



Report of: Assistant Chief Executive (Planning Policy & Improvement)

Scrutiny Board: City & Regional Partnerships

Date: 8th October 2009

Subject: Governance arrangements for the Leeds City Region

Electoral Wards Affected:



Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Introduction

- 1.1 At the Boards' Meeting 25th June 2009 Members requested a report back outlining the main governance issues relating to the City Region with a view to developing terms of reference for an inquiry later in the year.
- 1.2 At that time the City Region had been recently announced as a Forerunner City Region along with Greater Manchester and Officers were beginning the process of negotiating the detail of an agreement that is intended to bring a range of freedoms and flexibilities to the City Region.
- 1.3 It was reported to the Board that once the Forerunner measures were agreed then it was likely that some elements of the existing City Region governance model may need to be amended in order that Government can be satisfied that decisions made by the City Region are transparent and accountable.

2.0 Purpose of the report

- 2.1 This report updates the Board on progress made by the City Region Partnership in securing agreement on the Forerunner proposals and the timescale for completing these negotiations.
- 2.2 It complements further reports to the Board on the Integrated Transport Authority and governance arrangements for transport within West Yorkshire and the Leeds City Region; and preliminary work underway to consider the roles, responsibilities and membership of the proposed City Region Employment and Skills Board (ESB).

2.3 It highlights a further area of work where in advance of the final Forerunner agreement being signed, thinking has commenced on revised governance arrangements.

3.0 Recent progress

3.1 The Leeds City Region was announced in the April 2009 Budget as a Forerunner City Region alongside Greater Manchester following a competitive bidding exercise involving 14 other city regions.

3.2 Following the announcement City Region Secretariat officers (based in the Regional Policy Team) and the Chief Executives of York, Kirklees and Leeds have been engaged in detailed negotiations with Government Officials on the scope of an agreement that will describe the powers and responsibilities required to deliver the activity outlined in the Forerunner proposal.

3.3 Councilor Andrew Carter in his capacity as chair of the City Region Leaders Board, along with Cllrs Box (Leader of Wakefield), Gardner (Leader of Harrogate) and Hopkins (Leader of Bradford), supported by the Chief Executives of Leeds and York, also attended a meeting on 13th July with Ministers from the relevant Government Departments with the aim of further developing the agreement on the key asks.

3.4 Following this meeting, it was agreed that further work would be undertaken by secretariat officers and government officials over the summer to develop the agreement with a view to this being signed off during in the Autumn.

3.5 Officers are therefore continuing to work with relevant Departments and partners to further refine the detail of the asks and to agree the format of the final agreement, which is being developed jointly with CLG.

3.6 A further cross departmental meetings is being scheduled with Government Officials and this will be followed by a further Ministerial level meeting in late October. The Ministerial meeting will formally sign off agreement. The agreement will be publicly launched at the City Region Summit scheduled for 27th November in Harrogate.

4.0 Implications for Leeds City Region Governance

4.1 Throughout the Forerunner negotiations the City Region Partnership has insisted that the form of governance should flow from the functions and powers that the city region receives as part of the agreement and that where possible governance changes should build on those already established.

4.2 Given that the City Region is still negotiating the detail of the Forerunner agreement, the full extent of governance changes that may be required by Government or desirable to the partnership is still not completely clear.

4.3 However, what is clear at this time is that in order to make progress on the Transport, Skills and Housing agendas the City Region will need to develop revised

governance arrangements. The move towards an Integrated Transport Authority with enhanced City Region Governance arrangements and the thinking on the movement towards the creation of an Employment and Skills Board with Statutory Powers are covered in separate Board papers.

- 4.4 Housing has been a significant area of City Region working over the last two years and features strongly in the Forerunner proposals. As the prospects of securing agreement on the City Region taking a far greater role in identifying investment priorities and co-directing HCA funding, early consideration is being made on the establishment of a Leeds City Region / Homes and Communities Agency (HCA) Housing and Regeneration Joint Board.
- 4.5 The purpose of the Joint Board will be to work collaboratively with the HCA and other relevant bodies, to oversee housing and regeneration policy development, investment and delivery in the City Region. The legal issues and terms of reference are to be considered as part of the Forerunner negotiations, but a governance model similar to the London Housing Board whereby the responsibility for determining and managing HCA investments is delegated to the Board from the national HCA Board, is one that is currently the focus of discussions.
- 4.6 The Board's remit is likely be primarily twofold - firstly, to determine the distribution of HCA investment across the city region; and secondly, to manage the agreed city region element of the overall programme. A City Region Housing and Regeneration Strategy and Investment Framework, due to be considered by City Region Leaders in October, will set the policy framework for taking these decisions. The rest of the investment programme will be managed by individual local authorities through their individual HCA "Single Conversations". There is also a potential role for the Joint Board to seek to align other relevant housing and regeneration funding streams such as those of local authorities and Yorkshire Forward.
- 4.7 The Board is likely to comprise Member representatives from City Region local authorities, the HCA, Yorkshire Forward, and Government as a minimum. It is likely that the Chair will be a local authority Member. In line with Forerunner milestones, it is intended to have the terms of reference and legal form agreed by the end of 2009 with a view to an inaugural meeting in the first quarter of 2010.
- 4.8 It is clear that robust mechanisms need to be in place to ensure all city region local authorities are able to contribute and influence the investment decisions taken by the Joint Board.

5.0 Next Steps

- 5.1 As indicated in 3.6 the City Region Partnership are aiming to launch the Forerunner agreement at the Summit scheduled for 27th November 2009. By this time the Partnership should have further clarity on the full scope of governance changes that need consideration and a further report will be brought to this Board to outline these.
- 5.2 In terms of the Housing agenda and work to develop the Joint Board arrangements with the HCA, as indicated in 4.7 it is intended to have working arrangements in place by early 2010 and by this time robust mechanisms will be needed to ensure

that local authorities are in a position to engage with and influence the investment decisions taken by the Joint Board.

6.0 Recommendations

6.1 The Scrutiny Board is requested to:

- comment on the various issues raised
- consider whether further work is required to ensure that Leeds is in a position to engage with and influence the investment decisions of the proposed Joint Board by the time it is established in 2010.

Attached:

Leeds City Region (2009)

Impact, Innovation, Leadership – the Leeds City Region Forerunner Plan