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# **Executive Summary**

This report gives an overview of the recent devolution agreements that have been established between local authorities and central government in England. Under the terms of these agreements, newly established Mayoral Combined Authorities – sub-national governing bodies consisting of two or more councils and chaired by a directly elected metro mayor - are set to receive various devolved powers and responsibilities over areas such as housing, transport, skills training, business support, planning, and certain other governing functions.

In 2016, Bristol, South Gloucestershire and Bath & North East Somerset agreed to a devolution deal with central government to create a West of England Mayoral Combined Authority with a newly elected metro mayor in May 2017.

#### Devolution

Devolution involves the delegation of powers and responsibilities from central government to a subnational (regional or local) level. It is driven by the idea that decision making at a local level, based upon local insights and local needs, can deliver better outcomes than centralised structures.

The UK stands out as one of the most centralised countries when compared with Europe and the USA, a situation which has variety of negative economic, social and political consequences:

 Economic: many of the core English cities outside of London perform below national average in terms of GDP per capita – this is not reflected in many of their European counterparts where second-tier cities are seen as the main drivers of economic growth.

- Social: the centralisation of certain aspects of public service delivery through top-down targets and performance management has stifled local innovation, resulting in perverse incentives and poor outcomes.
- Political: growing public discontent with the 'Westminster Establishment' is being expressed through decline in party membership and low electoral turnout. There is a pervading sense that the political system has been captured by elites, which has lead to increasing political inequality across the country.

Devolution is widely considered to be a way of addressing these problems – giving localities the means to tackle economic, social and political issues in a more responsive and effective manner. The idea is that devolution - if done correctly - can deliver better economic prosperity for localities, as well as providing clearer lines of transparency and accountability for the public to engage with decision making in their local area.

#### **Combined Authorities**

Each devolution deal agreed thus far involve the creation of a combined authority. These can be understood as a statutory form of collective decision making between two or more local authorities with the purpose of improving the delivery of statutory functions and services in relation to the area.

There are currently seven established combined authorities in England - some with directly elected mayors (MCA) and some without (CA):<sup>1</sup>

- 1. Greater Manchester MCA (elected mayor in 2017)
- 2. Liverpool City Region MCA (elected mayor in 2017)
- 3. North East CA (no mayor)
- 4. Sheffield City Region MCA (elected mayor in 2018)
- 5. Tees Valley MCA (elected mayor in 2017)
- 6. West Yorkshire CA (no mayor)
- 7. West Midlands MCA (elected mayor in 2017)

The following approved CAs are to be established in 2017:

- 8. West of England MCA (agreed: elected mayor in 2017)
- 9. Cambridgeshire & Peterborough MCA (agreed: elected mayors in 2017)

The general governance arrangements in a combined authority are as follows:

In Mayoral Combined Authorities:

- The mayor is directly elected by the public
- The mayor is both a member of the CA and chair of it
- A deputy mayor is appointed by the other members of the CA.

Combined Authority Partners - most established CAs to date have adopted different approaches to partner organisations, particularly concerning LEPs:

- In many cases the chair of the LEP is a member of the CA, generally as a non-constituent member and in some cases with voting rights.
- In other cases, there is a partnership relationship between the CA and the LEP.

Voting arrangements in Combined Authorities:

- The emerging pattern is that all constituent members of the CA have one vote each and the chair does not have the casting vote.
- If the vote is tied, it is deemed not to have been carried.
- Where a CA has non-constituent members, they are non-voting members unless the constituent members choose to extend voting to them.

In 2016, the West of England became the sixth city-region in England to commit to a devolution agreement with central government. The agreement will see three local authorities (Bristol, South Gloucestershire and Bath & North East Somerset) create a combined authority for the West of England which will be led by a new directly elected 'metro mayor' in May 2017; in return central government will devolve certain powers and responsibilities over transport, housing, skills and strategic planning, as well as an additional £30m per year for the next 30 years.

This devolution deal can be seen as part of central government's decentralisation agenda over the past three years which began with the 'Northern Powerhouse' initiative in 2014. Greater Manchester, Liverpool City Region and Sheffield City Region have more developed devolution agreements already in place – Greater Manchester, for example, is on its fifth deal – which demonstrates the potential for the further devolution of powers and responsibilities in future agreements (see Appendix Item 1 for a comparison of the city region devolution deals).

<sup>&</sup>lt;sup>1</sup> While a combined authority does not necessarily need to have a directly elected mayor, only a mayoral combined authority is eligible for the full array of devolved powers and resources from central government.



#### Metro Mayors

The introduction of metro mayors to lead combined authorities has been a necessary requirement of the city-region devolution agreements with central government. These directly elected mayors will be responsible for setting strategy for the city region and will have certain executive powers over issues such as housing, transport and skills.

Exactly what executive functions a metro mayor will have varies between city regions. In those MCAs with more developed devolution agreements, the metro mayor will hold additional powers and responsibilities – for example the Greater Manchester metro mayor will also take on the role of Police and Crime Commissioner and have executive powers over health care provision and emergency services.

The metro mayor will chair the combined authority cabinet which is made up of leaders from constituent councils in the city region. The metro mayor will have to consult the combined authority cabinet on their strategies, which can be rejected if two thirds of the cabinet members do not agree with them.

For those cities which have existing mayors (e.g. Bristol and Liverpool), these mayors will continue to lead their own authority while working with a metro mayor across the city region - a city mayor would have the same position in the combined authority as other council leaders.

Metro mayors have the potential to demonstrate strong leadership and promote an ambitious vision for their city region. Such a figurehead can also provide clearer lines of accountability for the public to engage with decision making in their local area.

There are currently seven agreed Mayoral Combined Authorities with elections in 2017:

- 1. Greater Manchester
- 2. Liverpool City Region
- 3. Sheffield City Region (election in 2018)
- 4. Tees Valley

- 5. West Midlands
- 6. West of England
- 7. Cambridgeshire & Peterborough

The major political parties have put forward candidates for the following city regions:

#### Greater Manchester:

- Labour: Andy Burnham MP

- Liberal Democrats: Jane Brophy

- Conservative: Sean Anstee

- Green: Deyika Nzeribe

#### Liverpool City Region:

- Labour: Steve Rotheram MP

- Liberal Democrats: Carl Cashman

- Green: Tom Crone

#### West Midlands:

- Labour: Siôn Simon MEP

Liberal Democrat: Beverley Nielson

- Conservative: Andy Street

- Green: James Burn

#### West of England:

- Labour: Lesley Mansell

- Conservative: Tim Bowles

- Liberal Democrats: Stephen Williams

- Green: Darren Hall

- UKIP: Aaron Foot

Centre for Cities found that awareness of the new metro mayor in the core city regions was relatively high (around 50%). They have also found that, in general, there was a desire for metro mayors to have more powers than council leaders.

Regarding the West of England in particular, a poll conducted by ComRes on behalf of Centre for Cities found the following:

- Just over half of respondents said they were familiar with the plans to introduce a new metro mayor.
- The provision of healthcare was identified as the most important political priority – however, this is an area that the West of England MCA will not have devolved powers over.
- The most important priorities for a metro mayor in their first 100 days were cited as follows:
  - Build or commission affordable housing
  - Develop plans to invest in rail and road networks within the city region

- Create a city region strategic plan
- More than half of respondents agreed that the new mayor should have greater power than local council leaders.

