

To: Members of the Special Sub-Group

Councillors Farrell, Hayfield, Humphreys, Jenns, Singh and Sweet

For the information of the other Members of the Council

SPECIAL SUB-GROUP

24 MAY 2016

The Special Sub-Group will meet in the Council Chamber, The Council House, South Street, Atherstone on Tuesday 24 May 2016 at **6.30pm**.

AGENDA

PART I - PUBLIC BUSINESS

- 1 Evacuation Procedure.**
- 2 Apologies for Absence / Members away on official Council business.**
- 3 Disclosable Pecuniary and Non-Pecuniary Interests**
- 4 Public Participation**

Up to twenty minutes will be set aside for members of the public to ask questions or to put their views to elected Members. Participants are restricted to five minutes each. If you wish to speak at the meeting please contact David Harris on 01827 719222 or email democraticservices@northwarks.gov.uk.

**PART A – ITEMS FOR DISCUSSION AND DECISION
(WHITE PAPERS)**

5 Devolution – Report of the Chief Executive

Summary

This report outlines the latest developments in relation to the setting up of the West Midlands Combined Authority. It has appended previous reports setting out details about the Combined Authority's Governance arrangements, the Devolution deal and the potential risks and benefits of joining. It also has the latest report from the County Council appended and asks the Board to make a recommendation to Council regarding whether or not to join the Combined Authority.

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

**PART C – EXEMPT INFORMATION
(GOLD PAPERS)**

6 Exclusion of the Public and Press

Recommendation:

That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business, on the grounds that it involves the likely disclosure of exempt information as defined by Schedule 12A to the Act.

7 Leisure and Community Development – Report of the Assistant Director (Leisure and Community Development)

The Contact Officer for this report is Simon Powell (719352).

JERRY HUTCHINSON
Chief Executive

For general enquiries please contact David Harris, Democratic Services Manager, on 01827 719222 or via e-mail – davidharris@northwarks.gov.uk.

For enquiries about specific reports please contact the officer named in the report.

Agenda Item No 5

Special Sub-Group

24 May 2016

Report of the Chief Executive

Devolution

1 Summary

- 1.1 This report outlines the latest developments in relation to the setting up of the West Midlands Combined Authority. It has appended previous reports setting out details about the Combined Authority's governance arrangements, the Devolution deal and the potential risks and benefits of joining. It also has the latest report from the County Council appended and asks the Board to make a recommendation to Executive Board regarding whether or not to join the Combined Authority.

Recommendation to the Board

That Members make a recommendation to Executive Board on how the Council should proceed based on the information contained in this report and Appendices, together with any further information provided about further developments prior to the meeting.

2 Background

- 2.1 At its meeting on 12 April, the Special Sub-Group considered my report on Devolution which, together with my previous report of 8 March 2016, comprises Appendix A to this report.

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- 2.2 It was a key message in the report that the current window for Membership of the West Midlands Combined Authority (WMCA) closes on 10 June 2016 and will not reopen until May 2017 at the earliest.

- 2.3 On 12 April, the Sub-Group asked myself and the Leader of the Council to meet with the Chairman and Chief Executive of the West Midlands Combined Authority with a view to discussing the emerging issues and the options available.

- 2.4 That meeting took place on 3 May 2016 and the following points emerged:-

- (a) That 10 June was the last opportunity to join either as a Constituent or Non-Constituent Member until March 2017.

- (b) That Local Authorities that wished to be part of the WMCA or discussions regarding the current or future Devolution Deals in the next twelve months needed to be either Constituent or Non-Constituent Members of WMCA.
- (c) That the Combined Authority was looking at managing £8 billion of infrastructure development and in order to do that would be looking at training a new generation of local labour to meet the demand.
- (d) That the Combined Authority had created an HS2 Delivery Board with responsibility for delivering contracts worth several billion pounds, starting in the next few weeks.
- (e) That not only were discussions going on regarding the current Devolution Deal 1, bids from Members were starting around Devolution Deals 2 and 3 and, if we want North Warwickshire's needs to be considered, we would need to be at the table.
- (f) The WMCA would have a key role in managing FE funding for those parts of the LEP areas that were in the Combined Authority footprint and in order to use the funding strategically to develop a skilled workforce, it would be done more effectively across the whole three LEP area.
- (g) In terms of North Warwickshire's key concerns regarding improving the capacity of the A5 and looking to protect our business rates income from the impact of HS2, it was clearly not possible to give guarantees. What was clear, however, was that there was a huge amount of infrastructure money available within the WMCA area and it would be much easier to have a voice and influence over where it was spent if the Borough was inside that footprint. In terms of business rates, we would be part of a bigger pool and negotiations were ongoing with Government around more flexibility and possibly authority for the WMCA area in terms of business rates.
- (h) In terms of action by the WMCA within any authority area, the Constitution puts restrictions on taking action within a Council area relating to that Council's functions without its consent.

2.5 In parallel with this Council's discussions with the Combined Authority, Warwickshire County Council has been considering its own position and is considering the report comprising Appendix B to this report. The County Council reports sets out its options at section 2 to that report and its decision should be known by the time of the meeting of this Group and may influence what Members want to do. Certainly, if the County Council joins as a Non-Constituent Member, the WMCA would be making decisions affecting the

Borough and, if we decided not to become a Non-Constituent Member, then this Council would not necessarily be a party to those discussions or decisions.

- 2.6 If the County Council was to join as a Constituent Member, the implications for the Borough would be as set out at paragraph 2.9 of the County report (Option 4) and would commit the whole of Warwickshire to an elected Mayor who would be able to raise a precept which would apply to all Warwickshire residents and potentially (subject to appropriate stakeholder approval) raise a supplementary business rate.
- 2.7 Clearly, if that were to happen to WMCA, an Elected Mayor would have a significant influence on North Warwickshire which this Council would not be able to influence if it was not part of the Combined Authority.

3 **Conclusions**

- 3.1 Members have a limited amount of time in which to make a decision as to whether or not to join the Combined Authority prior to March 2017. The decision of the County Council is likely to be of interest to Members in making that decision. Because of that, this report does not contain a firm recommendation but, following confirmation of the County decision, an addendum to this report will be circulated, ideally before the meeting, setting out the up to date position and options for Members to consider.

