

Cabinet

Agenda

Thursday, 17th November, 2016 at 7.30 pm or immediately following the Council Meeting

in the

Assembly Room Town Hall Saturday Market Place King's Lynn



King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX

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CABINET AGENDA

DATE: CABINET - THURSDAY, 17TH NOVEMBER, 2016

VENUE: TOWN HALL, SATURDAY MARKET PLACE,

KING'S LYNN

TIME: 7.30 pm or immediately following the rising of

the Council meeting

As required by Regulations 5 (4) and (5) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 - No Items will be considered in private.

1. APOLOGIES

To receive apologies for absence.

2. DECLARATIONS OF INTEREST

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not already declared on the Register of Interests) and the agenda item to which it relates. If a disclosable pecuniary interest is declared, the member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on an item or simply observing the meeting from the public seating area.

3. MEMBERS PRESENT UNDER STANDING ORDER 34

To note the names of any Councillors who wish to address the meeting under Standing Order 34.

4. EAST ANGLIAN DEVOLUTION (Pages 5 - 31)

To give consideration to the attached report and recommendations on

Devolution, which will be debated at the Council meeting prior to this meeting.

Item not subject to call in

Councillor Long has contacted Councillor Wareham, Chairman of the Corporate Performance Panel and informed him of the fact that the item being considered at this meeting was deemed as one of urgency as the decision had to be made by 17 November 2016, and therefore would not be subject to call in, although Council had thoroughly debated the item before the Special Cabinet. Councillor Wareham had agreed with that position.

To: Members of the Cabinet

Councillors A Beales (Vice-Chairman), R Blunt, N Daubney, A Lawrence, B Long (Chairman), Mrs K Mellish and Mrs E Nockolds

Deputy Cabinet Members

For Further information, please contact:

Sam Winter, Democratic Services Manager 01553 616327 Borough Council of King's Lynn & West Norfolk King's Court, Chapel Street King's Lynn PE30 1EX

REPORT TO CABINET

| Open | | Would any decisions proposed : | | | |
|---|--------------------------------|---------------------------------------|--|----------------------------|------------------------------|
| Any especially | Discretionary Be entir | | tirely within Cabinet's powers to decide | | YES |
| affected Wards | | Need to be recommendations to Council | | NO | |
| | | Is it a K | ey Decision | YES | |
| Lead Member: Councillor B Long | | | Other Cabinet Members consulted: | | |
| E-mail: cllr.brian.long@west-norfolk.gov.uk | | | Other Members consulted: | | |
| Lead Officer: Ray Harding | | | Other Officers consulted: | | |
| E-mail: ray.harding@west-norfolk.gov.uk | | | | | |
| Direct Dial:01553 616245 | | | | | |
| Financial Implications | Policy/Personr Implications | | atutory plications | Equal Impact Assessment | Risk Management Implications |
| YES | YES | YE | ES | YES | YES |

Date of meeting: 17 November 2016

EAST ANGLIAN DEVOLUTION - NORFOLK AND SUFFOLK

Summary

Brief summary of report

- This report follows discussion at Council on 30th June 2016 of the report: 'East Anglia Devolution: Norfolk and Suffolk Devolution Proposal'. The minutes of that meeting highlight that Council decided to: "endorse signing of the Norfolk and Suffolk Devolution Agreement by the Leader and support the publication of a draft Scheme to create a Norfolk and Suffolk Mayoral Combined Authority for consultation." This decision was subsequently endorsed and agreed by Cabinet.
- 2. It provides: a summary of the consultation responses; updates on the devolution process and a summary of a draft statutory order to establish a Mayoral Combined Authority for Norfolk and Suffolk with the content of the draft order attached at appendix A for the Council's consideration.
- In order to realise the benefits associated with Norfolk and Suffolk Devolution Deal and maximise potential for future devolution deals, this report asks the Council to consent to being included in an Order that will be laid before Parliament by the Secretary of State for Communities and Local Government, to create a Norfolk and Suffolk Mayoral Combined Authority that will receive devolved powers and funding. As this is an Executive Decision, the recommendations of Council will be formally agreed by Cabinet immediately following the Council meeting.

RECOMMENDATION:

- 4. That, on the basis of the earlier Governance Review (*Appendix B to the 30th June Council papers*), Equalities Impact Assessment (EqIA) and the results of the consultation, the Authority continues to conclude that the establishment of a Mayoral Combined Authority for Norfolk and Suffolk is the option which most fully permits the effective discharge of the functions that Government is prepared to devolve to this area.
- 5. That the Council authorises the Chief Executive to consent to the Council being included in an Order that will be laid before Parliament by the Secretary of State for Communities and Local Government to create the Norfolk and Suffolk Combined Authority, such Order to:
 - a) establish a Norfolk and Suffolk Combined Authority and specify the high level constitutional arrangements;
 - b) confer functions on the Norfolk and Suffolk Combined Authority; and
 - c) specify those functions exercisable by the Mayor.
- 6. In the event that any minor drafting changes are required to reflect legislative requirements and the contents of the Deal Agreement, authority is delegated to the Chief Executive, in consultation with the Leader and agreement with the other Chief Executives/Managing Directors of the Constituent Councils across Norfolk and Suffolk to make the necessary changes to the Order.
- 7. That further reports are presented to the Authority, as appropriate, as the Devolution process progresses.

