

3.5 Housing and Planning Functions

3.5.1 Housing

3.5.1.1 In order to exercise the functions outlined in the “minded to” Devolution Deal, it is proposed that the Combined Authority will be granted the following powers concurrently with the Constituent Councils or Homes England as appropriate.

3.5.1.2 It is proposed that the Combined Authority will be granted devolution of the objectives and functions of Homes England under section 2(1) of the Housing and Regeneration Act 2008 (to be exercised only in respect of the Combined Area) and the following powers contained in the 2008 Act will be exercised by the Combined Authority concurrently with Homes England:

- a) Section 3 (principal power);
- b) Section 4 (general powers);
- c) Section 5 (powers to provide housing or other land);
- d) Section 6 (powers for regeneration, development or effective use of land);
- e) Section 7 (powers in relation to infrastructure);
- f) Section 8 (powers to deal with land etc);
- g) Section 9 (acquisition of land);
- h) Section 10 (restrictions on disposal of land);
- i) Section 11 (main powers in relation to acquired land);
- j) Section 12 (powers in relation to, and for, statutory undertakers);
- k) Section 19 (power to give financial assistance);
- l) Paragraphs 19 and 20 of Schedule 3 (powers in relation to burial grounds and consecrated land etc.)
- m) Paragraphs 1,2,3,4,6,10 and 20 of Schedule 4 (extinguishment or removal powers for the HCA)

3.5.1.3 These functions will be Non-Mayoral with the exception of the specific Homes England compulsory purchase powers in section 9 of the 2008 Act (see below).

3.5.1.4 The objectives in section 2(1) of the 2008 Act are to provide the Combined Authority with the necessary powers:

- a) to improve the supply and quality of housing;
- b) to secure the regeneration or development of land or infrastructure;
- c) to support in other ways the creation, regeneration and development of communities or their continued well-being; and

- d) to contribute to the achievement of sustainable development and good design.

3.5.1.5 The functions in this section include powers enabling the achievement of the above objectives. Such powers include the power of compulsory purchase contained in section 9 of the 2008 Act (subject to the authorisation of the Secretary of State). In order to achieve the objectives above, it is proposed that the Combined Authority should also have the benefit of exemption from section 23 of the Land Compensation Act 1961, which is enjoyed by Homes England under section 23(3)(d) of that Act.

3.5.1.6 As set out above, it is proposed that the exercise of the compulsory purchase power contained in section 9 of the 2008 Act, will only be exercisable by the Mayor with the consent of the member of the Combined Authority appointed by the Constituent Council (who is not appointed for political balance) for the area(s) of land to be compulsorily acquired and the Secretary of State.

3.5.1.7 It is proposed that the Combined Authority should be granted the power to acquire land for the development of housing under section 17 of the Housing Act 1985 and the associated section 18. It is proposed that the power to acquire land compulsorily under Section 17(3) of the Housing Act 1985 will be a Mayoral Function but will require the consent of the member of the Combined Authority appointed by the Constituent Council (who is not appointed for political balance) for the area(s) of land to be compulsorily acquired and the Secretary of State.

3.5.1.8 The conferral of such powers on the Combined Authority will be entirely without prejudice to the exercise of those powers by the Constituent Councils which will exercise those powers concurrently.

3.5.2 Mayoral Development Corporation

3.5.2.1 It is proposed that the Mayor will have the power to designate an area a Mayoral Development Area (“MDA”) and so create a Mayoral Development Corporation (“MDC”) to help drive regeneration and expedite housing delivery on complex schemes in the area. The advantage of MDCs is that they have most of the powers of an Urban Development Corporation but are controlled locally rather than by the Secretary of State.

3.5.2.2 It is proposed that Part 8, Chapter 2 of the Localism Act 2011 be modified so that references to the GLA, Greater London and the London Mayor would include the Combined Authority and the Mayor. This would enable the Combined Authority to have functions for the Combined Area corresponding

to the following functions contained in the Localism Act 2011 that the Mayor of London has:

- a) Section 197 (designation of Mayoral development areas);
- b) Section 199 (exclusion of land from Mayoral development areas);
- c) Section 200 (transfers of property etc. to a Mayoral development corporation);
- d) Section 202 (functions in relation to town and country planning);
- e) Section 204 (removal or restriction of planning functions);
- f) Section 214 (powers in relation to discretionary relief from non-domestic rates);
- g) Section 215 (reviews);
- h) Section 216 (transfers of property, rights and liabilities);
- i) Section 217 (dissolution: final steps);
- j) Section 219 (guidance by the Mayor);
- k) Section 220 (directions by the Mayor);
- l) Section 221 (consents);
- m) Paragraph 1 of Schedule 21 (membership);
- n) Paragraph 2 of Schedule 21 (terms of appointment of members);
- o) Paragraph 3 of Schedule 21 (staff);
- p) Paragraph 4 of Schedule 21 (remuneration etc: members and staff);
- q) Paragraph 6 of Schedule 21 (committees); and
- r) Paragraph 8 of Schedule 21 (proceedings and meetings).