4 **Report Implications**

- 4.1 None at this stage, other than as outlined in the report.

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

Agenda Item No 5

Special Sub-Group

12 April 2016

Report of the Chief Executive

Devolution

1 Summary

- 1.1 This report outlines the current position in relation to the setting up of the West Midlands Combined Authority and sets out the main headlines of the proposed Devolution Deal. It seeks Members' views on what action, if any, they want to take at this stage.

Recommendation to the Sub-Group

That the Sub-Group determines what action, if any, that it wishes to take in the light of recent developments.

2 Background

- 2.1 At its meeting on 8 March 2016, the Sub-Group considered my report on Devolution which comprises Appendix 1 to this report.
- 2.2 The main purpose for bringing a report at that stage was not only to update Members on the Devolution process, but to ascertain whether Members wanted to hold any special meetings in advance of the closure of the current window for Membership on 10 June 2016, given that it will not reopen until May 2017.
- 2.3 At the meeting, Members requested me to prepare this report on developments in relation to the West Midlands Combined Authority (WMCA) and the Devolution Agenda, particularly the West Midlands Devolution Deal.

3 The Current Position

- 3.1 This is largely set out in the report comprising Appendix 1.
- 3.2 There is a clear timetable and if any more authorities wish to join the WMCA, either as Constituent Members (which the Borough Council could not currently do) or as Non-Constituent Members (which we could), they need to have confirmed that wish by 10 June 2016. Two Warwickshire Districts, Nuneaton & Bedworth Borough Council and Stratford on Avon District Council, have made that commitment. At the time of writing this report, there is no indication as to whether either of the other two Districts, Rugby Borough Council and Warwick District Council, are intending to do so.

3.3 In addition, it is not known whether Warwickshire County Council will have prepared and considered its business case within this timescale.

3.4 In terms of specific concerns expressed by Members when this issue was considered at Full Council in October 2015, the position is as follows:-

(a) **Impact of making a decision to join the WMCA as a Non-Constituent Member**

Joining the Combined Authority as a Non-Constituent Member would give the Council access to all meetings, a seat at the table and voting rights on number of issues set out in full at Appendix 2, but including:-

- Adoption of a growth plan and investment strategy and allocation of funding by the WMCA.
- All matters relating to the Super Strategic Economic Plan.
- The grant of further powers from central Government/local public bodies.
- Land, spatial activity, public service reform and LEP Activity affecting our area.
- Voting on a long list of WMCA issues.
- Future use of business rate retention funding.
- Decisions on funding bids and allocations.
- Certain aspects of transport investment.

All of this needs to be read, however, together with (b) below. In terms of cost to the Council, the Non-Constituent Membership fee is set at £25,000 for 2016/17.

(b) **Role of Elected Mayor**

As things currently stand, it is a requirement that every area signing a Devolution Deal must have a directly-elected Mayor who would typically chair the Combined Authority. The Government sees this as an absolute requirement to ensure viable accountability and without it the Deal will attract no additional funding. With an Elected Mayor, the Government is offering new funding.

The role of the Elected Mayor only relates to the area covered by Constituent Members, so would not apply to North Warwickshire if we did not join or joined only as a Non-Constituent Member (the option of being a Constituent Member does not currently apply to us). The situation would change if Warwickshire County Council decided to join

as a Constituent Member as that would have the effect as things currently stand of the Borough being covered by the Mayoral Combined Authority in the future.

Consequently, any decision made by Warwickshire County Council in relation to the Combined Authority is likely to be highly significant to North Warwickshire Borough Council.

(c) **Details of Devolution Deal**

Devolution Deals are a commitment by the Government to devolve control over funding, responsibilities and powers away from Whitehall to the Regions.

A Devolution Deal is currently being considered by Constituent Councils of the WMCA (ie, the Metropolitan Unitary Authorities) with a view to getting agreement to it and also to the Mayoral powers scheme with a view to that being laid in Parliament in June.

The key headlines for the Devolution Deal are set out in Appendix 3. It is likely that negotiations will take place for further Devolution Deals into the future.

. . .

(d) **Potential Risks & Benefits of Joining either in June 2016 or May 2017**

(i) Risks of not Joining

- We are affected by decisions made by the Combined Authority in which we have had no say, particularly around planning and economic development.
- We are unable to benefit from being part of the West Midlands Business Rate Pool.
- We are unable to input into decisions relating to the development of the West Midlands Economy on the back of HS2 whilst, at the same time, suffering the impacts of that project.
- We would probably be excluded from work streams on public sector reform as they develop under the current and any future Devolution Deals.
- If Growth money is largely channelled through the WMCA, it may be more problematic to get external resources for infrastructure improvement, eg, A5.

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- North Warwickshire may become increasingly isolated if the County Council and/or further Warwickshire Districts join the WMCA, despite the Borough having close economic ties with the West Midlands.
- As a standalone Council, we may find it more difficult to resource engagement around the 'Midlands Engine' as it develops.

(ii) Risks of Joining

- Potential increasing commitment of finance and other resources (the £25,000 fee is only for 2015-16). There is likely to be significant Member and officer involvement in WMCA and developing Devolution arrangements.
- Peer pressure in relation to how North Warwickshire is developed (but bear in mind that the Duty to Co-operate applies whether or not the Council is in the WMCA).

(e) Potential Areas for Further Exploration with WMCA

If Members think that the possibility of joining or having closer links with the WMCA should be pursued, it may be useful to identify any priority areas for discussion with the Chairman/Chief Executive of the WMCA, to ascertain whether these could be clarified/taken forward, as appropriate.

These might include:-

- Commitment to improving the A5.
- Clarity over plans for the rating pool.
- Involvement in plans to use HS2 to improve connectivity in a way that benefits North Warwickshire.
- Clarify (if possible) over the risk of the Council being committed to decisions affecting its area, without having the ability to veto them.

There may be other elements which Members would wish to look at under the headings of the proposed Devolution Deal.