#### The West of England Devolution Agreement

The original devolution agreement was drawn up between the four West of England Councils which replaced Avon County Council in 1997: Bristol City, North Somerset, South Gloucestershire and Bath & North East Somerset.

However, in June 2016 North Somerset Council decided not to participate further in the devolution deal - citing the perception of a return to Avon County Council and the introduction of a metro mayor as key reasons for withdrawing.

Consequently, the devolution deal for the West of England involves the following three councils as constituent members of the Mayoral Combined Authority:

- Bristol City Council
- Bath and North East Somerset Council
- South Gloucestershire Council

The following key powers and responsibilities are to be devolved to the West of England Mayoral Combined Authority:

- Responsibility for a consolidated, devolved local transport budget.
- Ability to franchise bus services to help deliver integrated 'smart ticketing'.
- Responsibility for a new Key Route Network of local authority roads.
- Powers of strategic planning for the region and enhanced ability to implement the Joint Spatial Plan and Joint Transport Plan.
- Control of additional £30m / year over 30 years.
- Responsibility for the 19+ Adult Education Budget
- Joint responsibility with central government to co-design the new National Work and Health Programme.

The West of England Mayoral Combined Authority governance arrangements are as follows (see Appendix Item 2 for a more detailed breakdown):

#### Membership:

- Each constituent council appoints one of its elected members to be members of the MCA.
- An elected mayor of a constituent council (e.g. Bristol) is to be treated as a member of the constituent council
- The metro mayor will be a member of and Chair the MCA a deputy mayor will be appointed from the membership of the MCA.
- The deputy mayor will take over the functions of the mayor in the case of the mayor's incapacity or if the mayor is vacant.

#### Proceedings & Voting:

- All constituent members of the MCA will have one vote the mayor / deputy mayor will not have a second or casting vote.
- The MCA will aim to reach decisions by consensus, unless the vote is tied; or the majority does not include the support of the mayor - in which case the matter shall be deemed not to have been carried.
- The mayor must consult the MCA on his/her plans, policies and strategies relating to exercising mayoral functions – these can be rejected by 2/3 of the members.



## 1. Introduction

Over the past three years there has been a growing shift toward decentralisation across the UK with central government devolving certain governing functions and resources to specific localities. The former Chancellor George Osborne first set out his vision for the 'Northern Powerhouse' in 2014. Consequently, a devolution agreement was reached where 10 councils in the Greater Manchester area became the first combined authority to receive a set of devolved powers and responsibilities from central government.

Since then, devolution agreements have been proposed with newly established Combined Authorities that encompass many of England's major city regions such as Liverpool, Sheffield, Birmingham and Bristol, as well as areas like Tees Valley and the North Midlands. For each of these agreements, a necessary requirement has been the introduction of directly elected metro mayors to lead these new sub-national governance structures. In some instances, this has been a controversial imposition which has stalled progress on finalising the deals.

This report gives a summary of: (i) the devolution process in general, (ii) how Combined Authorities compare between city regions, (iii) the introduction of directly elected metro mayors, and (iv) the West of England devolution agreement.

#### 1.1 Overview

Chapter 2 outlines the principles behind devolution, discussing the problems with the current levels of centralisation in England and the potential benefits of devolving certain powers and responsibilities from central government to localities. It also highlights the differences between functional and fiscal devolution and emphasises the importance of engaging local citizens in devolution processes.

Chapter 3 focuses on Combined Authorities as a statutory form of collective decision making between two or more local authorities. It outlines the structure of Combined Authorities before discussing their specific financial powers and governance arrangements. The chapter concludes with a list of established, agreed and proposed Combined Authorities in England.

Chapter 4 explores the role that the new metro mayors will take in a combined authority; what powers they will have and how they will fit into existing local governance structures. It presents some results from city region polling by the Centre for Cities which gives an indication

of public awareness and engagement with the devolution process.

Chapter 5 looks specifically at the devolution agreement for the West of England. It outlines the background and context behind the agreement, discusses the governance arrangements for the West of England MCA, and highlights some of the key points from the responses of public consultation in August 2016.



## 2. Devolution

#### 2.1 What is devolution?

Devolution of powers: allowing decisions to be made at a local level informed by insight into local needs.

Devolution is driven by the idea that services designed around individuals and communities deliver better outcomes than those driven by centralised structures.

As can be seen in city regions with more developed devolution arrangements, such as Greater Manchester, the devolved functions are beginning to empower local areas; giving them freedom to reform local services in areas such as skills, transport and support for businesses. These changes can have a profound impact on the local economy, driving growth and prosperity.

The Cities and Local Government Devolution Act 2016 introduced the requirement for devolution agreements to introduce directly elected metro mayors for the Combined Authorities. These metro mayors have the potential to demonstrate leadership and re-engage the public in local politics - where they look to local leaders rather than Whitehall to get things done.

England remains one of the most centralised countries in Europe, but with the right powers and responsibilities devolved to local government and their local partners, there is the potential to deliver better economic prosperity and local infrastructure around the UK.

Devolution offers the public a clearer line of accountability and transparency for the link between what they pay in taxes and the services they access. It can engage citizens in local decision making and the impact this has on their daily lives.

#### 2.2 The principles behind devolution

The Local Government Association (LGA) sets out four principles<sup>2</sup> that they believe should underlie successful devolution of powers and responsibilities from central government to local authorities:

Local: deals need to take a 'bottom up' approach - should not be one size fits all package.

Good governance: local places should design their own governance systems that fit local circumstances and are appropriate to the powers that have been devolved.

Speed: the devolution debate must be led by innovation and ideas - those areas which are ready to go should be allowed to run fastest.

Functional: Place should be defined locally and based on functional economic areas, at a scale that enables effective delivery of devolved services.

#### 2.3 Problems with centralisation

There are a number of problems with the current levels of centralisation in England - these can be separated into three broad categories relevant to (i) the economy, (ii) public service delivery, (iii) increasing political discontent.<sup>3</sup>

Economic: Seven of the eight core cities outside of London perform below national average in terms of GDP per capita; this is not reflected in across Europe where second-tier cities are at the forefront of economic growth. Moreover, when London is taken out of the equation, the UK's economic performance is very poor, with around half of the UK population living in areas where income and productivity are similar to former East Germany.<sup>4</sup>

Public services: The new public management approaches from the 2000s, characterised by centralised top-down targets and performance management regimes, have tended to stifle innovation and local flexibility, generating fragmentation as well as perverse incentives and poor outcomes in public service delivery.

Political: Public discontent with Westminster is being expressed through low party membership, declining electoral turnout, the rise of populism and unexpected political events like Brexit. There is a growing sense of the political system being captured by 'elites' and that centralised structures have lead to increasing political inequality.

'After 70 years of increasing centralisation, central government in London rather than sub-national government dominates almost all arenas of policy design, policy-making and policy interventions to a scale that is almost unknown elsewhere amongst the advanced economies... It is the stark mismatch between the UK's interregional economic geography and the UK's regional governance system that is at the heart of the UK's regional economic problem'

Phillip McCann, The UK Regional-National Economic Problem, pp. 1-2.

<sup>&</sup>lt;sup>2</sup> LGA (2016) What Next for Devolution: Discussion Paper, p. 8.

<sup>3</sup> IPPR North (2014) Decentralisation Decade, p. 3.

