

## COUNCIL

15<sup>th</sup> SEPTEMBER 2015

### Report of the Leader of the Council and the Chief Executive

#### Devolution, Decentralisation & Collaboration “Proposals for a West Midlands Combined Authority”

#### EXEMPT INFORMATION

Not applicable

#### PURPOSE

1. To consider the key issues relating to the Government’s devolution agenda and the proposals to establish a West Midlands Combined Authority (WMCA) by 1<sup>st</sup> April, 2016.
2. To update Council on discussions with Staffordshire local authorities on their ambitions, intentions and proposals relating to the devolution agenda.
3. To consider the recommendations from the Cabinet meeting of 10<sup>th</sup> September, 2015.

#### RECOMMENDATIONS

Council are asked to approve the recommendations from Cabinet, namely:

- i. That the actions of the Leader and CEO in relation to the Council’s engagement in the Devolution debate and work streams be endorsed by Council;
- ii. That Council endorse the Statutory Governance Review and draft scheme relating to the proposed WMCA:
- iii. That the Council accept the invitation to take up non-constituent membership of the proposed WMCA as and that the decision be communicated to the Chair of the Shadow Board for inclusion in the submission to the Secretary of State;
- iv. That the Council reaffirms its commitment to working with Staffordshire County Council, the districts and borough councils across Staffordshire and other stakeholders on strategic collaboration for the benefit of our communities; and
- v. That the Leader and CEO (or their nominated deputies) be

**authorised by Council to represent them on relevant and appropriate bodies associated with the proposed WMCA\*, the Devolution Deal\* and/or forums relating to strategic collaboration across Staffordshire and its surrounds.**

- vi. **This will be subject to the necessary approvals from the Secretary of State for DCLG and the Treasury**

\* In the event that the Scheme remains in 'draft' form, Members are asked to approve in principle and to authorise the Chief Executive and the Leader of the Council to amend the draft as necessary. Any material amendments to be reported to Members.

## **EXECUTIVE SUMMARY**

### **Introduction**

The complexity of the subject matter in this report is matched only by the significance of the outcomes. The author and Leader of the Council have sought to incorporate all relevant information even that still under development. It is structured as follows:

**Appendix 1** – sets out the details relating to the entity – a Combined Authority; the rationale behind its establishment and the purpose and principles that have unified the Constituent Members, the three Local Enterprise Partnerships and the districts and boroughs within the Functioning Economic Market Area (FEMA).

**Appendix 2** – sets out the outcomes of the Governance Review undertaken in accordance with section 108 of the Local Democracy, Economic Development and Construction Act 2009 (LDEDCA) and section 82 of the Local Transport Act 2008. This is a statutory process and a prerequisite to enabling the creation of either a Combined Authority or Economic Prosperity Board. **The review recommends the establishment of a West Midlands Combined Authority.**

**Appendix 3** – sets out in broad terms the scheme for the establishment of a Combined Authority for the West Midlands. In essence, the Terms of Reference for the entity. **N.B: At the time of lodging the report on Mod.Gov, this document was a 'work in progress'. In the event that this remains the case when considered by Cabinet/Council, Members will be recommended to "approve in principle" subject to final amendments.**

**Appendix 4** – provides details of the scope of the proposed Combined Authority.

**Appendix 5** – provides details of the key economic linkages with Tamworth Borough Council.

At their meeting of 10<sup>th</sup> September, 2015 the Council's Cabinet received a detailed report setting out the position relating to proposals for a West Midlands Combined Authority.

The main body of the report and associated appendices provided members with a detailed route map of progress to date with specific regard to the process, purpose and principles relating to the West Midlands proposal.

Key aspects of the report included clarification of what a Combined Authority is; the legislation that provides for their creation and emerging legislation relating to proposed devolution of powers and funding.

Elsewhere in the report, the driving principles, ambitions and intentions specific to the proposed WMCA were articulated. It is essential that in relation to the local authorities in Staffordshire, the absence of detail and/or information on their individual or collective ambitions and intentions is not due to any lack of engagement or involvement. The Council has been present and has participated at all discussions at Leader, Chief Executive and Head of Service level since the elections. It would be fair and honest to say that the clarity of vision and purpose has not developed to the same extent as that of the WMCA.

Returning to the report. Of fundamental importance to the Council are the Governance and Membership arrangements; the risks and rewards associated and the need to ensure the preservation of the Council's excellent relationship with the Greater Birmingham and Solihull Local Enterprise Partnership. The report covers these issues and seeks to provide the assurances necessary to facilitate Council support for the recommendations.

## **OPTIONS CONSIDERED**

As previously reported, there are no other options likely to impact upon the borough to the same degree. The ongoing discussions across the County on devolution are not viewed as an 'alternative' but as an additional opportunity potentially.

## **RESOURCE IMPLICATIONS**

The impact upon officer and member time and capacity will be monitored as the proposals develop and the consequences of membership unfold.

From a financial perspective, should the £10k be authorised from existing revenue budgets then the Council's contribution to the set up costs will be met. In the event that an annual fee or other costs are identified, then they would form part of the established budget process.

## **LEGAL/RISK IMPLICATIONS**

Details of the legal provisions relating to CAs are set out in the report. The

basis of current work is the Local Democracy, Economic Development and Construction Act 2009. Reference is also made in the main report to the **Cities and Local Government Devolution Bill** which was introduced in May 2015. It will shortly pass before the House of Commons having had its third reading last month.

## **SUSTAINABILITY IMPLICATIONS**

The organisation is moving into its final stage of its transformation programme as set out in the **Sustainability Strategy**. The primary objectives set out in the WMCA Statement of Intent directly align with the Council's corporate plan and Sustainability Strategy. These will combine to support the overall achievement of this Council's vision and shared priorities.

## **BACKGROUND INFORMATION**

- Queen's Speech
- Cities and Local Government Devolution Bill
- DCLG Briefings
- Greater Manchester Combined Authority
- WMCA Statement of Intent

## **BACKGROUND PAPERS**

- Relevant legislation
- Cabinet Reports/Minutes 9<sup>th</sup> July 2015
- Cross Party Briefing Papers
- WMCA Work Stream Files
- WMCA Programme Board Files
- GBSLEP Economic Plan
- Letters of support – 3 LEP Chairs

## **REPORT AUTHOR**

Anthony E. Goodwin  
Chief Executive &  
Executive Director  
Community Services