Reason for recommendation

- 8. In order to create a Mayoral Combined Authority for Norfolk and Suffolk, there is a legislative requirement for Authorities proposing to participate in that Mayoral Combined Authority to consent to being included an Order to be laid before Parliament for the establishment of the Mayoral Combined Authority.
- 9. The Secretary of State has indicated his preliminary view that the creation of a Mayoral Combined Authority for Norfolk and Suffolk meets the statutory test to: "improve the exercise of the statutory functions in the area". In addition, the Secretary of State will have considered the evidence in the Governance Review (discussed as part of the June council debates) that the proposed areas of Norfolk and Suffolk represent a functional economic area as well as the outputs from the consultation and any other representations.
- 10. If the Authorities do not consent to the Order, it will not be laid before Parliament, the Mayoral Combined Authority will not be established and the Norfolk and Suffolk Devolution Deal will no longer stand. The opportunities to: develop the benefits of the devolution process, access additional funding offered in the Deal and establish greater local determination over policy and spending priorities will no longer be available.

Options for consideration

- 11. That the Authority supports the recommendations in the report and gives consent to being included in the draft Order being laid before Parliament, triggering the Parliamentary process required for creating a Mayoral Combined Authority that is part of the Norfolk and Suffolk Devolution Deal.
- 12. Alternatively, the Authority could decide not to give consent to the draft Order being laid before Parliament.

Who will be affected by this decision?

13. Councils, organisations, residents and businesses in Suffolk and Norfolk.

The Norfolk and Suffolk Deal

14. The Norfolk and Suffolk Devolution Deal is an ambitious first step in securing greater local autonomy, accountability and control over new and existing centrally held powers and funding. It offers the opportunity for a step change in the relationship with Government and having local certainty and control over resources that will help local people, places and businesses reach their full potential.

Key elements of the Norfolk and Suffolk Devolution Deal include:

- £25 million a year of new money for the next 30 years (£750 million) to support economic growth, development of local infrastructure & jobs. 40% (£10m) of this can be used to borrow in the order of £100 - £150 million to invest in growth, housing and jobs.
- £100 million over five years of new money to support the building of new homes across Norfolk and Suffolk. Recognising the housing market conditions

in Norwich and Ipswich, Government will also provide the Combined Authority with an additional £30 million over five years, split equally for Norwich and Ipswich Borough, to meet its housing needs

- A guaranteed £225 million annual transport budget until 2021
- Control of an existing c£20 million a year adult skills funding to ensure the training offer matches the needs of local businesses and the local labour market.
- Control of an existing c£2 million Apprenticeship Grant for Employers (AGE grant) to enable funding to better meet the needs of local Norfolk and Suffolk employers
- Greater control over who delivers transport services in Norfolk and Suffolk and how, rather than it being imposed on us by Central Government
- More control and influence over investment in key roads across Norfolk and Suffolk, so that local priorities and concerns can be met
- A commitment that relevant authorities and partners take a Norfolk and Suffolk wide approach to flood & coastal risk management to reflect local priorities, get more for our money and ensure problems aren't just shifted from one area to another.
- A commitment that local authorities work to improve the planning process for residents and businesses
- 15. The full Deal document was included in the papers of the **30th June Full Council** discussion and is also available on the East Anglia devolution website: https://www.eastangliadevo.co.uk/
- 16. This Deal is underpinned by the expectation that it is a beginning of an ongoing dialogue with Government and therefore, the first, economically focussed deal that lays the foundation for further negotiation. This is similar to the way that Greater Manchester has negotiated four devolution deals covering a wide range of issues including criminal justice and health and care.
- 17. In addition, the principle of subsidiarity (decisions being taken closest to where they have most effect) is embedded in the Deal. This is intended to ensure that the strategic focus of the Mayoral Combined Authority and Devolution Deal is grounded in local places and therefore, delivering what's best for local people.
- 18. It will be delivered through double devolution so that implementation on the ground is delivered by the relevant existing local authority and, given the connectivity across organisational boundaries in and beyond Norfolk and Suffolk, working with national and local partners as appropriate.
- 19. Not simply a 'top down' approach, double devolution means that as constituent members of the Mayoral Combined Authority, local leaders will influence and make decisions as part of the Authority; therefore, enabling local perspectives to be reflected at that strategic level.