3.5.2.3 It is proposed that the Mayor's power to designate an area a MDA under Section 197 of the Localism Act 2011 will require the consent of the member of the Combined Authority appointed by the Constituent Council (who is not appointed for political balance) whose local government area contains any part of the MDA.

3.5.2.4 It is further proposed that the Mayor's power to exclude land from a MDA under Section 199 of the Localism Act 2011 will require the consent of the member of the Combined Authority appointed by the Constituent Council (who is not appointed for political balance) whose local government area contains any part of the area to be excluded from the MDA.

3.5.2.5 It is also proposed that the London Mayor's power under section 202 of the Localism Act 2011 to decide that a MDC should have certain planning functions in relation to the whole or part of a MDA should be modified in

relation to the Mayor so that the Mayor can only exercise this power with the consent of the member of the Combined Authority appointed by the Constituent Council (who is not appointed for political balance) whose local government area contains any part of the MDA concerned.

3.5.3 Economic Development and Regeneration

3.5.3.1 For the avoidance of doubt, the Combined Authority currently has the general power of competence pursuant to Section 1 of the localism Act 2011 exercisable for the purposes of economic development and regeneration which it will retain as an MCA.

3.5.3.2 It is proposed that the Combined Authority will have a duty to prepare an assessment of economic conditions under section 69 of the 2009 Act, concurrently with the Constituent Councils.

3.5.3.3 The Combined Authority will be granted the power to exercise concurrently with the Constituent Councils the functions of the Constituent Councils to compulsorily acquire land for development and other planning purposes under section 226 of the Town and Country Planning Act 1990 and the associated powers under sections 227, 229, 230, 232, 233, 235-241 of the Town and Country Planning Act 1990. The Combined Authority's exercise of such powers will in each instance be subject to the consent of the member of the Combined Authority appointed by the Constituent Council (who is not appointed for political balance) in whose area the property is located.

3.5.3.4 The conferral of such powers on the Combined Authority will be entirely without prejudice to the exercise of those powers by the Constituent Councils which will exercise those powers as previously.

3.5.4 Strategic Place Partnership

3.5.4.1 It is proposed that the Combined Authority and Homes England will establish a Strategic Place Partnership to work together to identify and develop key opportunities for housing delivery. The creation of the partnership does not require any new statutory provision.

3.5.5 Planning

3.5.5.1 It is proposed that the Mayor will have the power to create a statutory Spatial Development Strategy for the Combined Area (West Yorkshire). This will coordinate strategic land-use planning with strategic transport planning

providing a framework to achieve a strategic level change in environmental planning policy to reduce carbon emissions and tackle the climate emergency.

3.5.5.2 The development of the scope and preferred approach to a Spatial Development Strategy will require an inclusive and collaborative approach to be taken by the Mayor together with other members of the Combined Authority and the Constituent Councils. Its approval will require the consent of each of the five members of the Combined Authority appointed by a Constituent Council (who are not appointed for political balance).

3.5.5.3 It is proposed that the Mayor will have the functions for the Combined Area corresponding to the following functions contained in the Greater London Authority Act 1999 (“the 1999 Act”) which the Mayor of London exercises in relation to Greater London or where appropriate such sections will apply subject to appropriate modifications:

- a) Section 334 (the spatial development strategy);
- b) Section 335 (public participation);
- c) Section 336 (withdrawal);
- d) Section 337 (publication);
- e) Section 338 (examination in public);
- f) Section 339 (review of matters affecting the strategy);
- g) Section 340 (review of the strategy);
- h) Section 341 (alteration or replacement);
- i) Section 342 (matters to which the Mayor is to have regard);
- j) Section 343 (ability of the Secretary of State to make regulations);
- k) Section 344 (amendments to the Town & Country Planning Act 1990);
- l) Section 346 (monitoring and data collection);
- m) Section 347 (constituent councils to have regard to the strategy); and
- n) Section 348 (Mayor’s functions as to planning around Greater London)

3.5.5.4 The exercise of any of the functions corresponding to the functions in sections 33(public participation), 336 (withdrawal), 337 (publication) and 341 (alteration or replacement) of the 1999 Act by the Mayor will require the consent of each member of the Combined Authority appointed by a Constituent Council (who are not appointed for political balance).

3.6 PCC Functions

3.6.1 Legislative Context

3.6.1.1 The Police Reform and Social Responsibility Act 2011 (the 2011 Act) established the position of PCC for West Yorkshire and specifies the core functions of a PCC. By Order under the 2009 Act these may be exercised by the Mayor.

3.6.1.2 An order providing for the Mayor to exercise the functions of a PCC must provide that there is to be no directly elected PCC in the Combined Authority area from a specified date.