<sup>4</sup> http://www.centreforcities.org/blog/uk-needs-big-bang-approach-devolution/

#### 2.4 Benefits of devolution

Devolution of powers and responsibilities to localities is seen as an effective way of tackling the problems caused by centralisation within the UK. There are four broad desired outcomes<sup>5</sup> of the devolution agenda:

- 1. Economic: There is widespread recognition that sustained and balanced economic growth will come from the devolution of key economic powers and functions to key cities the drivers of a modern economy. Devolution can enable localities to respond dynamically to the needs of their economies. With appropriate decentralisation, the UK city regions could rival the best metro-regions in France, Germany, Spain and the US while also narrowing the productivity gap with London.
- 2. Social: Public service provision can be improved at the local level, which has clear implications for tackling social issues within a locality. There is great potential to drive improvements at the local level and while also delivering cost efficiencies. Devolution can help to develop more effective ways of tackling social challenges through integrating local services and drawing upon the resources of local public, private, and social/community/voluntary organisations.
- 3. Democratic: Civic engagement can be increased by bringing governing powers closer to the people. Consequently, with careful devolution of powers and responsibilities, there could be a revitalising of politics at the local level. Civic leaders who are innovative, passionate and collaborative contesting mayoral elections could revive a sense of civic passion with local people better connected and informed about the decisions that affect their daily lives.
- 4. Environmental: Devolution arguably has the potential to play a large role in promoting sustainable development and shifting localities toward more sustainable living patterns. Devolved powers could help promote sound spatial planning and an ecofriendly approach to transport planning at a local level.

#### 2.5 Functional vs. fiscal devolution

Much of the devolution agenda has involved functional devolution of powers, without the requisite funding.

To fully unlock the capability of local partners to cooperate, it is important to unlock freedom for public resources to be used more flexibly. Localisation of business rates - if successful - could spur on further devolution of taxation - both Liverpool City Region<sup>6</sup>

and Greater Manchester<sup>7</sup> are piloting 100% retention of business rates, as is the West of England.

According to the LGA, the income to pay for public services at the local level should:

- Reflect service demand
- Be buoyant
- Allow taxpayers to hold decision-makers accountable on expenditure in their local areas
- Be sufficiently general to allow for flexible deployment across boundaries of public services and providers, both for capital projects and day-to-day spending.<sup>8</sup>

Local assignment of taxes could provide areas with incentives to strengthen local economies, as well as create a more diverse funding base which is less dependent on central government decisions. It would also encourage public sector partners to take a collaborative approach to decisions on the stewardship of local funds.

The creation of clearer links to the local economy and a break from central control of funding would allow public sector partners to make joint decisions based on the need of local public funds.



 $<sup>^5</sup>$  Hambleton (2016) English Devolution: learning lessons from international models of subnational governance, p. 3.  $^6$  http://councillors.halton.gov.uk/documents/s42468/Liverpool%20City%20Region%20100%20

<sup>8</sup> LGA (2016) What Next for Devolution: Discussion Paper, p. 11.

<sup>&</sup>lt;sup>6</sup> http://councillors.halton.gov.uk/documents/s42468/Liverpool%20City%20Region%20100%20 Business%20Rates%20Retention%20Pilot%20Area.pdf

<sup>&</sup>lt;sup>7</sup> http://www.manchester.gov.uk/download/meetings/id/21413/8\_business\_rates\_retention

#### 2.6 Engaging local citizens

The inclusion of all societal sectors is important in engaging local citizens in the devolution process - this includes involving local private and social/community/ voluntary sectors from an early stage.

It is vital that the public are clear over which particular powers and responsibilities are devolved - this helps build a bottom-up picture of the devolution process.

According to the Community and Local Government Committee (2016) there has been a significant lack of public consultation at all stages in the devolution process. While it seems that some members of the public are keen to be involved in the process, the Government has failed to engage the wider public and articulate exactly what changes will come about through the devolution agreements:

'Once deals are up and running, there will be a complex division of responsibility— between local authorities, the combined authority and, in some places, the directly elected mayor—which will not necessarily be apparent to the public. Responsibility needs to be determined in a way that makes sense to the public, and consideration of these issues should be a significant part of the dealmaking process with the division of responsibilities clearly spelled out."

CLGC, Devolution: the next five years and beyond, p. 4



## 3. Combined Authorities

#### 3.1 Structure of Combined Authorities

For each of the devolution agreements made thus far, a combined authority has been created as a sub-national governing body for the region encompassing two or more councils.

A combined authority (CA) is a legal structure set up between local authorities - it can be understood as a statutory form of collective decision-making between at least two councils in order to improve the delivery of public services and other public functions across the area concerned.

The core legislation concerning Combined Authorities is the Local Democracy, Economic Development and Construction Act 2009, and the Cities and Local Government Devolution Act 2016 (see Box 3.1).

#### Box 3.1 - Cities & Local Government Devolution Act, 20169

This act was designed to introduce directly elected mayors to combined local authorities and to devolve powers and responsibilities over housing, transport, planning and policing powers to them.

The main provisions of the Act are:

- To allow for the devolution of powers from the UK government to some of England's towns, cities and counties.
- To introduce directly elected mayors to Combined Authorities.
- To allow directly elected mayors to replace Police and Crime Commissioners in these areas.
- To remove the current statutory limitation on the functions of these local authorities (previously limited to economic development, regeneration, and transport).
- To enable local authority governance to be streamlined as agreed by councils.

The act is expected to apply primarily to England's largest city regions, however it could theoretically apply to a single county or local government area if all the councils in that area are in agreement.

Communities and Local Government Committee proposals on devolution: 10

- Increasing public engagement and consultation throughout the deal-making process.
- Making that process more open and transparent.
- The need for a system for the monitoring and review of deals once in place.
- The need for clear objectives and measures for local areas to judge the impact of their deal.

There are two types of combined authority:

- 1. Those with a mayor for the area covered by the CA (Mayoral Combined Authority).
- 2. Those which do not have a mayor.

While it is not necessary for a combined authority to have a directly elected mayor, it is a requirement for unlocking the powers, responsibilities and resources for full city region devolution agreements like Greater Manchester, Liverpool City Region, or the West of England.

CAs enable a group of councils and partners which are working together to put their collaboration on a more ambitious and permanent footing.

<sup>9</sup> http://www.legislation.gov.uk/ukpga/2016/1/pdfs/ukpga\_20160001\_en.pdf

<sup>&</sup>lt;sup>10</sup> CLGC, Devolution: the next five years and beyond. First Report of Session 2015-2016.

In the current context of devolution deals between central and local government, CAs provide a way of meeting the governance requirements that national government has set for the devolution of powers and resources to a local level.

Most CAs thus far have economic development, regeneration and transport as their core functions - the Greater Manchester CA has the widest range of functions, including health and social care, children's services and public health.

#### 3.2 Financial powers of a combined authority

All CAs can be funded by their constituent councils through a levy - this is a shift in funding from councils that make up the CA to the authority, not a means of raising additional resources.

Some elected mayors can raise additional resources through a precept on local council tax bills, but only where the order establishing them allows them to do so. In the 2016 Autumn Statement, the current Chancellor Philip Hammond promised new borrowing powers for Mayoral Combined Authorities in England to reflect their new responsibilities.<sup>11</sup>

All CAs will have the power to borrow money under the local government prudential borrowing regime, but the authority must specify the purposes for which the money may be borrowed.