The Devolution Process

 There is a statutory process that needs to be followed to establish a Mayoral Combined Authority in accordance with the Cities and Local Government Devolution Act 2016.

- 21. Accordingly, the Devolution Deal, Governance Review and draft Governance Scheme for Norfolk and Suffolk were considered by authorities across Norfolk and Suffolk at their June Full Council meetings. Consequently, all councils across Norfolk and Suffolk debated whether to endorse the deal and consult the public and other stakeholders on the devolution proposals that include establishing a Combined Authority and directly elected Mayor.
- 22. All Suffolk local authorities and four Norfolk local authorities (Broadland, District Council, King's Lynn and West Norfolk Borough Council, Norfolk County Council and South Norfolk District Council) endorsed the proposals and agreed to go to consultation. Breckland District Council, Great Yarmouth Borough Council, North Norfolk District Council and Norwich City Council did not endorse the proposals and therefore, are no longer part of the process to establish the Mayoral Combined Authority.
- 23. Discussions with the Secretary of State have confirmed that once the Combined Authority has been formally established these four districts are able to apply to join the Combined Authority should they so wish. In the event that this is agreed, it is open to the Combined Authority to admit one or more of these councils as 'non-constituent members' and although voting rights cannot be conferred by the Secretary of State through the Order, the Combined Authority can confer the right to fully participate as voting members of the CA subject to agreeing to contribute to costs and to the other provisions agreed by the existing constituent authorities.
- 24. Consultation forms part of the statutory process to establish a Combined Authority. It is evidence that the Secretary of State will consider when deciding whether the governance proposals meet the statutory test, which is to: "improve the exercise of statutory functions in the area". (Cities and Local Government Devolution Act 2016 section 14 8) (1)).
- 25. The Norfolk and Suffolk consultation closed on 23 August and a summary of the results was returned to the Secretary of State on 9 September. This summary and accompanying data are available on the East Anglia devolution web site: (https://www.eastangliadevo.co.uk/). The presentation slides from the Ipsos mori survey and a video of the Ben Page presentation are also available on the web site. Further details on the outcomes of the consultation are covered in the 'Outcomes of consultation across Norfolk and Suffolk' section below.
- 26. During this time, as a result of the EU Referendum outcome, there were significant changes in Government with a new Prime Minister, Chancellor and Cabinet. Consequently, the Rt Hon. Sajid Javid MP replaced Rt Hon Greg Clark MP as the new Secretary of State for Communities and Local Government: The Secretary of State has visited Norfolk & Suffolk and met with the Council Leaders. Whilst in Norwich he emphasised that the Norfolk & Suffolk agreement is a very good deal and a first step with more to come (in subsequent 'deals'). However, he was also very clear in his view that in the event that the agreement is not endorsed by the Councils "the money will be switched to another part of the country and that there will be no second chance" (to come back to the table).
- 27. There has been no change in the advice from DCLG since the referendum and machinery of Government changes. Both officials and Ministers have clearly indicated continued support for devolution and enthusiasm to complete the Norfolk-Suffolk devolution deal. This is supported by the Prime Minister's answer

- to Suffolk MP James Cartlidge at a recent Prime Minister's Questions: "The point about devolution deals is people coming together with that ambition for their local area to generate the transformative investment he talks about" (Hansard 12th October 2016).
- 28. In early September a strong message was sent to the North East Combined Authority where a majority of members voted against the devolution deal and DCLG swiftly withdrew the devolution offer. Other devolution deals continue to progress with DCLG recently announcing the first transfer of £15 million to Tees Valley as part of the Deal signed in October 2015. The press release (29th September 2016) announcing the deal referenced the North East: "Earlier this month council leaders in the North East walked away from a similar deal which would have brought significant benefits to local people."

Outcomes of consultation across Norfolk and Suffolk

- 29. As previously highlighted, in order to comply with the statutory process for establishing a Combined Authority it is necessary to consult on the draft Scheme of Governance (attached to the 30th June Full Council papers). As this was the first opportunity to test support for the Norfolk and Suffolk devolution deal, there has been substantial engagement and consultation conducted across Norfolk and Suffolk to raise awareness and gather views from: statutory and non-statutory partners, the public and businesses. A number of mechanisms were used to gather views primarily:
 - Telephone Survey
 - Online Consultation
 - Business Survey
 - Engagement with key stakeholders
 - Leaflet to all Norfolk residents
- 30. Further to Suffolk County Council's discussion on 30th June, a question was added into the telephone and online surveys to include: "a clear and dedicated question to the consultees asking whether they support the establishment of a Directly Elected Mayor" (Suffolk County Council Confirmed minutes). The full results and supporting data are available on the East Anglia devolution website.
- 31. In accordance with the statutory process, the consultation forms part of the evidence, along with the Governance Review and draft Governance Scheme (appendix B and appendix C to the 30th June Council papers) for the Secretary of State's decision as to whether the proposal for a Norfolk and Suffolk Mayoral Combined Authority meets the statutory test to: "improve the exercise of statutory functions in the area" (Cities and Local Government Devolution Act 2016 section 105B 1) b)).
- 32. In addition, it provides local councillors with additional information on how devolution and the creation of a Norfolk and Suffolk Mayoral Combined Authority are viewed. There was overall support for more local control over decision making. Businesses were particularly supportive of the opportunities the Deal would offer to the local economy.
- 33. There were more mixed views on the proposed directly elected Mayor: 52% in favour and 16% opposed (telephone survey); 29% in favour and 62% opposed