3.6.2 Proposals

3.6.2.1 The Mayor will carry out the functions conferred on the PCC for West Yorkshire under Part 1 of the 2011 Act or any other Act (whenever passed) (the PCC Functions) in relation to the Combined Area, which corresponds to the West Yorkshire police area. This will provide for a single directly accountable individual responsible for the discharge of the PCC's functions, which will be consistent with the current PCC model and ambition for local people to have a single point direct accountability. Key PCC Functions are:

- securing the maintenance of an efficient and effective police force and holding the chief constable to account,
- issuing a police and crime plan, and
- appointing, suspending or calling on a chief constable to retire or resign.

3.6.2.2 In accordance with the 2009 Act, any PCC Function is to be taken to be a function of the Combined Authority exercisable by the Mayor acting individually, or by a person acting under arrangements with the Mayor in accordance Schedule 5C of the 2009 Act – see further below.

3.6.2.3 Under the 2011 Act, the PCC for West Yorkshire is a Corporation Sole carrying out the functions provided for in the 2011 Act. As set out above, it is proposed that the PCC Functions will be exercised by the Mayor who will have the sole responsibility for the PCC Functions. However, the following will transfer to the Combined Authority as legal entity although the decision-making in respect of these functions, after the transfer, will remain with the Mayor:

- Properties, Rights and Liabilities
- Appointments
- Borrowing
- Contracts

3.6.3 Deputy Mayor for Policing and Crime

3.6.3.1 Where an Order provides for the Mayor to exercise PCC Functions, the Secretary of State must by order authorise the Mayor to appoint a Deputy Mayor for Policing and Crime. The 2009 Act precludes the appointment as Deputy Mayor for Policing and Crime of:

- the Deputy Mayor;
- any person listed in section 18(6) of the 2011 Act; or
- any other person of a description specified by order.

3.6.4 PCC Functions

3.6.4.1 A Mayor may delegate any PCC Function to a Deputy Mayor for Policing and Crime, with the exception of functions reserved by Order in accordance with the 2009 Act as exercisable only by the Mayor, as follows:

- issuing a police and crime plan;
- calculating a council tax or budget requirement;
- appointing, suspending or calling on a chief constable to retire or resign; and
- any other function specified by Order.

3.6.4.2 PCC Functions that may only be exercised by the Mayor and/or the Deputy Mayor for Policing and Crime are:

- determining police and crime objectives;
- attendance at a meeting of a Police and Crime Panel in compliance with a requirement by the panel to do so;
- preparing an annual report;
- appointing a local auditor under section 7 of the Local Audit and Accountability Act 2014 (“the 2014 Act”); and
- deciding whether to enter into a liability limitation agreement under section 14

3.6.4.3 In addition, the Mayor, must by order be authorised to arrange for any other person to exercise any PCC Functions, such as an officer of the Combined Authority, but such an order must prevent the Mayor from arranging for a person to exercise:

- Any PCC Function if the person is listed in section 18(6) of the 2011 Act
- Any PCC Function listed in section 18(7) of the 2011 Act, or
- Any other PCC Function specified by order.

3.6.4.4 The Deputy Mayor for Policing and Crime must also by order be authorised to arrange for any other person to exercise any PCC Functions exercisable by the Deputy Mayor for Policing and Crime, but such an order must prevent the Deputy Mayor for Policing and Crime from arranging for a person to exercise

- Any PCC Function if the person is listed in section 18(6) of the 2011 Act,
- Any PCC Function of a kind listed in section 18(7)(b),(c) or (d) of the 2011 Act, (determining police and crime objectives, attending at a meeting of the Police and Crime Panel in compliance with a requirement, or preparing an annual report to a Policing and Crime Panel), or
- Any other kind of PCC Function specified by order.

3.6.5 Transfer of properties, rights and liabilities

3.6.5.1 All property, rights and liabilities which are property, rights and liabilities of the PCC for West Yorkshire will transfer and vest in the Combined Authority, subject to any exceptions to be agreed. However, all decisions relating to PCC Functions (and relating to assets and liabilities etc.) will be for the Mayor unless delegated as set out above. The Order will also provide for:

- all functions in relation to such property, rights and liabilities to be exercised by the Mayor;
- all decisions relating to such property, rights and liabilities to be made by the Mayor;
- any receipts arising from such property, rights and liabilities (whether arising from their use, sale, disposal or otherwise) are to be paid into the Police Fund kept by the Mayor by virtue of section 21 of the 2011 Act.

3.6.6 Continuity

3.6.6.1 The transfer of the functions of the PCC of West Yorkshire, and the transfer of property, rights and liabilities, do not affect the validity of anything done before the abolition or transfer.

3.6.6.2 The Combined Authority is to be substituted for the PCC for West Yorkshire in any instruments, contracts or legal proceedings which relate to any of the functions, property rights or liabilities transferred and which were made and commenced before the transfer and anything which was made or done by the PCC for West Yorkshire in connection with any of the functions, property rights or liabilities transferred before the transfer has effect as if made or done by the Combined Authority, subject to any exceptions to be agreed.

3.6.7 Staff of the Police and Crime Commissioner

3.6.7.1 The staff of the PCC of West Yorkshire will transfer under a statutory transfer order which will replicate the characteristics of a TUPE transfer.

