

Report of Chief Executive

Report to Executive Board

Date: 24 November 2020

Subject: Devolution Deal for West Yorkshire - Consent to Draft Order

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary

1. Main issues

- This holding paper provide Executive Board with an overview of the decisions it will be asked to take as part of the West Yorkshire devolution deal implementation process when it meets on 24 November.
- Unfortunately, due to delays that are out of the council's control the substantive report covering these issues will follow at a later date, prior to the meeting.

2. Best Council Plan implications

- If adopted the West Yorkshire devolution deal will play a central role in enhancing the council's ability to respond, working in partnership with others, to the three key pillars which underpin the Best Council Plan – inclusive growth, health and wellbeing, and climate emergency.
- Enacting the Deal in full will also provide the region with additional levers as part of efforts to achieve an inclusive economic recovery following the COVID-19 pandemic.

3. Resource implications

- The Deal contains significant levels of new funding for West Yorkshire, including a £38m per year, 30 year gainshare agreement.

Recommendations

Executive Board is asked:

- a) To note this brief update and to consider the substantive report on these issues when it is received.

1. Purpose of this report

- 1.1 This holding report provides Executive Board with an update on the next stage of the process to implement the West Yorkshire Devolution Deal, agreed between the region and Government in March 2020.
- 1.2 Due to delays which are out of the council's control, a complete substantive report on these issues cannot be published alongside the meeting agenda but will follow imminently.

2. Background information

- 2.1 The West Yorkshire 'minded-to' Devolution Deal was announced as part of the Budget on 11 March 2020. Subject to statutory processes, this will lead ultimately to the adoption of a mayoral combined authority (MCA) model with additional functions, and will require an Order of the Secretary of State.
- 2.2 Following the Budget announcement, in March 2020 ([relevant report and decisions available here](#)), each of the five West Yorkshire councils and the West Yorkshire Combined Authority (WYCA):
 - Endorsed the 'minded-to' Deal.
 - Agreed to be party to a Review of the combined authority's constitutional arrangements and of the functions carried out by the combined authority.
 - Authorised the combined authority's Managing Director, in consultation with the five council Chief Executives, to prepare a draft Scheme for consideration by councils and the combined authority, subject to the outcome of the Review.
- 2.3 In May 2020 ([report available here](#)), the combined authority and each constituent council:
 - Endorsed the conclusions of the Governance Review.
 - Considered and endorsed the Scheme for the establishment of the mayoral combined authority.
 - Agreed that a public consultation exercise should be undertaken on the proposals contained in the scheme.
- 2.4 In September 2020 ([report available here](#)), the combined authority and each constituent council:
 - Considered the outcome of the public consultation on the Scheme, which has been undertaken jointly by constituent councils and the combined authority.
 - Resolved to submit the summary of the consultation responses to the Secretary of State.

3. Main issues

- 3.1 Following the decisions of Executive board outlined above, the next stage in the process for enacting the deal requires the combined authority and each constituent council to provide their consent to the Order required to establish a mayoral combined authority for West Yorkshire.

- 3.2 Executive Board will be asked to provide Leeds City Council's consent when it meets on 24 November.
- 3.3 Unfortunately, there has been a delay in publishing the full paper detailing this recommendation and associated information due to a delay in receipt of the necessary version of the draft Order from Government. This delay is outside the control of the combined authority or constituent councils.
- 3.4 Once the draft Order is received, it will be reviewed to ensure it reflects the 'minded to' devolution deal and Scheme, and includes the expected functions and supporting legislation. The substantive report will then be published.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 As part of the statutory process public consultation has been undertaken, the results of which have been previously considered by Executive Board.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An Equalities Impact Assessment has been undertaken for implementation of the deal. The assessment has taken account of the obligations under Section 149 of the Equality Act 2010 (i.e. the public sector equality duty). It is not expected that the proposals described in this report will have any adverse impacts on people with protected characteristics. The combined authority will ensure that the equality impact assessments are reviewed throughout the devolution implementation process.

4.3 Council policies and the Best Council Plan

- 4.3.1 Securing a devolution deal for Leeds and the wider region has been a significant priority for the local authority for a number of years, as set out in the current and previous versions of the Best Council Plan.
- 4.3.2 Once implemented the powers, funding and freedoms to be devolved from Government to the region, as part of the deal that has been agreed, will enhance the council's ability to meet many of its Best Council Plan objectives, including the strong economy, compassionate city vision.
- 4.3.3 Devolution continues to be a highly complex and dynamic policy agenda with a number of potential short, medium and long term implications for citizens, communities and businesses in Leeds. We will continue to work through these over the coming weeks and months in advance of the first mayoral election scheduled to take place in May 2021, pending Executive Board's decisions.

Climate Emergency

- 4.3.4 As part of the 'minded to' Devolution Deal text, the Government welcomed West Yorkshire's commitment to becoming a net zero carbon economy by 2038, with significant progress by 2030. Locally, the council remains committed to achieving net zero carbon emissions by 2030, as set out in the March 2019 climate emergency declaration.

4.3.5 There are, however, no immediate climate emergency implications arising as a direct result of this report.

4.4 Resources, procurement and value for money

4.4.1 The 'minded to' Devolution Deal includes a number of flagship funding arrangements including £38m for 30 years into the West Yorkshire Investment Fund, £317m from the Transforming Cities Fund and control over the £63m annual Adult Education budget. The implications of these and the other funding provisions contained within the 'minded to' Deal will be subject to future reports.

4.4.2 There are no staffing implications arising directly from this report. The establishment of the mayoral combined authority will have staffing implications, primarily for WYCA, in terms of additional resources to deliver the ambition of the Deal and these will be considered separately as required. There remains a possibility that at a later stage there may be some limited staffing implications for the council.

4.4.3 Discussions between councils and the combined authority regarding future partnership arrangements and ways of working are ongoing, and any future changes would be subject to discussion and engagement with elected members in the normal way.

4.5 Legal implications, access to information, and call-in

4.5.1 S101(5) Local Government Act 1972 provides that two or more local authorities (defined to include a Combined Authority) may discharge any of their functions jointly and may arrange for the discharge of those functions by an officer of one of the authorities.

4.6 Risk management

4.6.1 The council maintains a risk regarding devolution on the corporate risk register. This takes account of the need to secure a good deal and the opportunities this presents for the city. The risk ensures that any deal to be considered is in the best interests of the people of Leeds.

4.6.2 This risk will remain under review as the deal implementation process moves forward to provide assurance that any new or emerging opportunities are effectively assessed and acted upon.

5. Conclusions

5.1 A full substantive paper recommending Executive Board provide the council's consent to the draft Order to establish a mayoral combined authority will be published imminently, once the matters in 3.4 have been resolved.

6. Recommendations

6.1 Executive Board is asked:

- a) To note this brief update and to consider the substantive report on these issues when it is received.

7. Background documents¹

7.1 None.

8. Additional information

8.1 The 'minded to' West Yorkshire Devolution Deal (the Deal) referenced in this report is [available here](#).

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.