

Agenda Item No 5

Special Sub-Group

8 March 2016

Report of the Chief Executive

Devolution

1 Summary

- 1.1 This report gives an outline of recent developments in relation to the West Midlands Combined Authority and the Devolution Agenda and recommends that these issues are given more detailed consideration by the Sub-Group and, potentially, the Council.

Recommendation to the Sub-Group

That the Chief Executive prepares a report for an early meeting of the Sub-Group to be arranged to consider developments in relation to the West Midlands Combined Authority and the Devolution Agenda and to determine whether Special Meetings of Executive Board and Full Council are required.

2 Background

- 2.1 At its meeting on 15 July 2015, Council decided that it wished to continue to be involved in discussions to deliver its economic development objectives, both through ongoing involvement in existing Coventry and Warwickshire Sub-Regional arrangements, including the LEP, and also looking potentially at Devolution arrangements, both with the West Midlands Combined Authority or any other proposed alternatives and Governance.
- 2.2 The Leader and Chief Executive were authorised to engage with partners on these issues and for regular reports to go to Special Sub-Group on developments.
- 2.3 It was also resolved that a future report be brought to Executive Board on what the Council would seek from Devolution arrangements, including Governance.
- 2.4 Since then, there have been regular updates to the Special Sub-Group and Executive Board on what has been a rapidly moving Agenda, including legislative change.
- 2.5 The current position is that the Membership of the Combined Authority comprises the seven Metropolitan Councils in the West Midlands as constituent members, together with a number of non-constituent members, ie, Cannock Chase, Nuneaton & Bedworth, Redditch, Tamworth, Telford &

Wrekin Councils and the three LEPs (Greater Birmingham, Black Country and Coventry & Warwickshire). Stratford on Avon District Council has notified the Combined Authority of its formal decision to apply for membership.

2.6 The current timeline for establishing a combined authority and then the proposed Mayoral combined authority (which would be required for the Devolution Deal) is shown below:-

| Time Period | Activity |
|--------------------------|--|
| October 2015 | Combined Authority Scheme submitted to Secretary of State for Communities and Local Government and DCLG. |
| January – February 2016 | Constituent Councils undertake consultation and send summary of responses to Secretary of State, to inform his decision to establish the Combined Authority. |
| February – March 2016 | CA establishment draft Order is provided to Councils for consent. |
| March 2016 | Draft Order to establish the Combined Authority is laid in Parliament. |
| March – May 2016 | Approval of devolution deal sought in Constituent Councils. |
| 1 June 2016 | West Midlands Combined Authority is established. |
| May – 1 June 2016 | Constituent Councils and CA approval sought for Mayoral Order (to be laid in Parliament) and Mayoral powers Scheme (for consultation). |
| 10 June 2016 | Final date (prior to May 2017) for new membership applications. |
| June/July 2016 | Mayoral Order laid in Parliament (prior Council consent required – No changes in membership). |
| 2 June – 23 June 2016 | EU referendum purdah. |
| 27 June – 22 August 2016 | Consultation on Mayoral Combined Authority Powers Scheme. |
| 5 September 2016 | Consultation summary submitted to Secretary of State and DCLG. |
| Sept – October 2016 | Mayoral powers Order drafted by DCLG. |

| Time Period | Activity |
|-------------------------|--|
| October – November 2016 | Mayoral powers Order provided to Constituent Councils for approval and laid in Parliament. |
| December 2016 | Mayoral powers incorporated into Combined Authority. |
| May 2017 | Mayoral election, full Mayoral CA comes into force. |

2.7 As can be seen from above, the combined authority will be established on 1 June 2016, based on the current scheme and subsequent order. To add any additional members requires an Order to be laid in Parliament and that would require an amendment to the Constitution of the combined authority. There will be an opportunity to lay such an Order, with the Order required to implement the Devolution Deal and create a Mayoral combined authority.

2.8 As members must be named in the scheme for the Mayoral combined authority, the last date for making a decision regarding membership of the combined authority must be provided by 10 June 2016. The Mayor's jurisdiction would only cover the constituent members. A non-constituent does not come under the Mayor's jurisdiction.

3 Recent Developments

3.1 Recent development include:-

- (i) An approach from the Chair of West Midlands Combined Authority to the Leader of the Council giving an update on progress, confirming commitment to the three LEP geography, explaining that the door to membership remains open and explaining that, once the current window closes on 10 June, there will not be another opportunity to join until May 2017, when a Mayor will be in place.
- (ii) Warwickshire County Council decided on 23 February to explore fully the option of joining West Midlands Combined Authority as a constituent member. Officers have been tasked with developing a full business case, bringing it back to Council within not longer than six months, but with a target of three months.
- (iii) Stratford on Avon District Council has applied to join as a non-constituent member, as referred to above.
- (iv) There have also been a number of legislative issues and some more clarification on constitutional and devolution deal issues.

Concerns for Members when Council previously considered the issue were lack of certainty around:-

- (i) The role of non-constitutional members and, particularly, whether their areas will be covered by an Elected Mayor.
- (ii) The benefits and risks of joining the West Midlands Combined Authority.
- (iii) The risks of not joining.

3.2 In view of recent developments, it is recommended that officers be requested to prepare a report setting out in more detail:-

- (a) The current position.
- (b) The next stages.
- (c) What the West Midlands Combined Authority aims to deliver through the Devolution Deal.
- (d) What the potential risks (including opportunities the Council could potentially miss out on) and benefits of joining the West Midlands Combined Authority would be either by applying in June 2016 or after May 2017.
- (e) Potential areas that the Council might wish to explore with the Combined Authority, to determine whether there were advantages to the Council in joining.

4 Report Implications

4.1 None at this stage.

The Contact Officer for this report is Jerry Hutchinson (719200).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

| Background Paper No | Author | Nature of Background Paper | Date |
|---------------------|--------|----------------------------|------|
| | | | |