3.6.8 Police and Crime Panel

3.6.8.1 Scrutiny of the discharge of PCC Functions will be performed by a Police and Crime Panel established in relation to the Combined Area by order in accordance with the 2008 Act, which carries out functions of a police and crime panel (as set out in section 28 and section 29 of the 2011 Act) to effectively scrutinise the actions and decisions of the Mayor and Deputy Mayor for Policing and Crime, and enable them to be held to account in public.

3.6.8.2 These functions include reviewing:

- a draft police and crime plan,
- an annual report,
- proposed senior appointments,
- any proposed precept for PCC Functions, (including a power of veto), and
- the appointment, suspension or removal of the chief constable.

3.6.8.3 In accordance with the 2011 Act, the Secretary of State must also by order provide for the Police and Crime Panel to have power to suspend the Mayor, so far as acting in the exercise of PCC Functions, in circumstances corresponding to those mentioned in section 30(1) of the 2011 in relation to a PCC.

- 3.6.8.4 In accordance with section 29 of the 2011 Act, the Police and Crime Panel may require the Mayor and members of staff to attend before the Panel to answer any question which appears to the Panel to be necessary in order for it to carry out its functions. If the Panel requires the Mayor to attend, it may also request the chief constable to attend on the same occasion. The Panel may also require the Mayor to respond in writing to any report or recommendation the Panel makes to the Mayor.
- 3.6.8.5 The Police and Crime Panel will exercise the same functions under sections 28 and 29 of the 2011 Act, as police and crime panels under the PCC model, but with some minor modifications, such as reflecting that the Panel only scrutinises the policing component of the precept, which forms a separately identifiable component of a wider Combined Authority precept, rather than the whole precept.
- 3.6.8.6 The Police and Crime Panel may by order have oversight functions in relation to any Mayoral Function that is exercised by the Deputy Mayor for Policing and Crime. Any such order may disapply or modify provisions relating to the Overview and Scrutiny Committee, in relation to any Mayoral Function coming within the remit of the Panel.

3.6.9 Police Fund

- 3.6.9.1 The Mayor will be required to maintain a separate fund in relation to receipts arising and liabilities incurred in the exercise of PCC Functions (the Police Fund). The Police Fund will be kept separate to the Mayor's General Fund (see paragraph 4 below) and all receipts arising will be paid into it, and liabilities incurred in the exercise of PCC Functions must be paid out of it.
- 3.6.9.2 Money paid into the Police Fund will be reserved for policing. For example, receipts from the sale of police assets would have to be spent on matters relating to policing. In line with statutory guidance for PCCs, as set out in the 'Revised Financial Management Code of Practice' for policing, the Mayor would have to publicly account for expenditure from the Police Fund.
- 3.6.9.4 The Police Fund, which will include precept income, will also include reserves maintained for policing and crime reduction. The Local Government Finance Act 1992 requires billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. Police reserves should be maintained in accordance with the relevant guidance, agreed accounting principles and locally agreed financial regulations and schemes of governance.

3.6.9.5 The Mayor is responsible for expenditure on PCC Functions. Money in the Police Fund can only be spent on PCC Functions and matters that are incidental to the PCC Functions.

3.6.9.6 Decisions on the sale of police assets and reinvestment of receipts must be made by the Mayor and money paid into Police Fund.

3.6.10 Borrowing

3.6.10.1 The Mayor will be ultimately responsible for decisions relating to borrowing in relation to PCC Functions, (as laid out in the ‘Revised Financial Management Code of Practice’ for Policing), but may delegate them in practice. The cost of such borrowing will be met from the Police Fund and as above kept separate to the discharge of other Combined Authority functions, which are not PCC Functions. This does not detract from the legal status of the Combined Authority as the borrowing party.

3.6.11 Contracts

3.6.11.1 Decisions on entering into contracts regarding police matters are functions of a PCC under the PCC model (with scope for some delegation to the Chief Constable). As such and in keeping with the PCC model the Mayor will have ultimate responsibility for all contracts relating to police matters, although they may provide consent for contracts to be entered into by the chief constable or another to whom the Mayor personally delegates responsibility in accordance with statutory provisions, any agreements and protocols.

3.6.11.2 Decisions on the issuing of policing-related grants would also rest with the Mayor or anyone to whom they delegate responsibility.

3.6.12 Police and Crime Plan

3.6.12.1 The Police and Crime Plan which involves consideration of the strategic policing requirement is a key public facing deliverable. The provisions on police and crime plans as set out in the 2011 Act will still apply to the Mayor carrying out PCC Functions.

3.6.13 Policing Protocol

3.2.13.1 The Mayor will be required by order to have regard to the Policing Protocol issued by the Secretary of State under section 79 of the 2011 Act.

3.2.13.2 The Policing Protocol sets out ways in which relevant persons should, in the Secretary of State's view, exercise or refrain from exercising functions so as to encourage maintain or improve working relationships (including co-operative working) between relevant persons, and limit or prevent the overlapping or conflicting exercise of functions.