Some devolution deals include the retention of local business rate growth above an agreed threshold. The government is committed to passing 100% of business rates to local government by 2020.<sup>12</sup>

Many devolution deals also include other devolved resources including an investment fund.

#### Box 3.2 - Six Principles of Good Governance

In a study for the LGA, Hambleton compares four different models of sub-national governance across New Zealand, Germany, the UK and the USA. The study reveals a wide variance in governance structures which can be drawn upon to shape the course of English devolution. Hambleton highlights six principles of good governance for sub-national structures:

#### Civic leadership:

Developing a vision for the area coupled with a governance arrangement that can ensure effective and accountable delivery of that vision.

#### Effective decision-making:

The governance model must support high quality decision-making processes and create sound arrangements for the development of deliberative local democracy.

#### Transparency and efficiency:

The governance model must have clarity over who is making decisions on what issues and why-transparency is essential to building trust and confidence in the political process.

#### Accountability:

Decision-makers must be held to account; sound arrangements must be in place to ensure that there is effective scrutiny of decisions made by those holding executive powers.

#### **Public Involvement:**

Effective public involvement in decision-making must be ensured through proper public debate and inclusion of citizen voices.

http://www.nemj.co.uk/Addmin/Statement/Bevolution/Temans/at/heart of government/ http://www.publications.parliament.uk/pa/cm201617/cmselect/cmcomloc/241/241.pdf



<sup>11</sup> http://www.themj.co.uk/Autumn-Statement-Devolution-remains-at-heart-of-government-approach/206129

#### Business engagement:

The model should include effective involvement of local business interests and take into account the role that LEPs can play in governance arrangements.

#### The key findings from the study are as follows:

Different cities and city regions have adopted different models of leadership; some that include directly elected mayors, and others that do not. There is no one model that is superior to any of the others

- There is variation between local governments across the world in the way powers are distributed between 'the Executive' and 'the Assembly'.
- There is room for Combined Authorities to invent new ways of presenting policy choices to their citizens: for example, the Portland Metro publishes a 'Public Engagement Guide' which is an exemplar of good practice in relation to transparency and efficiency.
- Combined Authorities, whether they have a mayor or not, should be able to invent an array of new arrangements for ensuring inclusive leadership in their constitutions allowing for a wide range of voices to be heard.
- International comparisons suggest that a more open scrutiny process is likely to be more effective in delivering results, as well as being more attractive to citizens.

#### 3.3 Governance arrangements in a combined authority

CAs must be led by councillors - the members must be majority councillors appointed by the councils, each council must have at least one representative.

#### In Mayoral CAs:

- The mayor is directly elected
- The mayor is both a member of the CA and chair of it
- A deputy mayor is appointed from the membership of the CA; the deputy mayor chairs the meetings of the CA in the absence of the mayor.

Partners - most established CAs to date have adopted different approaches to partner organisations, particularly concerning LEPs:

- In many cases the chair of the LEP is a member of the CA, generally as a non-constituent member and in some cases with voting rights.
- In other cases, there is a partnership relationship between the CA and the LEP.

#### Voting rights in CAs:

- The emerging pattern is that all constituent members of the CA have one vote each and the chair does not have the casting vote.
- If the vote is tied, it is deemed not to have been carried.
- Where a CA has non-constituent members, they are non-voting members unless the constituent members choose to extend voting to them.

#### 3.4 List of established Combined Authorities

The following CAs have already been established in England - five of which have agreed a devolution deal to become a mayoral combined authority (MCA) with elections for a metro mayor in 2017.

West Yorkshire CA did not agree to a metro mayor, <sup>14</sup> while the devolution deal for North East CA has been withdrawn due to fears over post-Brexit funding from the government. 15

- Greater Manchester MCA (jointly run by 10 councils, elected mayor in 2017)
- Liverpool City Region MCA (jointly run by 6 councils, elected mayor in 2017)
- North East CA (jointly run by 7 councils, devolution deal withdrawn in 09/2016)
- Sheffield City Region MCA (jointly run by 9 councils, elected mayor in 2018)
- Tees Valley MCA (jointly run by 5 councils, elected mayor in 2017)
- West Yorkshire CA (jointly run by 5 councils, no mayor)
- West Midlands MCA (jointly run by 17 councils, elected mayor in 2017)

In addition to the above, there are also the following approved MCAs to be established in 2017:

- West of England MCA (jointly run by 3 councils, elected mayor in 2017)
- Cambridgeshire & Peterborough MCA (jointly run by 7 councils, elected mayor in 2017)

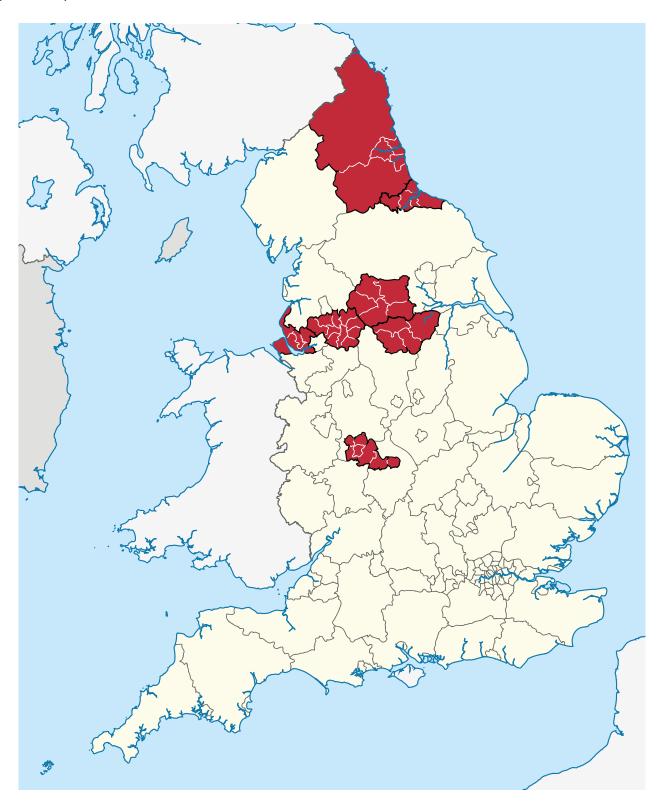


<sup>&</sup>lt;sup>14</sup> Sandford (2016) Combined Authorities. House of Commons, Briefing Paper 06649, p. 11.

15 http://www.bbc.co.uk/news/uk-england-37312978



Image 3.1 - Map of established Combined Authorities



(Source: Wikimedia Commons)

## 4. Metro Mayors

#### 4.1 What is a metro mayor?

As part of the devolution deal for Greater Manchester, George Osborne insisted on the introduction of an elected 'metro mayor' with considerable executive authority to oversee the governance of the new devolved landscape.

This then became the requisite part of further devolution deals with other Combined Authorities, thus the Greater Manchester arrangements became the template for further devolution agreements across the UK.

The directly elected metro mayors will be responsible for setting strategy for the city region and will have certain powers over issues such as housing, transport and skills.

Exactly what powers individual metro mayors will have depends on the specific devolution deal for each city region - due to differences in size, scope, local politics and various economic factors, the deals will vary between localities.

While most metro mayors will have powers over the issues mentioned above, the metro mayor for the Greater Manchester area will have further powers over criminal justice, health and social care as a result of the progress already made on their devolution deal.