4 Conclusions

- 4.1 There is still a lack of clarity around many of the potential benefits and risks associated with the WMCA, so in deciding how it wishes to proceed, Members may wish to take account of the following:-

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- A Combined Authority is about allowing local authorities to collaborate efforts to better deliver economic development, achieve more effective transport planning and more community regeneration.
- Through Devolution Deals, Combined Authorities are being given the opportunity to expand their remits and take on funding and some decision from Central Government.
- The key issue then is whether membership of the WMCA will benefit (or not) local businesses and communities and the objectives of the Borough Council as set out in the Corporate Plan and linked strategies, including the Council's Core Strategy.
- It is likely that the influence of WMCA will be particularly relevant in relation to economic development and planning (particularly housing) issues. This will include its impact on the Council's ability to deliver on capital investment issues, particularly around infrastructure.
- It is understood that the Devolution Deal will lead to an investment pool of around £8 billion over 30 years and further Devolution Deals may follow. Will it be possible to obtain benefits for North Warwickshire from this pool and what growth money will be available for those outside the tent?

There are no clear answers to this question, so Members will have to consider what is most likely.

- What are the alternatives?

There is currently no alternative on the table and no possibility of a Coventry and Warwickshire Combined Authority or likelihood of a stand-alone Warwickshire County Authority. This leaves NWBC with the alternative of working with any remaining Warwickshire Authorities within the Coventry and Warwickshire LEP. The LEP is, however, part of WMCA and will be increasingly drawn to it through the Super SEP (Strategic Economic Plan).

- Is the Council likely to increasingly lose influence if it stays outside the WMCA and without a seat at the table?
- Are there any risks associated with delaying making a decision at this stage?

4.2 The door to joining does not close permanently in June 2016 and there are likely to be further opportunities. These opportunities will, however, arise when a Mayor has been elected, the Combined Authority is much more

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established than it is at this stage and the opportunity to negotiate terms may have reduced. Finally, there is no absolute guarantee that the Council's future will not become decided for it further down the line, although there has been no suggestion of this to date.

5 Report Implications

5.1 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

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

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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:-

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- (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

VOTING RIGHTS FOR NON-CONSTITUENT MEMBERS

Non-Constituents play full role in the business of CA Shadow Board. The following excerpt is taken from the working draft of the Combined Authority Constitution:-

Members appointed by Non-Constituent Authorities may vote on the following matters:-

- (i) Adoption of growth plan and investment strategy and allocation of funding by the Combined Authority;
- (ii) The super Strategic Economic Plan strategy along with its implementation plans and associated investment activity being undertaken using funding provided to the Combined Authority;
- (iii) The grant of further powers from central government and/or local public bodies that impacts on the area of a Non-Constituent Authority;
- (iv) Land and/or spatial activity undertaken by the Combined Authority within the area of a Non-Constituent Authority;
- (v) Public Service reform which affects the areas of Non-Constituent Authorities;
- (vi) Areas of LEP activity relevant to the Non-Constituent Authorities through geographical location or as part of a joint committee;
- (vii) All Combined Authority matters concerned with education, employment and skills, enterprise and business support, access to finance, inward investment, business regulations, innovation, transport, environmental sustainability, housing, economic intelligence, digital connectivity and regeneration;
- (viii) Future use of business rate retention funding generated beyond that retained within new and existing Enterprise Zones;
- (ix) Specific decisions to bid for and allocate revenue and capital funding provided to the Combined Authority for use in economic development activities;
- (x) Investment activity related to transport and connectivity, not funded by the transport levy and current Maintenance and Integrated Transport blocks;

Any vote including Members appointed by Non-Constituent Authorities will be carried on a simple majority, subject to there being a majority of two-thirds of Constituent Members.

**DEVOLUTION DEAL
HEADLINE ISSUES**

a Key Principles of Devolution

•	Confirms and endorses the commitment to work together across a three-LEP geography.
•	Focuses on the issues that really matter to the people and businesses of the West Midlands: growth, jobs, skills, transport and homes.
•	Recognises that economic growth for the West Midlands is part of the wider Midlands Engine.
•	Gives the ability to create a substantial investment programme and to make the investments that the West Midlands decide will have the biggest benefit for the West Midlands.
•	Enables work with government on the public service reform agenda.
•	It supports and strengthens the commitment to partnership with the private sector.

b An £8 billion 10 Year Investment Plan to get the West Midlands Moving and Drive Local Growth

Local Investment priorities – the power to make decisions about investment in the region. All areas will benefit, be they areas for new employment, those that will benefit from the new jobs or skills training, areas for new homes or places that will be better connected.

•	The £4.4 billion HS2 Growth Strategy to ensure maximum economic benefit from the HS2 investment.
•	A £200 million land remediation fund.
•	A £500 million housing investment fund.
•	A £1 billion Collective Investment Vehicle.
•	A £30 million employment, education and skills programme for the three LEP area.
•	Half a million new jobs.
•	Better training and improved skills – enabling local people to get the jobs on offer.

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•	Better public services – helping people into the labour market and reducing the public finance gap.
•	More and better homes.
•	Faster, more convenient and affordable transport.

c 3 Key Commissions

•	Land Commission
•	Mental Health Commission
•	Productivity Commission

d Key Combined Authority Workstreams

•	Governance and Creation
•	Land and Infrastructure
•	Finance and Investments
•	WMCA SEP
•	Transport
•	Public Service Reform (including Mental Health work)
•	Communications
•	Culture and Tourism

Council

17 May 2016

West Midlands Combined Authority

**Report of the Strategic Directors for
Communities and for Resources**

Recommendation(s)

1. That the Warwickshire County Council becomes a non-constituent member of the West Midlands Combined Authority with a view to negotiating the basis of an acceptable deal on which Warwickshire could become a constituent member
2. That the Leader of the Council be nominated as the County Council's representative on the West Midlands Combined Authority
3. That the Strategic Directors for Communities and for Resources are authorised to take any action that they consider necessary to implement the Council's decision.
4. That the budgetary provision for non-constituent membership of £25,000 be met for 2016/17 from the Capacity Building Reserve and that for subsequent years be included as part of the budget making proposals for 2017/18 onwards;
5. That a further report is brought to a future Council meeting clarifying the position reached and the planned next steps

1.0 Key Issues

- 1.1 On 23rd February 2016, Council considered a notice of motion regarding the West Midlands Combined Authority. At the conclusion of the debate, the Council resolved;

'That the Council should now explore fully the option of joining the WMCA as a constituent member. Officers should be tasked with developing a full business case, bringing it to Council within a period not exceeding six months and with a target of three months'.