3.6.14 West Yorkshire Police

3.6.14.1 West Yorkshire Police will remain a distinct and separate organisation as set out in legislation.

3.6.15 Complaints about Conduct

3.6.15.1 The 2011 Act provides that the Secretary of State must by order make provision about the procedures for making, handling and investigating complaints about the conduct of the Mayor and Deputy Mayor for Policing and Crime.

3.6.16 Consequential amendment and modification requirements

3.6.16.1 The following consequential amendment and modification requirements of enactments may be required in their application to the Combined Authority with PCC Functions:

3.6.17 Primary Legislation

- Amendments to the Police Reform and Social Responsibility Act 2011
- Modifications to the Local Government Act 1972
- Police (Property) Act 1897
- Trustee Investments Act 1961
- Pensions (Increase) Act 1971
- Local Government (Miscellaneous Provisions) Act 1976
- Local Government, Planning and Land Act 1980
- Local Government Finance Act 1988
- Road Traffic Act 1988

- Local Government and Housing Act 1989
- Police Act 1996
- Police Reform Act 2002
- Proceeds of Crime Act 2002
- Railways and Transport Safety Act 2003
- Local Government Act 2003
- Local Government and Public Involvement in Health Act 2007
- Local Democracy, Economic Development and Construction Act 2009
- Police Reform and Social Responsibility Act 2011
- Local Audit and Accountability Act 2014

3.6.18 Secondary legislation

- Motor Vehicles (Third Party Risks) Regulations 1972
- Official Secrets Act 1989(Prescription) Order 1990
- Police (Disposal of Sound Equipment) Regulations 1995
- Police (Property) Regulations 1997
- Health and Safety (Enforcing Authority) Regulations 1998
- Motor Vehicles (Driving Licences) Regulations 1999
- Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999
- Motor Vehicles (Access to Driver Licensing Records) Regulations 2001
- Police and Criminal Evidence Act 1984 (Drug Testing of Persons in Police Detention) (Prescribed Persons) Regulations 2001
- Police Regulations 2003
- Docking of Working Dogs' Tails (England) Regulations 2007
- REACH Enforcement Regulations 2008
- Elected Local Policing Bodies (Specified Information) Order 2011
- Policing Protocol Order 2011
- Elected Local Policing Bodies (Complaints and Misconduct) Regulations 2012
- Police Appeals Tribunals Rules 2012
- Police and Crime Commissioner (Disqualification) (Supplementary Provisions) Regulations 2012

- Police and Crime Panels (Precepts and Chief Constable Appointments) Regulations 2012
- Local Government Pension Scheme Regulations 2013
- Local Audit (Auditor Resignation and Removal) Regulations 2014
- Combined Authorities (Mayors) (Filling of Vacancies) Order 2017

3.7 Miscellaneous

- 3.7.1 For the avoidance of doubt, the Combined Authority will be a body specified for the purposes of Section 33 of the Value Added Tax Act 1994. This will entitle the Combined Authority to claim refunds of Value Added Tax charged on supplies to, and acquisitions or importations by the Combined Authority.

3.8 Information Sharing

- 3.8.1 It is proposed that sections 17A and 115 of the Crime and Disorder Act 1998 should be amended to give the Combined Authority the same standing as a Local or Public Authority for the purpose of information sharing, given that the Mayor will be exercising PCC Functions.

Finance and Investment

4.1 Levy

- 4.1.1 The Combined Authority will continue to have the power to issue a levy to its Constituent Councils in respect of transport functions under section 74 of the Local Government Finance Act 1988 (levies) and in accordance with the Transport Levying Bodies Regulations 1992.

4.2 Precept

- 4.2.1 It is proposed that the Secretary of State makes an Order to provide for the costs of the Mayor for the Combined Area that are incurred in, or in connection with, the exercise of Mayoral Functions to be met from precepts issued by the Combined Authority under section 40 of the Local Government Finance Act 1992, and also provide for a precept for PCC Functions exercised by the Mayor, subject to any transitional provisions.
- 4.2.2 That is, the Mayor will have the power to issue a Council Tax Precept on behalf of the Combined Authority in relation to Mayoral Functions and PCC Functions.
- 4.2.3 The council tax requirement calculated under S42A of the Local Government Finance Act 1992 will consist of separate components for the Mayoral Functions and PCC Functions. The components will appear separately on council tax bills, and any monies paid to the Mayor by a billing authority in respect of the PCC Functions component of a precept must be paid by the Mayor into the Police Fund – see paragraph 3.6 above.
- 4.2.4 Any precept in relation to Mayoral Functions will be subject to scrutiny and amendment under the procedure relating to the Mayor's budget, as set out below.
- 4.2.5 The precept in relation to PCC Functions will be subject to scrutiny by the Police and Crime Panel – see paragraph 3.6.