The metro mayors' power will focus specifically on issues that span over a city region (e.g. transport, housing), while delivery of the majority of public services (e.g. waste management, schools, fire services) will remain with the relevant local authority.

The metro mayor will be able to lobby national politicians on policy matters that affect their regional area - the relationship between government, Parliament and metro mayors is likely to be one that will develop and evolve over time.

#### 4.2 Mayoral Combined Authorities

The following Combined Authorities have agreed to a directly elected metro mayor and will hold elections for the position in May 2017.

#### Greater Manchester (GM)

 Constituent members: Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford, Wigan.

#### Liverpool City Region (LCR)

- Constituent members: Liverpool, St Helens, Sefton, Knowsley, Wirral, Halton.
- Non-constituent members: Warrington, West Lancashire.

#### Sheffield City Region (SCR)

- Constituent members: Sheffield, Doncaster, Rotherham, Barnsley, Bassetlaw, Chesterfield.
- Non-constituent members: Bolsover, North East Derbyshire, Derbyshire Dales.

#### Tees Valley (TV)

 Constituent members: Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, Stockton-On-Tees.

#### West Midlands (WM)

- Constituent members: Birmingham, Wolverhampton, Coventry, Dudley, Sandwell, Solihull, Walsall.
- Non-constituent members: Cannock Chase, Nuneaton and Bedworth, Redditch, Tamworth, Telford, Wrekin.

#### West of England (WoE)

• Constituent members: Bristol, Bath & North East Somerset, South Gloucestershire.

#### Cambridgeshire & Peterborough (CP)

Constituent members: Peterborough
 City, Cambridgeshire County, Fenland,
 Huntingdonshire, East Cambridgeshire, South
 Cambridgeshire, Cambridge City Council.

For those cities which have existing mayors (e.g. Bristol and Liverpool), these mayors will continue to lead their own authority while working with a metro mayor across the city region - a city mayor would have the same position in the combined authority as other council leaders.

The metro mayor will chair the combined authority cabinet which is made up of leaders from each local authority in the city region. Unlike the stronger executive powers and assembly scrutiny model in London, the metro mayor will have to consult the combined authority cabinet on their strategies - this can be rejected if two thirds of the cabinet members do not agree with them.

The Devolution Bill 2016 also requires that all Combined Authorities set up at least one overview and scrutiny committee - each local authority will appoint at least one member to this. This committee will have the power to suspend decisions put forth by the metro mayor and combined authority cabinet.

Metro mayors are to be elected in May 2017, then in May 2021, and every four years following that. As in the Bristol mayoral elections, a supplementary vote system will be used to elect metro mayors, unless there are only two candidates.

There are no term limits set on metro mayors and thus candidates can bid for re-elections as many times as they wish.

#### 4.3 City region polling on metro-mayors

The Centre for Cities (CfC) commissioned a survey<sup>16</sup> in five of the city regions due to have a metro mayor elected in 2017 (GM, SCR, LCR, NE, WM) - the surveys produced three key findings:

- 1. Awareness of the introduction of new mayors is relatively high in certain city regions.
  - 2. This was especially true for LCR and GM with 49% and 45% awareness respectively, lowest awareness was in SCR with 31%.
- 2. Throughout all city regions surveyed, the public were keen for the new metro mayors to have more powers than council leaders.
- Only GM will have powers to deliver on some of the major concerns identified across all city regions in the study.
  - a. The top concerns were:

- i. Health care provision (only within GM metro mayor's remit)
- Housing (within all metro mayors' remit)
- iii. Emergency services (only within GM metro mayor's remit)
- iv. Schools and education (local authority / government control)
- v. Social care provision (only within GM metro mayor's remit)

Regarding the West of England in particular, a poll conducted by ComRes<sup>17</sup> on behalf of Centre for Cities found the following:

- More than half were familiar with the plans to introduce a new metro mayor.
- The provision of healthcare was identified as the most important political priority – however, this is an area that the West of England MCA will not have devolved powers over.
- The most important priorities noted for a metro mayor in their first 100 days were as follows:
  - Build or commission affordable housing
  - Develop plans to invest in rail and road networks within the city region
  - Create a city region strategic plan
- More than half agreed that the new mayor should have greater power than local council leaders.

After conducting a series of public debates on metro mayors in six city regions, the CfC noted the following: 18

- 1. The nature of the debate reflected the progress of each devolution deal.
  - a. The debate in the GM region was focused on gaining more powers for the metro mayor and how these could be used to benefit the region.
  - b. In LCR and TV, the debate centered more around the metro mayor model and how it could be reconciled with individual local authorities
  - c. In WM & SCR, there seemed to be more scepticism over the concept of a metro mayor itself.

http://www.centreforcities.org/publication/findings-city-region-polling-new-mayors-may-2017

http://www.comresglobal.com/polls/centre-for-cities-2017-mayoral-research-west-of-england/

<sup>18</sup> http://www.centreforcities.org/blog/what-does-metro-mayor-debate-look-like-in-big-city-regions/

- 2. There was debate over whether the metro mayor would have too much or too little power.
  - a. While there is general public support for the metro mayor to have more power than local council leaders, there is also concern with too much power being bestowed upon a single individual.
  - b. This highlights the need for a transparent method of scrutiny to mitigate these fears.
- 3. The new mayor should not only use executive powers, but also raise the profile of the region.
  - a. The idea of a 'selling the region' was a recurring theme in debates across Sheffield, Birmingham and Tees Valley - this was most prominent in areas which would be electing a mayor for the first time.

Table 4.1 - Metro mayor: City region comparison

#### What powers will new metro mayors have?

		Greater Manchester	Liverpool City Region	Sheffield City Region	Tees Valley	West Midlands	West of England	
( <b>6</b> 24) in	30-year investment fund	£900m	£900m	£900m	£450m	£1.1bn	£900m	
	Education & skills powers	Apprenticeship Grant for Employers. Adult Skills Budget. Post-16 further education system.	Apprenticeship Grant for Employers. Adult Skills Budget. Post-16 further education system.	Apprenticeship Grant for Employers. Adult Skills Budget. Post-16 further education system.	Adult Skills Budget.	Adult Skills Budget.	Apprenticeship Grant for Employers. Adult Skills Budget. Post-16 further education system.	
金	Housing & planning	£30m a year Housing Investment Fund. Strategic planning. Land Commission. Compulsory purchase powers. Mayoral Development Corporations.	Strategic planning. Compulsory purchase powers. Mayoral Development Corporations. Control of Key Route Network	Strategic planning. Compulsory purchase powers. Mayoral Development Corporations.	Mayoral Development Corporations.	Compulsory purchase powers.	Strategic planning. Compulsory purchase powers. Mayoral Development Corporations.	
<b>/III</b>	Transport	Consolidated transport budget. Bus franchising. Smart ticketing.	Consolidated transport budget. Local roads network. Bus franchising. Smart ticketing.	Consolidated transport budget. Local roads network. Bus franchising. Smart ticketing.	Consolidated transport budget.	Consolidated transport budget. Local roads network. Bus franchising. Smart ticketing.	Consolidated transport budget. Local roads network. Bus franchising. Smart ticketing.	
<b>+</b>	Health & social care	Control of £6 billion integrated health and social care budget	Planning for health and social care intergration	Planning for health and social care intergration				

(Source: Centre for Cities)

#### 4.4 Candidates for Metro Mayor

The following candidates have been announced from the main political parties for metro-mayor in Greater Manchester, Liverpool City Region, the West Midlands and the West of England.