- 1.2 The work to explore the option of joining the WMCA as a constituent member is ongoing and a devolution officer team led by the Strategic Director for

Communities and the Strategic Director for Resources has been established and is meeting regularly. The two lead Strategic Directors have also been engaging in dialogue with WMCA Chief Executive leads to help understand what becoming a member of the WMCA would mean for Warwickshire. This has included meetings with the following WMCA Chief Executive leads and other lead officers;

- Mark Rogers, Birmingham City Council - Lead Devolution Negotiator for WMCA
- Keith Ireland, Wolverhampton City Council - Governance Lead and Monitoring Officer
- Martin Reeves, Coventry City Council - CEO ,WMCA SEP & Long Term Vision Lead
- Jan Britton, Sandwell MBC COO, Finance and Constitutionality Lead
- Paul Dransfield - Birmingham City Council, Strategic Director Major Projects and Programmes
- Chris Tunstall, City of Wolverhampton Council - Adviser to the WMCA
- Richard Parker and James Daly, PWC – Lead advisers to the WMCA

There has also been a meeting between the Council's Head of Finance and Birmingham City Council's Director of Major Projects and Programmes.

- 1.3 The WMCA devolution deal is part of the first wave of devolution deals following the 38 bids received by the Government in September 2015. The first phase for the West Midlands is the non-mayoral arrangement. The deal for this phase ('Devo 1') was agreed on 17th November 2015 and has three main strands;
 - 1.3.1 The additional £36.5m pa over 30 years allocated to the WMCA to support investment and contribute towards a £8bn investment programme
 - 1.3.2 Devolved budgets from Government to the WMCA for transport of circa £100m pa of existing money largely from the West Midlands Integrated Transport Authority and constituent member maintenance budgets which will be consolidated to enable local decisions to be made around maintenance and infrastructure schemes
 - 1.3.3 New powers enabling the WMCA Mayor, with the agreement of the relevant LEP Boards, to raise income by creating supplementary business rates up to a cap within the mayoral geography and through the power of the mayor to precept for mayoral functions and within the mayoral geography only.
- 1.4 Appendix 1 is a WMCA document which sets out the key points of the devolution agreement. The agreement is subject to ratification by all 7 constituent members and the appropriate Order being approved by both Houses of Parliament under the Cities and Local Government Devolution Act 2016 (which came into force on 28th March 2016) and then the Order formally being made by the Secretary of State. Upon the signing of the Order by the Secretary of State, the new combined authority will formally come into existence.

- 1.5 We understand that the constituent member Councils will all have approved the WMCA devolution deal within the coming weeks. This will enable the Order to be laid before Parliament during May to enable the WMCA to be in place from 1st June 2016, which is the WMCA's published launch date. This Order will not include provision for the agreed elected mayor. This will be the subject of further negotiation between Government and the WMCA and will be implemented via a further Order at a later date with a view to mayoral elections taking place in May 2017.
- 1.6 The second part of the statutory process relates to the mayoral arrangements. We understand that a draft scheme for a mayoral WMCA is being worked up now and this will be the subject of consultation by the DCLG over the summer period. The scheme sets out the functions and powers of the mayor and will ultimately require approval of both Houses of Parliament. All constituent and non-constituent members of the WMCA will be named in the mayoral scheme. The introduction of a mayoral model will also require formal approval of the Mayoral Order by both Houses of Parliament in due course and for the Secretary of State to sign the Order. This enables the mayoral elections to take place and must be done at least 6 months before the elections which are expected in May 2017.
- 1.7 We have been told that as a result of this timeframe, 10th June 2016 is the deadline which has been given for the WMCA Shadow Board to consider additional membership prior to the mayoral scheme going out to consultation. A decision after this date would be too late to enable the membership details in the draft scheme to be amended in time for the consultation. The timeframe the WMCA is working to is based on the expectation that all relevant approvals (of the scheme and the mayoral order) by both the Government and the constituent members will be in place before the end of 2016 to enable the mayoral elections to take place in May 2017.
- 1.8 As set out above, Devo 1 has been already agreed. However the devolution agenda is moving at a fast pace and with its increasing membership and Devo 1 implementation plans in progress, the WMCA has been invited by HM Treasury to plan for and prepare its Devo 2 requirements, including what additional elements of devolution, potentially involving greater fiscal powers, could be negotiated with Government. The Government's expectation is that each 'Devo Deal' will generate further 'deals' over time, each building on the last one as a progressive process. The Government has already indicated its commitment to continue working with the West Midlands into the future on other aspects of devolution (including policing, mental health, troubled individuals and youth justice); the intention being that these would be included in any Devo 2 negotiations. Consideration of Devo 2 is running in tandem with the statutory process to create a mayoral combined authority.
- 1.9 This effectively means that the Council now has a short window of opportunity to be included in the draft scheme, enabling us to take part in Devo 2 negotiations, if the Council chooses to do so (noting that the full benefit of any Devo 2 agreement will largely accrue to constituent members in the first instance). Joining as a non-constituent member would mean that the next

opportunity for the Council to join as a constituent member would not arise until after the mayoral elections in 2017 at the earliest. Joining in this capacity would be subject to the outcome of any ongoing work which would be needed to explore the business case and negotiate any terms of a deal and the governance arrangements for Warwickshire's admission on a constituent member basis, should that be the preferred way forward in the future.

2.0 Options and Proposal

2.1 As set out in previous reports, the Combined Authority's area covers the whole of the seven constituent authority areas. This is despite the non-constituent membership extending beyond this geographical area. These areas are;

- Birmingham City Council
- City of Wolverhampton Council
- Coventry City Council
- Dudley Metropolitan Borough Council
- Sandwell Metropolitan Borough Council
- Solihull Metropolitan Borough Council
- Walsall Council

Appendix 2 contains summary information of each constituent member.

2.2 At the time of drafting the constitutional documents, the Combined Authority consisted of 15 members. This was comprised of 7 constituent authorities (listed above) and the following 8 non-constituent authorities/bodies;

- Cannock Chase District Council
- Nuneaton and Bedworth Borough Council
- Redditch Borough Council
- Tamworth Borough Council
- Telford and Wrekin Council
- Black Country LEP
- Coventry and Warwickshire LEP
- Greater Birmingham and Solihull LEP

2.3 Since that time, Stratford-on-Avon District Council on 25th January 2016 decided to join the WMCA as a non-constituent member, and on 6th April 2016, Shropshire Council voted similarly. This would bring the potential number of non-constituent members to 10. We understand the West Midlands Police and Crime Commissioner and the West Midlands Fire Service hold observer status.