4.3 Mayor's budget

- 4.3.1 The Combined Authority will follow the procedure set out in the Combine Authorities (Finance) Order (SI 2017/611) (the Finance Order) to approve the Mayor's budget. The Finance Order provides that each year, the Mayor must prepare a draft budget in respect of Mayoral Functions by 1 February, setting out the Mayor's spending plans and how the Mayor intends to meet the costs of Mayoral Functions, and including the relevant amounts and calculations to be used for the purpose of determining the precept.
- 4.3.2 In accordance with the Finance Order, if the Mayor fails to present a draft budget to the Combined Authority by 1 February, the Combined Authority must determine the relevant amounts and calculations. The Mayor is not excluded from voting on this decision, which would be decided by a 2/3 majority.
- 4.3.3 The Combined Authority must review any draft budget, and may make a report on it, to include any changes the Combined Authority thinks the Mayor should make to the draft budget. The Mayor does not vote on this decision, and the default simple majority voting arrangement would apply. (If the Combined Authority does not make a report before 8 February, the Mayor's draft budget shall be deemed to be approved).
- 4.3.4 Where the Combined Authority makes a report, the Mayor will then decide whether to make any changes to the draft budget and notify the Combined Authority of the reasons for their decision, and where changes are made, the revised draft budget.
- 4.3.5 The Combined Authority may then:
- approve the Mayor's draft budget, containing any revisions the Mayor has chosen to make, (default simple majority voting arrangement applies) or
 - veto the draft budget, and approve a budget incorporating the Combined Authority's recommendations set out in its report to the Mayor (it is proposed that a 5/8 majority of the members of the Combined Authority excluding the Mayor would be required for this.)
- 4.3.6 The Mayor's budget will also be scrutinised by the Combined Authority's Overview and Scrutiny Committee. The Mayor may change their draft budget further to any recommendations received from the Overview and Scrutiny Committee, and in accordance with the procedure set out in the Finance Order.

4.4 Borrowing

- 4.4.1 It is proposed that West Yorkshire Authorities will consent to Regulations being made pursuant to section 23(5) of the Local Government Act 2003 to extend the Combined Authority's existing borrowing powers (for transport functions) to other priority infrastructure projects, including but not limited to: highways, housing, investment and economic regeneration, as relevant to the exercise of the Combined Authority's functions, both Mayoral and Non-Mayoral, within agreed limits.

4.5 Business Rate Supplement

- 4.5.1 It is proposed that the Mayor will have the power, with the agreement of the Combined Authority and in consultation with the business community, to raise a Business Rate Supplement to fund infrastructure investment. The Combined Authority will be a levying authority for the purposes of the Business Rates Supplement Act 2009 and the Constituent Councils shall be deemed to be acting jointly through the Combined Authority in accordance with Section 2(3) of the Business Rates Supplement Act 2009.

4.6 Strategic Infrastructure Tariff

- 4.6.1 The Combined Authority will be able to seek consent to raise a Strategic Infrastructure Tariff to enable it to raise funding for strategic infrastructure.

4.7 Mayor's General Fund

- 4.7.1 The Finance Order will require the Mayor to keep a fund (to be known as the Mayor's "General Fund") in relation to receipts arising, and liabilities incurred, in the exercise of the Mayor's Mayoral Functions. All of the Mayor's receipts in respect of the exercise of the Mayoral Functions must be paid into the General Fund, and the Mayor's expenditure in respect of Mayoral Functions must be paid out of the General Fund. The Mayor must keep accounts of payments made into or out of the General Fund.



westyorks-ca.gov.uk

West Yorkshire Combined Authority

40-50 Wellington House,
Wellington Street,
Leeds,
LS1 2DE

All information correct at time of writing (May 20)

West Yorkshire Devolution - Public Consultation

What will a devolution deal mean for West Yorkshire?

On 11 March 2020, a 'minded to' devolution deal was agreed between HM Government and West Yorkshire. Implementation of this deal is being done jointly between Bradford, Calderdale, Kirklees, Leeds and Wakefield Councils, West Yorkshire Combined Authority and the Leeds City Region Enterprise Partnership (LEP).

Devolution is the transferring of money and powers from central Government. This will enable decisions that are a priority for West Yorkshire to be made locally. These decisions will be made by a mayoral combined authority and Mayor, who will be elected to serve local people, communities and businesses.

Each Local Authority in West Yorkshire and the Combined Authority have carefully considered the 'minded to' devolution deal along with the proposals for implementation and have decided that the introduction of a mayoral combined authority and election of a Mayor would benefit the whole area.

Public consultation

Subject to the West Yorkshire Devolution Deal being implemented, work has begun to set out how it will help meet the priorities related to the economic and infrastructure development of the region: transport, education and skills, planning and housing, and, potentially, Police and Crime Commissioner functions.

Structures will be put in place to give each of the five West Yorkshire councils representation, to work with the Mayor and exercise these new functions as a mayoral combined authority.

It is proposed that the mayoral combined authority will continue to be called the West Yorkshire Combined Authority. The West Yorkshire Combined Authority will retain its current functions and powers, and these will be complemented by the devolution deal.