#### Greater Manchester:

Labour: Andy Burnham MP

Liberal Democrats: Jane Brophy

Conservative: Sean Anstee Green: Deyika Nzeribe

#### Liverpool City Region:

Labour: Steve Rotheram MP

Liberal Democrats: Carl Cashman

Green: Tom Crone

#### West Midlands:

Labour: Siôn Simon MEP

Liberal Democrat: Beverley Nielson

Conservative: Andy Street

Green: James Burn

#### West of England:

Labour: Lesley Mansell

Liberal Democrat: Stephen Williams

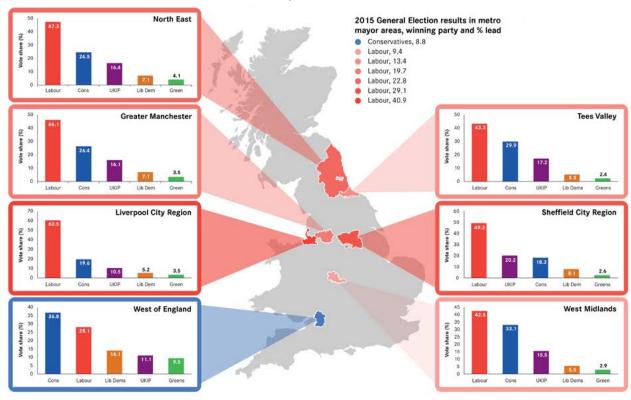
Conservative: Tim Bowles

Green: Darren Hall

UKIP: Aaron Foot

While the majority of mayoral Combined Authorities are considered to be Labour strongholds, there could be potential Conservative gains in the West of England and the West Midlands (see Image 4.1).<sup>19</sup>

Image 4.1 - 2015 General election results in metro mayor areas



<sup>&</sup>lt;sup>19</sup> http://www.centreforcities.org/press/tories-real-chance-making-inroads-labours-urban-vote/

# 5. West of England Devolution

#### 5.1 Background and context

The devolution agreement for the West of England (see Box 5.1) has come relatively late compared with other major city regions.

The devolution deal was announced by George Osborne in the March 2016 budget and agreed with the leaders of all four West of England Councils: Bristol, Bath & North East Somerset, North Somerset and South Gloucestershire - these were the four unitary authorities that replaced Avon County Council in 1996.

In June 2016, North Somerset council decided not to participate further in the devolution deal - the perception of a return to Avon and the introduction of a metro mayor were two of the key reasons for its rejection of the devolution deal.<sup>20</sup>

Consequently, the West of England Mayoral Combined Authority spans over three councils: Bristol, South Gloucestershire and Bath & North East Somerset, each of which is a constituent member.

#### Box 5.1 - Summary of the West of England Devolution Agreement<sup>21</sup>

A directly elected West of England Mayor will chair the West of England Combined Authority (WECA) - the mayor will exercise the following devolved powers:

- Responsibility for a consolidated, devolved local transport budget with a multi-year settlement.
- Ability to franchise bus services, subject to legislation and local consultation, which will support the WECAs delivery of smart and integrated ticketing.
- Responsibility for a new Key Route Network of local authority roads to be managed and maintained by the WECA on behalf of the Mayor.
- Powers of strategic planning, including to adopt a statutory spatial development strategy which will act as the framework for managing planning across the West of England Region.

The WECA will receive the following powers:

- Control of additional £30m / year over 30 years, to be invested in the West of England Single Investment fund, to boost growth.
- Responsibility for the 19+ Adult Education Budget, which will be devolved from the academic year 2018/19.
- Joint responsibility with the government to co-design the new National Work and Health Programme designed to focus on those with a health condition or disability and the very long term unemployed.

In addition, national government will work with WECA:

- On trade and investment services.
- To realise economic potential of the Bristol and Bath Science Park and Food Enterprise Zone at J21 Enterprise area, and support development of the WoE Growth Hub.
- To agree specific funding flexibilities joint ambition to give WECA a single pot to invest in its economic growth.

<sup>&</sup>lt;sup>21</sup> https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/508112/160315\_West\_of\_England\_Devolution\_Agreement\_Draft\_-\_FINAL.pdf



<sup>&</sup>lt;sup>20</sup> West of England Devolution Consultation (2016) Summary of Consultation Responses, p. 6.

#### 5.2 Governance arrangements

The governance arrangements for the West of England Mayoral Combined Authority (MCA) are as follows (for detailed breakdown see Appendix Item 2):

- The constituent councils will establish a combined authority and adopt the model of a directly elected mayor for the MCA.
- The election of the directly elected metro mayor will be held in May 2017.
- The strength of the governance arrangements of the MCA will be commensurate with the powers of that authority, including all new devolved powers.
- The West of England metro mayor will autonomously exercise new powers.
- The metro mayor will chair the MCA, which will be comprised of the other members of the combined authority.
- The MCA, including the mayor, will be scrutinised and held to account by the West of England Overview and Scrutiny and Audit Committee(s).
- The metro mayor will be required to consult the MCA on his/her strategies; these can be rejected if 2/3 of the constituent council members agree to do so.
- The MCA will also examine the mayor's spending plans and will be able to amend those plans if 2/3 of the constituent council members agree to do so.
- Proposals for decision by the MCA may be put forward by the mayor or constituent member.
- The mayor will have one vote, as will the other voting members: any questions to be decided by the MCA are decided by a majority of the members present and voting, subject to that majority including the vote of the mayor.

#### 5.3 Functions, powers and duties

Mayoral functions, powers and duties:

- The power to raise a supplement on business rates to fund infrastructure in consultation with the local business community (it is currently not clear how this consultation will be done; whether though through majority LEP business member vote or wider business community vote).
- Responsibility for a local transport plan (Joint Transport Plan) covering the CA area.

- Responsibility for a devolved and consolidated transport budget.
- Responsibility for franchised bus services and smart ticketing.
- Responsibility for a Key Route Network of local roads (subject to unanimous MCA approval).
- Creation of supplementary planning documents and apply a single viability appraisal process for planning application in the MCA area (subject to unanimous MCA approval).
- Being consulted on planning applications identified as strategic, cross-boundary, linear infrastructure.
- Undertaking land assembly and compulsory purchase; forming joint ventures with landowners, developers and registered providers, with the agreement of the relevant Constituent Councils.
- Creation of Mayoral Development Corporations, with planning and land assembly powers, which will support delivery of strategic sites in the city-region.

Mayoral Combined Authority functions, powers and duties:

- Prime purpose is to improve the exercise of statutory functions in relation to the area.
- The power to raise a levy in respect of its expenses relating to costs and functions – this levy will be approved by unanimous agreement of the Constituent Councils, who also decide how best to apportion the amount to be raised by the levy between the Constituent Councils.
- The MCA will have functions in relation to strategic economic development and transport – these include functions in relation to strategic planning policy (including the planning for future housing and employment land provision).
- The MCA will exercise its powers and duties concurrently with the Constituent Councils – no member is ceding existing functions to the MCA without express agreement.