2.4 There are 4 possible avenues open to the Council at this stage. These are;

Option 1	Not to pursue membership of the WMCA on any basis
Option 2	To seek non constituent membership
Option 3	To seek non constituent membership with a view to negotiating the basis of an acceptable deal on which Warwickshire could become a constituent member
Option 4	To seek constituent membership

- 2.5 *Option 1* - As the next stage of the process formalises the mayoral arrangements, we understand that a decision not to pursue membership on any basis at this stage would mean that we would not be included in the draft mayoral scheme currently being drawn up. As a result, we understand that this would defer any possibility of Warwickshire's admission as a constituent or non-constituent body until after the mayoral elections in May 2017 at the earliest. Warwickshire would therefore not play a part in (or benefit from) the negotiations with Government around Devo 2 which are expected to take place over the summer and into the autumn. Nor would Warwickshire be able to exert an influence over decisions which the WMCA will likely take following its establishment in June, such as the setting of the WMCA strategic economic plan and the wider investment strategy. This may negatively impact on the ability for Warwickshire to secure Local Growth Funding, and engage in wider activities covering the "three-LEP" area contained within Devo 1. Should Warwickshire wish to join after May 2017, this would rely upon the willingness of the WMCA, the Mayor and Government for existing deals and governance arrangements (including the timing of our admission) to be opened up and renegotiated to include Warwickshire and any provisions which it would be important for Warwickshire to secure as a non-metropolitan area. It is likely that by this stage Devo 2 will have been agreed.
- 2.6 *Option 2* - The Council could seek membership of the WMCA as a non-constituent member at this point without any commitment being made as to whether its future membership status would alter. Joining as a non-constituent member would give the Council a seat around the table, an opportunity for its voice to be heard and the needs of its own area to be considered alongside those of other authorities and the right to vote on certain specified matters (see para 3.3 below). These include the allocation of growth funding by the WMCA, the super strategic economic plan, any land activity undertaken by the WMCA within the area of a non-constituent authority and the grant to the WMCA of further powers from government or other local public bodies (such as the Police and Crime Commissioner). A decision to become a non-constituent member now would also give Warwickshire a voice in the second round of negotiation relating to Devo 2 expected over the summer and into the autumn, albeit it would be expected that the full benefit of any devo 2 agreement will largely accrue to constituent members. We have been told that if we pursue this option, we would be given rights as a non-constituent member immediately (there is precedent for this) upon our decision, even though Warwickshire would only be formally named as a non-constituent member on the mayoral Order expected in January 2017. This would also apply to Option 3.
- 2.7 *Option 3* – seeking membership as a non-constituent member (which as stated above, we have been told would give us rights as a non-constituent member immediately) with a view to negotiating the basis of an acceptable deal on which Warwickshire could join as a constituent member is a further option. This option would not commit the Council to ultimately becoming a constituent member, but it would be a 'statement of intent'. It would signal to the WMCA Warwickshire's intention to explore this option seriously. We anticipate that such a decision would secure a commitment on the part of the

WMCA to negotiate and agree terms for an acceptable deal for Warwickshire, particularly given the additional weight that (both we and the WMCA lead officers have suggested) Warwickshire as a full participant could bring to further negotiations with Government around Devo 2. This option would also provide the opportunity for there to be local engagement on any proposal for Warwickshire to move to constituent member status following negotiation of the terms of admission, agreement with the WMCA and Government around the governance arrangements including the timing of any such admission and following completion of our own due diligence exercise. The timing and detail of any future application for constituent membership would be dependent on the agreement of the existing WMCA members, the mayor (upon election) and central government. In any event it would not be possible until May 2017 at the earliest. In a very recent conversation with the Chief Executive, a lead civil servant has indicated that were Warwickshire not to be included as a constituent member in the current mayoral scheme, which will be the subject of consultation over summer 2016, then the next earliest opportunity for Warwickshire to join as a constituent member would be 2020. We understand this would be the date of the next mayoral elections after 2017. Albeit local agreement may be reached on this, our admission as a constituent member would need to be the subject of a statutory order agreed by all parties concerned.

- 2.8 For both options 2 and 3, a non-constituent membership fee of £25K per annum is payable. We have also had verbal commitment from the WMCA that should WCC decide to become a non-constituent member we would be given rights of membership immediately. The weight and influence which Warwickshire County Council would bring to the WMCA is recognised and we would be given opportunity to play a full role. The WMCA has indicated that there will be a range of thematic streams each led by a constituent member examples include *Skills and Employability; Criminal Justice; Transport Delivery*. Warwickshire would be invited to lead on one or more of these themes.
- 2.9 *Option 4* – The Council could seek constituent membership now. This would require the Council to make a greater financial commitment (£500,000 is currently paid by constituent members upon joining). Warwickshire would be named in the draft WMCA mayoral scheme, in the same way as it would be as a non-constituent member. As a constituent member Warwickshire would have full voting rights on all matters under discussion. Joining as a constituent member would extend the area of the combined authority to include Warwickshire and would be committing Warwickshire to a mayor whose remit would extend to Warwickshire, subject to what was negotiated as part of our admission. As a constituent member, the Mayor would also be able to raise a precept which would apply to Warwickshire residents and, subject to appropriate stakeholder approval, levy a business rate supplement. At present there is insufficient detail to evaluate whether joining as a constituent member would be in Warwickshire's best interests. Given the timescales planned for consultation on the mayoral scheme this option would likely mean Warwickshire signing up to constituent membership without having had the opportunity to engage in full negotiations to secure the best

deal possible for Warwickshire (especially around areas such as skills and transport - for example maximising Warwickshire's position in relation to the Government's Highways Incentive funding) and without having had the necessary time to undertake its own due diligence exercise. It is of note that all of the current constituent members of the WMCA are Metropolitan councils with very different demographics and a different economic profile to that of Warwickshire. It is also important to note that the seven Metropolitan Council constituent members have been working together on the creation of the WMCA for over 12 months. If Warwickshire were to join as a constituent member, as far as we are aware, it would be the only non-unitary county council to join in this capacity in the country. This suggests that a 'one size fits all' deal would not be appropriate for a shire county and that a different type of deal would need to be negotiated to respect these differences. We understand that this has been the case in the North East Combined Authority (NECA) where Durham, a unitary county council and constituent member, has negotiated different arrangements in respect of transport and where the Durham Police and Crime Commissioner is not part of the devolution agreement. Moving immediately to a decision in favour of constituent membership would also severely limit and inhibit the extent of local engagement that would be possible within the timescale available before making a formal commitment to constituent membership status.