We have set out the detail of how this will work, our proposals and ambitions. We want to know what you think.

To include: governance information and paper/form completion instructions inc. closing date

How will it work?

To implement the deal we are proposing the following:

- The first Mayor for West Yorkshire will be elected in May 2021 by the residents of the five West Yorkshire council areas: Bradford, Calderdale, Kirklees, Leeds and Wakefield
- The initial term of the Mayoral will be for 3 years, to 2024. Then each mayoral term will last for 4 years to align with other mayoral combined authority elections in England
- The Mayor will be supported in their operations and functions by the West Yorkshire Combined Authority as a mayoral combined authority
- The deal will provide control and influence of £1.8bn funding and a range of devolved powers to focus and invest in our towns, cities and rural areas, for: infrastructure, skills, business, housing and regeneration, cultural and heritage assets.
- Decisions on funding, operations and functions of the mayoral combined authority will be made in agreement by the five councils of West Yorkshire working together with the Mayor
- The mayoral combined authority will have a total of 11 Members:
 - eight voting members from the constituent councils expected to include the five leaders of each council (Bradford, Calderdale, Kirklees, Leeds and Wakefield), and three members chosen in collective agreement to reflect as far as practical the political parties among the constituent councils
 - the Mayor
 - plus, two non-voting additional members which will include an elected member from City of York Council and a member of the Leeds City Region Enterprise Partnership (LEP) board
- Police and Crime Commissioner functions will be passed to the mayor who will be able to appoint a Deputy Mayor for Policing and Crime to delegate some functions
- The mayor will also have functions relating to transport, housing and planning and finance
- The mayoral combined authority will have non-mayoral functions of transport-related powers, adult education and skills functions, housing functions, economic development and finance
- The mayoral combined authority will exercise responsibility for overview and scrutiny of its, and the Mayor's, functions, as well as exercises to audit. The Mayor's Police and Crime Commissioner functions will be scrutinised by a Police and Crime Panel.

Detail of the governance, scrutiny and auditing arrangements are set out in the scheme [\[hyperlink\]](#).

Q1a. Do you agree or disagree with our proposals for the devolution arrangements of the Mayor, mayoral combined authority, and the councils, working together?

Strongly agree

Agree

Neither agree
nor disagree

Disagree

Strongly
disagree

Don't know

Q1b. Please use the space below to tell us more about your answer:

DRAFT

Transport

The deal will give the Mayor and mayoral combined authority responsibilities for significant investment in transport infrastructure and services, including public transport. This will help create effective and efficient long-term asset management and procurement to deliver a 21st century transport system for West Yorkshire.

It is proposed that this will be done by:

Devolving powers to the Mayor to:

- produce a Local Transport Plan and strategies
- manage a multi-year local transport budget
- have access to franchising powers for bus services that would enable the Mayor to decide what bus services are provided (routes, timetables and fares) which would have many benefits including smart, simple, integrated ticketing across West Yorkshire. There will be a separate process and consultation if the Mayor decides to consider franchising.
- request the provision of electric vehicle charging points that are beneficial to promoting lower carbon transport

Devolving powers to the mayoral combined authority to:

- set up a Key Route Network across West Yorkshire on behalf of the Mayor to enable a consistent approach to the management of that network, building on the existing Key Route Network of local roads.
- mitigate disruption on the Key Route Network with a permit scheme to help plan and manage utility and highway works.
- enter into agreements with local highway authorities for construction, improvement and maintenance. The expectation is that all operational responsibility for highways will remain with the constituent Councils. So, the use of these powers will need to be agreed with constituent authorities.
- make grants to bus operators

These powers will unlock transport funds and funding flexibilities that will build on successful funding bids in the region that include the £317m Transforming Cities Fund recently awarded to the Leeds City Region.

Q2a. Do you support or oppose this proposal to devolve transport powers to a West Yorkshire Mayor and mayoral combined authority?

Strongly support

Support

Neither support nor oppose

Oppose

Strongly oppose

Don't know

Q2b. Please use the space below to tell us more about your answer:

Skills and employment

The deal will give the mayoral combined authority powers to help people and businesses in West Yorkshire access the skills and support necessary to reach their ambitions and opportunities for our economy, through control of £63 million annually from the government's Adult Education Budget.

The proposal is for:

- promoting better access to adult education
- better business support that ensures the provision of skills meets demand
- giving our residents the skills our businesses need to grow, innovate, diversify, and be productive

Devolved control of the Adult Education Budget will give us greater influence over the adult skills and training to better meet the needs of the economy. It will also help deliver inclusive growth in the region by unlocking potential and progression, allowing as many people as possible to contribute to our region's prosperity.

Please note: a separate public consultation on the Adult Education Budget is planned for [date].

Q3a. Do you support or oppose this proposal to devolve skills and employment powers to a West Yorkshire mayoral combined authority?					
Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q3b. Please use the space below to tell us more about your answer:

Housing and planning

The deal will give the Mayor and mayoral combined authority powers to look at planning across the West Yorkshire area to ensure that: there is enhanced coordination in decisions; decisions are not impacted by council boundaries; and add value by addressing cross-boundary issues.