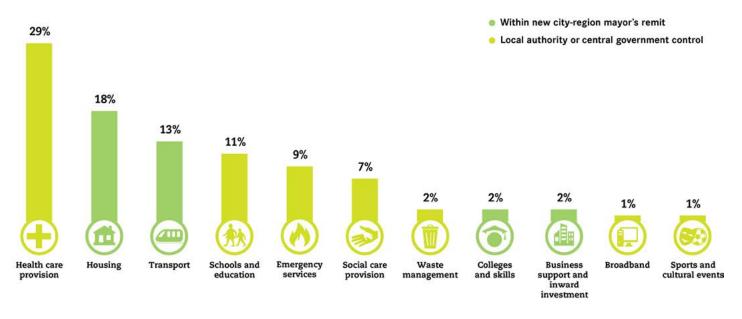
#### 5.4 Public Engagement

The public consultation on the West of England WECA ran for six weeks over July/August 2016. There were 2,011 responses from a variety of individual residents, businesses, voluntary and community organisations and other stakeholders.

The consultation found the following:

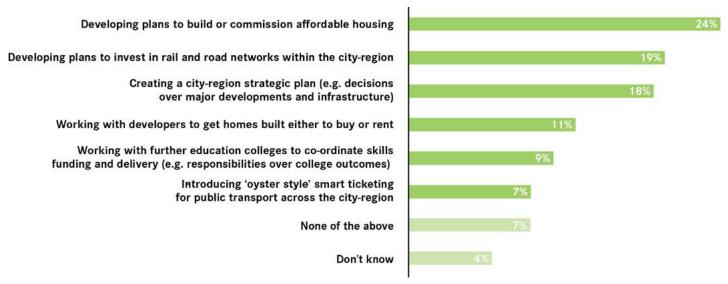
- The majority of respondents (55%) expressed support for the WECA and the proposals on decision making, place, people and business.
- There were differences in views in the different council areas: Bath & North East Somerset had a similar number agreeing (44%) and disagreeing (45%) with the proposed WECA, South Gloucestershire had more agree (50%) than disagree (37%) and Bristol had the highest amount of respondents in agreement (70%) with only a small number who disagreed (20%).
- Younger people were more likely to be in favour of the proposal compared to older people.
- 47% of respondents agreed that a mayor would provide increased accountability and transparency for decisions affecting the region, 38% disagreed and 14% were unsure.
- In terms of issue areas, there was more support for transport and housing proposals compared to adult education and business proposals (though for the latter this was due to an increase in 'unsure' respondents rather than those disagreeing with the proposals).

The Centre for Cities ran a ComRes poll in the region to find out what the local priorities for the West of England Mayor and Combined Authority should be. The chart below ranks the issues highest on the agenda based on both powers that the WECA will have and also wider priorities.



(Source: Centre for Cities)

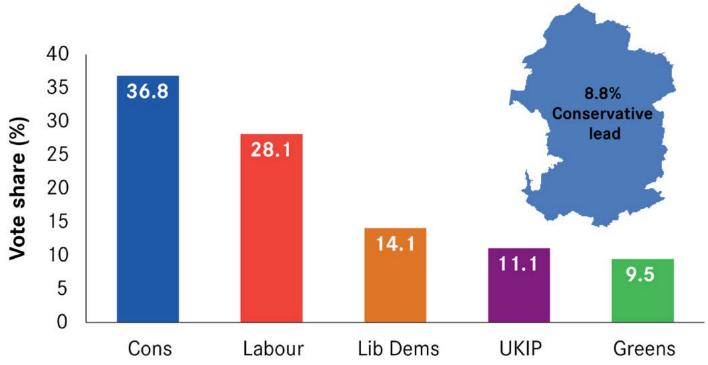
When focused on the particular areas covered by the West of England WECA, a quarter said affordable housing should be the top priority, 19% thought that investment in transport was important, and 18% cited major developments and infrastructure as a priority.



(Source: Centre for Cities)

#### 5.5 Political Landscape

According to historic voting data for the whole region (including North Somerset, which is no longer part of the Combined Authority), the Conservatives have a good chance of winning in the mayoral elections with a 9% majority over Labour.



(Source: Centre for Cities)

# 6. Appendix

#### Appendix Item 1 – Mayoral Combined Authorities: devolution agreements

Region	When	Governance	Details
Greater Manchester	D1: 11/14 D2: 07/15 D3: 11/15 D4: 03/16 D5: 07/16	Metro mayor (2017) GMCA	<ul> <li>D1 - Metro mayor devolved powers and responsibilities:</li> <li>Responsibility for a devolved and consolidated transport budget, with a multi-year settlement.</li> <li>Responsibility for franchised bus services which will support delivery of smart and integrated ticketing.</li> <li>Powers over strategic planning, including the power to create a statutory spatial framework for Greater Manchester.</li> <li>Control of a new £300 million Housing Investment Fund.</li> <li>Control of a reformed earn back deal, within the current envelope of £30 million a year for 30 years.</li> <li>Take on the role currently covered by the Police and Crime Commissioner.</li> <li>D1 - GMCA devolved powers:</li> <li>Responsibility for devolved business support budgets.</li> <li>Control of the Apprenticeship Grant for Employers in Greater Manchester and power to reshape and re-structure the Further Education (FE) provision within Greater Manchester.</li> <li>Control of an expanded Working Well pilot.</li> <li>GMCA invited to develop a business plan for the integration of health and social care across Greater Manchester</li> <li>D2 - additional devolved powers:</li> <li>GMCA and NHS joint planning of social care budgets.</li> <li>D3 - additional devolved powers:</li> <li>Power to implement a Community Infrastructure Levy.</li> <li>Development of a business case for a Land Programme.</li> <li>Infrastructure Commission to provide advice on investment priorities for the North.</li> <li>Mayor has power to introduce a Business Rates supplement.</li> <li>Establishment of a Public Service Reform Investment Fund.</li> <li>GMCA gains Intermediary Body status.</li> </ul>

			<ul> <li>D4 - additional devolved powers:</li> <li>Fully devolved adult education budgets from academic year 2018/19.</li> <li>GMCA absorbs Manchester joint waste disposal authority.</li> <li>100% retention of business rates from 2017.</li> <li>D5 - additional devolved powers:</li> <li>Further powers associated with the justice system in Greater Manchester</li> </ul>
Region	When	Governance	Details
Liverpool City Region	D1: 11/15 D2: 03/16	Metro mayor (2017) LCR CA	<ul> <li>D1 - Metro mayor devolved powers and responsibilities:</li> <li>Responsibility for a devolved and consolidated local transport budget, with a multi-year settlement</li> <li>Responsibility for franchised bus services which will support delivery of smart and integrated ticketing.</li> <li>Powers over strategic planning including the responsibility to create a Single Statutory City Region Framework and a Mayoral Development Corporation.</li> <li>D1 - LCR CA devolved powers: <ul> <li>Control of a new additional £30m / year funding over 30 years.</li> <li>Responsibility for chairing a review of 16+ skills provision, and devolved 19+ adult skills funding from 2018/19.</li> <li>Joint responsibility with government to co-design employment support for harder-to-help claimants.</li> <li>Joint working with UKTI to boost trade and investment.</li> <li>Building on the success of International Festival for Business (IFB) 2014 and the proposals for IFB 2016.</li> </ul> </li> <li>D1 - LCR and Government work together to: <ul> <li>Support the development of the Liverpool City Region.</li> <li>Explore options around a sustainable and viable business model for National Museums Liverpool.</li> <li>Agree specific funding flexibilities after the Spending Review.</li> </ul> </li> <li>D2 - Additional devolved powers: <ul> <li>Pilot of 100% business rate retention.</li> </ul> </li> </ul>
			<ul> <li>New powers over transport.</li> <li>Further commitments to joint working on children's services, health, housing and justice.</li> </ul>