- 2.10 Warwickshire is uniquely placed. Our economy is strong, diverse and prosperous. The county is strong in the fields of research & development (particularly in relation to advanced manufacturing and high performance technologies); digital and creative industries, and innovative cross-over sectors such as intelligent mobility and low carbon technologies. Warwickshire has above the national average rates of GVA per head of population (one of just three local authority areas in the Midlands) and we were identified as the strongest performing area of the West Midlands in a recent Amion Economic Growth & Competitiveness Index. Warwickshire's economy and geography are different to those of the Metropolitan areas. We would bring a very different dimension to the WMCA, in particular Warwickshire's GVA per head (£26,003) is materially higher (22% -74%) than existing constituent members except Solihull (£27,245), our JSA claimant rate is lower (0.6% to 3%) and our employment rate materially higher (6% to 17%) (See Appendix 2). Joining now as a non-constituent member would enable Warwickshire to play a full part in negotiations around Devo 2 and the potential for that to bring benefits to our area. Our clear impression is that the WMCA members recognise the benefits and the additional weight that Warwickshire could bring in terms of negotiating the next phase of devolution for the West Midlands and this could also be persuasive for Government. Not pursuing membership at this stage would deny Warwickshire a presence in those negotiations and would defer any future membership aspirations for at least 12 months and potentially longer. For these reasons, option 3 above is recommended by officers.

3.0 Implications of becoming a non-constituent member

- 3.1 There would be ongoing financial implications of becoming a non-constituent member; these are not significant. As we understand it, a contribution of £25,000 is paid by non-constituent members upon joining. The current transitional contribution rate for constituent members upon joining is £500,000. Ongoing future annual payments have not yet been fixed.
- 3.2 Joining as a non-constituent member does not mean that the Combined Authority area is extended to include the areas of the non-constituent councils. Therefore the extent of the Combined Authority's powers remains limited to the area of the 7 constituent members and, if Warwickshire became a non-constituent member, the Council would remain independent retaining all of its current powers. The WMCA would not be able to impose decisions on the Warwickshire area and would not be able to take decisions in relation to any functions for which the County Council is responsible. Nor, as a non-constituent member, would the Council's functions come under the remit of the future West Midlands Mayor (due to be elected in May 2017).
- 3.3 The WMCA's current draft constitution (Version 4) sets out the voting arrangements. In summary;
- (i) Each constituent authority has the right to appoint 2 members (14 in total)
 - (ii) Each non-constituent authority has the right to appoint 1 member (currently 8)
 - (iii) All members have one vote each (where they are eligible to vote)
 - (iv) The quorum for WMCA meetings is at least one member from 5 separate constituent councils
 - (v) There is no casting vote
 - (vi) All WMCA decisions require a 2/3 majority of the constituent members present and voting. The intention however is for consensus
 - (vii) Some decisions require the unanimous consent of the constituent members present and voting (SO19.5) – set out in Appendix 3.
 - (viii) The matters on which the WMCA has decided the non-constituent members will be able to vote are set out in Appendix 4
 - (ix) Decisions of the WMCA can be called-in by 5 constituent members (from 5 different councils) of the overview and scrutiny committee
- 3.4 The requirement for a 2/3 majority of the constituent members would still apply to those matters on which the non-constituent members can vote. The non-constituent members would not be eligible to vote on other matters outside of this list however there are speaking rights for all members on all matters at WMCA meetings. This provides non-constituent members with the ability to influence, if not vote, on all matters under discussion. (SO18.1).
- 3.5 Under the WMCA constitution, each non-constituent authority has the right to be represented by at least one member on any overview and scrutiny committee established as part of the WMCA governance arrangements. The

majority of members of the overview and scrutiny committees must come from the constituent authorities.

- 3.6 The WMCA's audit committee also provides for non-constituent representation on the audit committee which will comprise 4 constituent member representatives and 3 non-constituent representatives.

4 Future Issues

- 4.1 The current WMCA devolution deal proposes a number of areas for further exploration which are not part of the current deal i.e.
- 4.1.1 Proposals for an appropriate relationship between the functions of a Mayor and future role of the Police and Crime Commissioner (PCC), including in relation to fire services, subject to local consent and a business case developed jointly by the PCC and council leaders, and in consultation with the Fire and Rescue Authority. For the WMCA this involves the West Midlands Police and Crime Commissioner and (subject to appropriate legislation being passed) the West Midlands Fire Authority
 - 4.1.2 The Government's review of the youth justice system will work with the Combined Authority Shadow Board to consider scope for further devolution of youth justice services to the region, and will look for opportunities to work with the region to test the review's proposals.
 - 4.1.3 The Government will engage with the Combined Authority Shadow Board to discuss the outcomes of their Mental Health Commission (which is expected in July 2016).
 - 4.1.4 The Government and the West Midlands Combined Authority will work with the East Midlands to take forward the Midlands Engine project to secure wider transport investment and growth.
- 4.2 The draft mayoral scheme will need to be considered in due course to determine how the proposed mayoral combined authority arrangements may impact on the current constitutional arrangements.
- 4.3 A further report will be brought to the Council to provide an update on the progress made and planned next steps.

Appendix 1 Summary of WMCA devolution agreement

Appendix 2 Summary of WMCA constituent councils

Appendix 3 Decisions requiring unanimous consent of the Constituent Authorities

Appendix 4 Matters on which non-constituent members may vote

Background papers

None

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APPENDIX 1 - SUMMARY OF WMCA DEAL



WMCA Devolution Agreement:

Key Points

The proposed agreement takes forward the founding principles set out in the [WMCA launch document](#) published in July 2015:

- It confirms and endorses our commitment to work together across a three-LEP geography to secure our objectives
- It focuses on the issues that really matter to the people and businesses of the West Midlands: growth, jobs, skills, transport and homes
- It recognises that economic growth for the West Midlands is part of the wider Midlands Engine
- It gives us the ability to create a substantial investment programme and to make the investments that we decide will have the biggest benefit for the West Midlands
- It enables us to start work with government on our public service reform agenda
- It supports and strengthens our commitment to partnership with the private sector.