The proposal is that this will be done by granting powers to the Mayor and mayoral combined authority to exercise functions alongside the West Yorkshire Councils or Homes England, as appropriate.

Devolved powers and funding to the Mayor that include:

- compulsory purchase powers
- powers to produce a spatial development strategy for West Yorkshire
- designate an area of land as a mayoral development area and set up a mayoral development corporation to focus on that area's community regeneration and sustainability

Devolved powers to the mayoral combined authority to:

- improve the supply and quality of housing
- secure regeneration or development of land or infrastructure
- support in other ways the creation, regeneration and development of communities
- contribute to the achievement of sustainable development and good design

The mayoral combined authority will provide a pipeline plan of housing sites in West Yorkshire, to bring more land into development for the delivery of housing on brownfield sites. Regeneration powers will allow compulsory purchase and land acquisition and disposal to support infrastructure and community development and wellbeing.

This includes providing coordination to infrastructure planning such as broadband and utilities management, and energy and risk planning, which includes flood risk management.

Q4a. Do you support or oppose this proposal to devolve housing and planning powers to a West Yorkshire Mayor and mayoral combined authority?

Strongly support

Support

Neither support nor oppose

Oppose

Strongly oppose

Don't know

Q4b. Please use the space below to tell us more about your answer:

Police and Crime Commissioner Functions

The 'minded to' devolution deal announcement included the transfer of Police and Crime Commissioner functions and powers to the Mayor in 2024.

Currently we are exploring the potential to transfer the functions and powers of the Police and Crime Commissioner to the Mayor ahead of the agreed 2024 timeline, possibly as early as 2021. This will deliver enhanced outcomes for the public by strengthening joined up working across public services, for example between inclusive growth and community safety and cohesion. Joining police and crime functions with oversight of other public services in the mayoral combined authority should also promote further collaboration within the area. A mayor exercising police and crime functions will continue to provide a single, directly accountable individual who is responsible for securing an efficient and effective police force in West Yorkshire, in the same way the Police and Crime Commissioner does currently.

It is proposed that the Mayor will have Police and Crime Commissioner functions to:

- issue a police and crime plan
- set the police budget including the council tax requirements
- undertake Chief Constable dismissals, suspensions and appointments

The Mayor will appoint a Deputy Mayor for Policing and Crime to delegate functions like:

- determining police and crime objectives
- attending meetings of a Police and Crime Panel
- preparing an annual report
- decisions for auditing and liability limitations

These functions will be transferred from the existing West Yorkshire Police and Crime Commissioner and Office of the Police and Crime Commissioner, to the Mayor. A Police and Crime Panel will scrutinise the actions and decisions of the Mayor/Deputy Mayor for Policing and enable the public to hold them to account.

Q5a. Do you support or oppose this proposal to transfer Police and Crime Commissioner functions to a West Yorkshire Mayor and mayoral combined authority?

Strongly support

Support

Neither support nor oppose

Oppose

Strongly oppose

Don't know

Q5b. Please use the space below to tell us more about your answer:

The devolution deal agrees a significant shift of powers, funding and responsibility from central government to West Yorkshire. The additional powers and funding would help to drive productivity by enabling additional investment in our towns, cities and rural areas such as infrastructure, skills, business, housing and regeneration, cultural and heritage assets, and by boosting trade, innovation and inward investment. The scheme proposes the full details of how the new functions and changed arrangements will be carried out by the West Yorkshire Mayor and mayoral combined authority.

Are there any comments you would like to make that you do not feel you have addressed in this consultation survey? Please provide detail:

To include: about you information – business and individual applicable

Appendix 4: Indictive timeline

Step	Action/Decision	When – proposed timescales	Who
1	Carry out statutory Review	April - May 2020	Each Constituent Council and the Combined Authority jointly
	Consider Review outcome and resolve: <ul style="list-style-type: none"> that an Order would be likely to improve statutory functions agree Scheme for publication agree to consult public on the Scheme 	W/c 18 May 2020	Each Constituent Council, and the Combined Authority
2	Publish Scheme	25 May 2020	Constituent Councils and the Combined Authority jointly
3	Consultation	25 May 2020 - 19 July 2020	Constituent Councils and the Combined Authority jointly
4	Consider outcome of consultation and resolve to submit a summary of responses to the Secretary of State	August/September 2020	Each Constituent Council and the Combined Authority
5	Secretary of State approves proposals set out in Scheme and decides to lay draft Order/Regulations	September 2020	Secretary of State
5	Consent to Order/Regulations	End of September 2020	Each Constituent Council and the Combined Authority
6	Order/Regulations laid	October 2020	Secretary of State
	Order/Regulations made and final deal published	December 2020/January 2021	Secretary of State
-	Notice of Mayoral Election	March 2021	Mayoral Combined Authority
-	Election of Mayor	May 2021	-

This page is intentionally left blank