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**Report of the Assistant Chief Executive (Planning, Policy and Improvement)
and the Director of Resources**

Executive Board

Date: 6 January 2010

Subject: Leeds City Region Forerunner Agreement

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

EXECUTIVE SUMMARY

1. Leeds city region was awarded forerunner status on the basis of its forerunner plan submitted to Government in March 2009. On 27 November 2009 the Forerunner Agreement was agreed by Government. It sets out the city region's initial proposals for devolution of powers, from central Government to the city region partnership of eleven local authorities
2. The Forerunner Agreement is major step forward in obtaining devolved powers, responsibilities and funding to deliver the priorities and ambitions set out within the Agreement. Freedoms and flexibilities have been agreed or are being further developed to offer a significant opportunity for promoting local leadership for economic growth.
3. There are major challenges and opportunities ahead for the city region partnership in delivering the Forerunner Agreement. These are discussed in more detail throughout the rest of this report.

1.0 Purpose Of This Report

- 1.1 To set out details of the city region Forerunner Agreement that was signed by Government and city region Leaders at the recent City Region Summit on 27 November 2009, and to outline the next steps in delivering the programme.

2.0 Background Information

- 2.1 The Leeds City Region Partnership was awarded Forerunner Status on the basis of its proposals submitted to Government in March 2009. Announced in the 2009 budget, Leeds has joined Greater Manchester in being one of only two pilot city regions in the country to be awarded pilot status. This status brings with it new freedoms and flexibilities devolved from central Government to promote local leadership and accelerate economic growth

- 2.2 Since the announcement of Forerunner Status in April 2009, negotiations with relevant Government departments have been ongoing in a series of cross-departmental meetings designed to reach agreement on the details of the programme. The Forerunner Agreement was approved by the Government's Cabinet on 26 November and formally signed by the Rt. Hon Rosie Winterton MP and partners at the City Region Summit held on 27 November in Harrogate.

- 2.3 The Chancellor of the Exchequer made reference to the Agreement in the Pre Budget Report on 9 December, referring to the Government putting in place more devolved arrangements in order to better drive growth in the two city region pilot areas. The Leeds City Region Agreement comprises four overarching strategic priorities:

- Housing and regeneration
- Innovation
- Transport
- Skills and worklessness

Within these strategic priorities are a number of specific commitments which are detailed within the Agreement attached at Appendix 1.

- 2.4 Work is now underway to establish the governance infrastructure to deliver the Forerunner Pilot including a devolved Homes and Communities Agency (HCA) Leaders Board and a shadow Employment and Skills Board to complement arrangements for delivering transport and innovation priorities. The Leeds City Region Leader's Board, legally constituted, represents the decision making body of the partnership

3.0 Main Issues

- 3.1 The Leeds City Region Forerunner Agreement represents a significant milestone in the Government's approach to devolving powers, responsibilities and funding to the city region. It introduces a new era of local leadership in partnership with Government and its national and regional agencies
- 3.2 The Forerunner Agreement presents challenges to the city region partnership and its constituent local authorities to deliver this new agenda. Governance and delivery arrangements now need to be reviewed and put in place to make sure that the Agreement is delivered to optimum success for the city and the city region. It is acknowledged that more work is now needed to make sure that ongoing Leeds' input to the city region partnership is appropriately agreed and co-ordinated. This will be important if the city region is to demonstrate the necessary leadership so as to continue to seek further devolution over time.

4.0 Implications For Council Policy And Governance

4.1 Each of the proposals in the Forerunner Agreement will have implications for Council policy and governance, although some will require further exploration and development before the potential implications are fully understood.

5.0 Legal And Resource Implications

5.1 There may be implications for the Council in supporting enhanced arrangements for delivering the Forerunner ambitions and programmes.

6.0 Conclusions

6.1 The Forerunner Agreement is major step forward in obtaining devolved powers, responsibilities and funding to deliver Leeds city and Leeds city region priorities and ambitions. The freedoms and flexibilities that have either been agreed already or are being developed offer a significant opportunity to promote local leadership for economic growth. The Agreement focuses on devolving decision-making across the four major priorities set out in section 2.3 of this report

6.2 The new status brings with it both challenges and opportunities many of which are as yet to be fully understood. It is acknowledged that more work is needed to put in place appropriate governance arrangements at the city region level as well as securing these for Leeds' own input to this wider partnership

7.0 Recommendations

7.1 The Executive Board is requested to:

- note the Forerunner Agreement commitments; and
- agree to receive a further report detailing the implications of the Agreement and its implementation for Council policy and governance.

Background Papers

Leeds City Region Forerunner Agreement

Report to Leeds City Region Leaders' Board, 10th December 2009, entitled, 'LCR HCA Board'

Report to Leeds City Region Leaders' Board, 10th December 2009, entitled, 'Employment and Skills Board'

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