The agreement is the first step towards:

- Local control of investment plans and funds for West Midlands priorities (transport and land reclamation for housing and employment)
- Local control of adult skills provision
- A local employment service
- The development of new devolved approaches to mental health, troubled individuals and youth justice services
- Control over a more integrated local public transport system and influence over strategic road network planning
- A devolved business support and inward investment system
- An integrated locally led approach to public sector land and property – One Public Estate.

It will support an £8bn ten year investment plan to get the West Midlands moving and drive local growth.

The £8bn investment plan will be funded from a 30 year revenue stream from government, specific devolved funding streams such as local transport, private sector investment and locally generated funds, for example from business rate retention, our enterprise zones, borrowing and private sector investment. This is in addition to any future Local Growth Fund allocation to the three LEPs, which will not be affected by this agreement.

The agreement provides for a contribution to our investment fund of £36.5m per year over a 30 year period from government and grant support for the £97m Adderley Park Metro extension (which is equivalent to an additional £4.3m per year over the period – making an overall contribution worth over £40m per year). In addition the agreement includes other devolved funding streams. The financial package is broken down in detail in the attached financial briefing.

Expansion of our enterprise zones and creation of new zones will provide further investment funding across the region. Government will finalise decisions at the Spending Review but the agreement contains a commitment to expand the Birmingham City Centre Enterprise Zone to take in the Curzon regeneration area.

Benefits for every part of the area

Our local investment priorities - devolution means we will get the power to make our own decisions about investment in the West Midlands. This will ensure balance and region-wide benefits for communities and businesses alongside effective targeting of resources on strategic priorities. All areas will benefit, be they areas for new employment, those that will benefit from new jobs or skills training, areas for new homes or places that will be better connected.

- **The £4.4bn HS2 Growth Strategy to ensure maximum economic benefit from the HS2 investment.** This will include the Curzon Masterplan, our priority for expansion of the metro network east and west, from Brierley Hill to the HS2 Interchange station, the UK Central infrastructure package, including new transport links to Coventry and enhancing the HS2 supply chain. The 20 HS2 Connectivity schemes will ensure that nowhere in the WM is more than 40 mins from an HS2 station
- **The UK Central-Coventry scheme** will provide a road and public transport link from the HS2 Interchange station to Coventry as well as further specific investment of £150m in the regeneration of Coventry city centre
- **A £200m land remediation fund.** This will enable brownfield land to be brought back into use for housing and employment, and will particularly benefit the Black Country through the redevelopment of brownfield sites
- **A £500m housing investment fund** (mainly locally funded). This will be brought forward to support the development of new homes
- **A £1bn Collective Investment Vehicle** (locally funded) to help companies invest and grow
- **A £30m employment, education and skills programme for the three LEP area.**

Half a million new jobs

- The deal will enable the delivery of the Super SEP across all three LEPs, which has the potential to help support the creation of up to 500,000 new jobs.
- The power to make HS2 benefit the people of the West Midlands. The HS2 Growth Strategy alone will create an additional 100,000 new jobs.

Better training and improved skills – enabling local people to get the jobs on offer

- Better skills planning and a local strategy – identifying the skills that local people need for the jobs that local businesses need to fill
- Local control of public funding for adult skills training by 2018/19 – meaning local decisions about what training to invest in
- Better employment support – working with a range of government departments, including DWP to co-commission the Work Programme, building on the expertise of local councils. The deal is also the first stage in the development of a better, locally run system of support for people who find it the hardest to get back into work.

Better public services – helping people into the labour market and reducing the public finance gap

- Pioneering a new approach to mental health for the whole country – A new Mental Health Commission, chaired by Norman Lamb MP and supported by NHS England and Public Health England
- A new approach to troubled individuals – working with DWP to design a new system for people with complex dependencies and then piloting new ideas in 2016
- Reforming the youth justice system – building on the nationally recognised work of West Midlands Police, designating the West Midlands as an accelerator site for testing and developing youth justice reform.

Better business support services to accelerate innovation and growth

- Government will work with the 3 LEPs to develop an integrated business support system linked to the Growth Hubs that joins national and locally funded activity in a seamless manner, making it simpler for business to access and benefit from services
- A devolved approach to delivering national business support schemes will be in place by 2017, linked to support for start-ups, growth companies, and those needing access to finance
- Developing an integrated national and local support structure for businesses wanting to invest in the WMCA area, focused on sectors of national strength such as advanced engineering linked to auto, rail and aerospace. This will be supported by the joint planning and promotion of a portfolio of regeneration sites for future investment

- A jointly agreed West Midlands Export support plan. A devolved approach to business support from 2017, including start-ups and business finance.