Region	When	Governance	Details
Sheffield City	D1: 12/14	Metro mayor (2017)	<ul> <li>D2 - Metro mayor devolved powers and responsibilities:</li> <li>Responsibility for consolidated, devolved transport budget with a multi-year settlement.</li> <li>Responsibility for franchised bus services which will support delivery of smart and integrated ticketing.</li> <li>Responsibility for an identified Key Route Network of local authority roads.</li> <li>Powers of strategic planning.</li> <li>D2 - SCR CA devolved powers:</li> <li>Control of a new additional £30m / year funding over 30 years.</li> <li>Responsibility for chairing an area based review of 16+ skills provision and devolved 19+ adult skills funding from 2018/19.</li> <li>Joint responsibility with government to co-design employment support for harder-to-help claimants.</li> <li>Joint working with UKTI to boost trade and investment</li> <li>Working with government to develop and implement a devolved approach to the delivery of national business support programmes.</li> <li>D2 - SCR and Government work together to</li> <li>Support the development of the SCR Advanced Manufacturing Innovation District.</li> <li>Achieve ambitions for a national Institute for Infrastructure within Doncaster</li> <li>Agree specific funding flexibilities to a Spending Review timetable - joint ambition to give SCR CA a single pot to invest in its economic growth.</li> </ul>
Region	D2: 10/15	SCR CA	

Region	When	Governance	Details	
Tees Valley	10/15	Metro mayor (2017) TVCA	<ul> <li>D1 - Metro mayor devolved powers and responsibilities:</li> <li>Responsibility for a consolidated, devolved transport budget with a multi-year settlement.</li> <li>Creation of new Mayoral Development Corporations and leadership of a land commission to examine what publicly owned land and other key sites should be vested in the development corporation.</li> <li>Control of a new £15m / year funding allocation over 30 years and creation of Tees Valley Investment Fund</li> <li>Comprehensive review and redesign of the education, skills and employment support system in the region.</li> <li>Responsibility for a devolved approach to business support from 2017, developed in partnership with government.</li> </ul>	
Region	When	Governance	Details	
West of England	03/16	Metro mayor (2017) WoE CA	D1 - Metro mayor devolved powers and responsibilities: Responsibility for consolidated, devolved local transport budget with a multi-year settlement. Ability to franchise bus services which will support delivery of smart and integrated ticketing. Responsibility for a new Key Route Network of local authority roads. Combined authority to gain powers over strategic planning.  D1 - WoE CA devolved powers: Control of additional £30m / year funding allocation over 30 years. Devolved 19+ Adult Education Budget from academic 2018/19. Joint responsibility with the government co-design the national Work and Health programme.  D1 - West of England and Government work together to: Cooperate on trade and investment services. Support the Bristol and Bath Science Park and Food Enterprise Zone. Develop the West of England Growth Hub.	



Region	When	Governance	Details
West Midlands	11/15	Metro mayor (2017) WMCA	<ul> <li>D1 - Metro mayor devolved powers and responsibilities:</li> <li>Responsibility for a consolidated, devolved transport budget with a multi-year settlement.</li> <li>Responsibility for franchised bus services which will support delivery of smart and integrated ticketing.</li> <li>Responsibility for a new Key Route Network of local authority roads.</li> <li>Planning powers to drive housing delivery and improvements in housing stock.</li> <li>D1 - WMCA devolved powers:</li> <li>Control of additional £36.5m / year funding allocation over 30 years.</li> <li>Devolved 19+ adult skills funding from 2018/19.</li> <li>Joint responsibility with the government to co-design employment support for the hardest-to-help claimants.</li> <li>Responsibility to work with the government to develop and implement a devolved approach to the delivery of business support programmes from 2017 and deliver more integrated working together on investment and trade.</li> </ul>
			<ul> <li>D1 - Government to:</li> <li>Supports the ambition of the HS2 Growth Strategy and the emerging West Midlands Strategic Transport Plan.</li> <li>Commits to funding the Eastside Metro extension to Digbeth, subject to a business case, to support the first part of the HS2 Growth Strategy.</li> <li>Work with the Shadow Board to explore options for reducing congestion on the strategic road network in the West Midlands.</li> <li>Commits to support the programme of public service reform across the West Midlands, including working with the Shadow Board to consider the scope for further devolution of youth justice services.</li> </ul>

#### Appendix Item 2 -

#### West of England MCA governance Structure

#### Constituent Councils:

- Bath & North East Somerset Council
- Bristol City Council
- South Gloucestershire Council

#### Membership:

- Each constituent council appoints one of its elected members as a member of the MCA.
- Each constituent council also appoints two other people to act as members of the MCA in the absence of the aforementioned member (these substitutes will have the same voting rights).
- An elected mayor of a constituent council (e.g. Bristol) is to be treated as a member of the constituent council.
- They mayor will be a member of and Chair the MCA a deputy mayor must be appointed from the membership of the MCA.

#### Proceedings & Voting:

- All constituent members of the MCA will have one vote the mayor / deputy mayor will not have a second or casting vote.
  - The MCA will aim to reach decisions by consensus, unless
  - The vote is tied: or
  - The majority does not include the support of the mayor.
  - In which case the matter shall be deemed not to have been carried.
- The following matters require unanimous support of all members of the MCA
  - Amendments to the MCA constitution
  - Adoption of a joint spatial plan
  - Any other matters contained in the MCA constitution
- Approval of the MCA's borrowing and limits, treasury management strategy, investment strategy and setting a levy will require unanimous support of all constituent councils (i.e. the mayor will not vote on these issues).
- The following mayoral decisions will require consent of the relevant member of the constituent council:
  - Designation of any land area as a mayoral development area.
  - Compulsory purchase orders
  - The introduction of bus lane enforcement schemes
  - The designation of any area as a Clean Air Zone
  - Any other matters contained in the MCA constitution
- The mayor must consult the MCA on his/her plans, policies and strategies related to exercising mayoral functions (which can be rejected by 2/3 members).

#### Scrutiny:

- The MCA shall establish an Overview and Scrutiny Committee, consisting of:
  - 4 members from each Constituent Council
  - 2-3 other members of the Constituent Councils in order to achieve greater political balance; and
  - Such other independent person as may be appointed by the Committee.

#### Audit Committee:

- The MCA will establish an Audit Committee of 10+ members, consisting of:
  - 2 members from each Constituent Council
  - 1-3 other members of the Constituent Council in order to achieve greater political balance; and
  - At least 1 independent person.

#### Appointments:

- The MCA will appoint to three statutory positions being:
  - Head of Paid Service
  - Chief Finance Officer
  - Monitoring Officer
- These positions may be undertaken by officers already serving in one or more Constituent Councils.
- The mayor may appoint one person as a political advisor.

#### Remuneration:

- The mayor will be paid an allowance as agreed by the Constituent Council members, following a report from an Independent Remuneration Panel – this will also consider allowances payable to the independent members(s) of the scrutiny/audit committee.
- No remuneration shall be payable by the MCA to its Constituent Council members / substitute members (other than travel/subsistence expenses).
- A Constituent Council may, on the recommendation of an independent remuneration panel, pay a special responsibility allowance to any member appointed by it to the MCA.





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