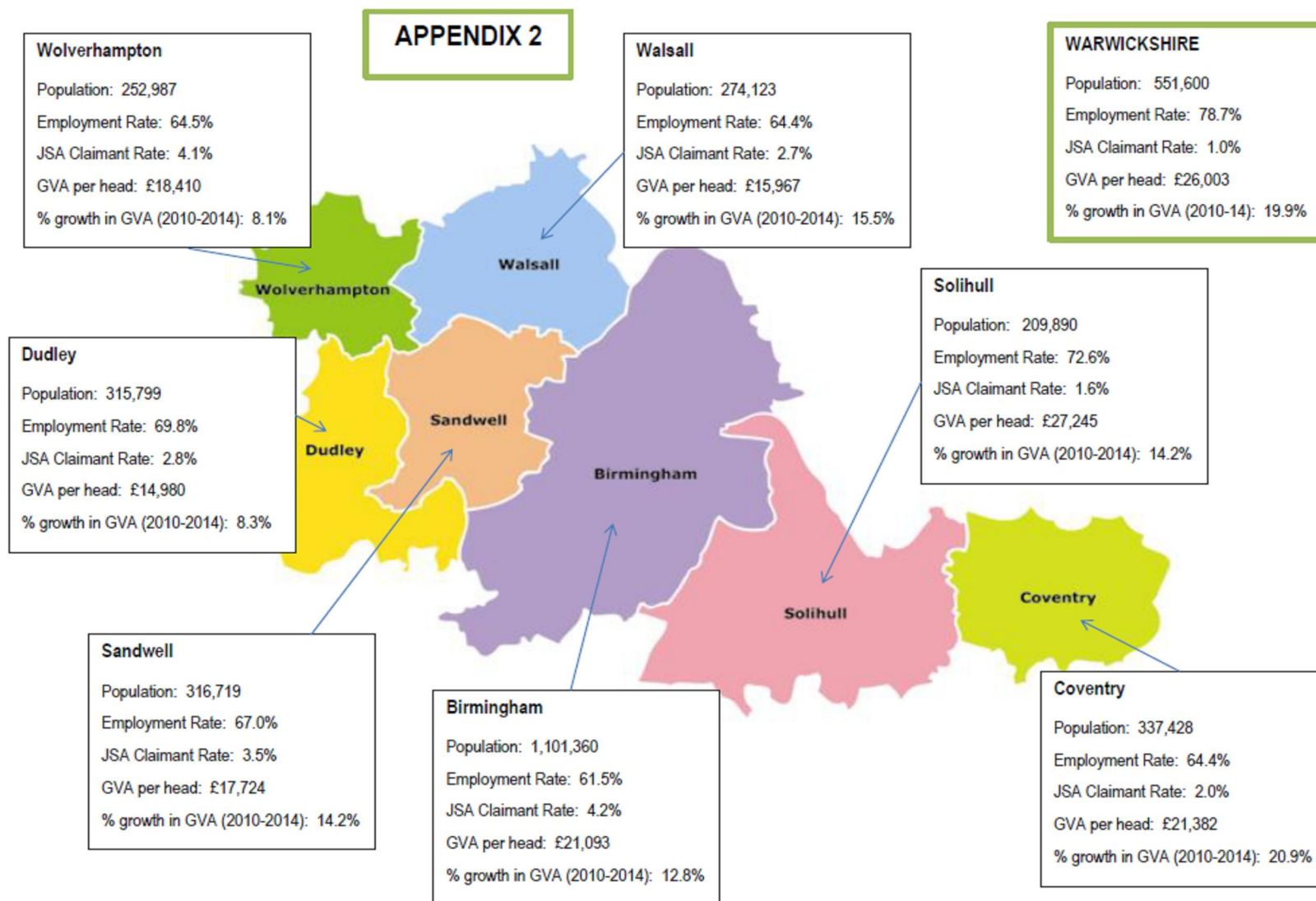
More and better homes

- Devolved compulsory purchase powers, to help drive housing delivery
- A Land Commission to develop ways to make more land available for employment and housing use
- A locally managed housing investment fund.

Faster, more convenient and affordable transport

- A bigger and more certain budget – over £5bn of investment over ten years, integrated and locally controlled
- Getting back control over buses - controlling fares and ensuring they run when and where people need them
- One smart ticket, allowing passengers to use any combination of bus and rail across the region and an integrated travel information service
- Better integration between local and national transport networks through joint working with Highways England and Network Rail. This includes working with the government to examine ways to reduce congestion on the strategic road network
- Powers to regulate freight vehicles to improve safety and to create Clean Air Zones to achieve Air Quality Plan objectives.

APPENDIX 2 – SUMMARY OF CONSTITUENT MEMBERS



APPENDIX 3

DECISIONS REQUIRING UNANIMOUS CONSENT OF THE CONSTITUENT AUTHORITY MEMBERS PRESENT AND VOTING

- (i) approval of land use plans;
- (ii) such other plans and strategies as determined by the Combined Authority;
- (iii) financial matters which may have significant implications on Constituent Authorities' budgets;
- (iv) approval of borrowing limits, treasury management strategy including reserves, investment strategy and capital budget of the Combined Authority;
- (v) agreement of functions transferred by the Constituent Authorities to the Combined Authority;
- (vi) any change of voting rights to all or any Member appointed by a Non-Constituent Authority;
- (vii) approval of specific proposals for individual co-optees to the Combined Authority;
- (viii) use of general power of competence within the Local Democracy Economic Development and Construction Act 2009, including in relation to spatial strategy, housing numbers and the exercise of any compulsory purchase powers;
- (ix) establishment of arms-length companies;
- (x) approval to seek such other powers as may be appropriate and any new powers granted by central government and imposed on the Combined Authority;
- (xi) material amendments to the Constitution;
- (xii) changes to transport matters undertaken by the Combined Authority.

For the avoidance of doubt unanimous will be construed to mean that all Members appointed by Constituent Authorities present and voting, vote in favour of the relevant decision.

APPENDIX 4

MATTERS ON WHICH NON-CONSTITUENT AUTHORITIES MAY VOTE

Subject to standing order 19.4¹, Members appointed by Non-Constituent Authorities may vote on the following matters:-

- (i) adoption of growth plan and investment strategy and allocation of funding by the Combined Authority;
- (ii) the super Strategic Economic Plan strategy along with its implementation plans and associated investment activity being undertaken using funding provided to the Combined Authority;
- (iii) the grant of further powers from central government and/or local public bodies that impacts on the area of Non-Constituent Authority;
- (iv) land and/or spatial activity undertaken by the Combined Authority within the area of a Non-Constituent Authority;
- (v) public service reform which affects the areas of Non-Constituent Authorities;
- (vi) areas of LEP activity relevant to the Non-Constituent Authorities through geographical location or as part of a joint committee;
- (vii) all Combined Authority matters concerned with education, employment and skills, enterprise and business support, access to finance, inward investment, business regulation, innovation, transport, environmental sustainability, housing, economic intelligence, digital connectivity and regeneration;
- (viii) future use of business rate retention funding generated beyond that retained within new and existing Enterprise Zones;
- (ix) specific decisions to bid for and allocate revenue and capital funding provided to the Combined Authority for use in economic development activities;
- (x) investment activity related to transport and connectivity, not funded by the transport levy and current Maintenance and Integrated Transport blocks;

¹ Standing Order 19.4 requires a 2/3rds majority of the Constituent members present and voting for a decision to be made.