(online survey) and 47% in favour and 27% opposed (business survey). However, as highlighted in the report to Council in June, Government has been clear that without a Mayor any devolution deal would be much smaller in range and value and therefore, would not deliver the Norfolk and Suffolk's ambition. Paragraphs 39-46 provide a more detailed summary of the consultation results.

- 34. The content of the draft Order is attached as appendix A and summarised in paragraphs 47-52 below. Taking into account that whilst many support devolution, there is also local concern at creating a directly elected Mayor for Norfolk and Suffolk, the Orders have been drafted to reflect this so that decision making is accountable and transparent.
- 35. An overview of the results from each consultation approach is described below and full data can be accessed on the East Anglia devolution website: https://www.eastangliadevo.co.uk/

Telephone Survey

- 36. During the Summer a representative telephone survey was undertaken by Ipsos Mori which consisted of a 10 minute phone survey of 6, 080 residents aged 18+ across Norfolk and Suffolk. The interviews were carried out between 13 July and 22 August 2016. To ensure statistical robustness residents were selected from different age ranges, gender, employment status, ethnicity, tenure and disability.
- 37. There were a total of 6,080 responses. This included those Norfolk areas that did not endorse the Deal in order to give a representative sample across the whole area, with: 1528 from Norfolk and 1392 from Suffolk A summary of the results is below: Below is a summary overview of the results:
 - a) 53% supported the principle of devolution while 16% opposed
 - b) There was strong support for more decisions to be taken locally across a range of issues with most support being shown for decisions about roads maintenance (85%), a new housing strategy (82%), creating a transport plan (77%) and development of new homes (75%).
 - c) There was 52% support for a Mayor and 58% support for councils to come together as a Combined Authority.
 - d) 29% opposed election of a Mayor and 25% opposed establishing a Combined Authority.

Online Consultation

- 38. An online survey was accessible from the East Anglia devolution web site. The questions in the online survey mirrored the telephone survey for consistency; however, as it is a self-selecting sample, the responses are not a statistically representative sample unlike the telephone survey. 2,925 responses were received. A summary of the results is below:
 - a) 51% supported the principle of devolution while 39% expressed they opposed this.
 - b) There was strong support for more decisions to be taken locally across a range of issues with most support being shown for decisions about roads maintenance (75%), developing a new housing strategy (71%), development of new homes (70%) and creating a transport plan (65%).

- c) There was 27% support for a Mayor and 35% support for councils to come together as a Combined Authority.
- d) 62% opposed election of a Mayor and 54% opposed establishing a Combined Authority

Business Survey

- 39. Ipsos MORI conducted a telephone survey of 252 businesses across Norfolk (124) and Suffolk (128). Interviews were conducted between 8 and 21 August 2016. In order for the sample to broadly reflect the business populations of Norfolk and Suffolk, loose quotas were set on business size (micro (1 to 10 employees) to large (over 250 employees)). The business sample also aimed to broadly reflect the makeup of industry sectors in Norfolk and Suffolk. A summary of results is below:
 - a) 54% supported the principle of devolution while 12% opposed it.
 - b) Strong support for more decisions to be taken locally across a range of issues with decisions relating to road maintenance funding coming out on top.
 - c) 59% supported councils joining together as a Combined Authority
 - d) From the business telephone survey: 47% were supportive of a mayor, with 27% opposed.
- 40. In addition to the survey, there have been a number of engagements with the business community that signalled significant support. Over 80 businesses who together represent more than 80,000 employees with an annual turnover of £8bn, lent their support to a letter from the LEP and the Norfolk and Suffolk Chambers of Commerce to the chair of the East Anglia Leaders' Group. It included the following statement (for reference, the full letter is attached as appendix B):
 - 'The devolution deal will help us deliver many more of the crucial projects we need to support our economic growth, improving infrastructure from road and rail links to high speed broadband and mobile coverage, offering funding and advice to support business, and empowering the next generation with the skills to drive our economy'
- 41. In addition to this, individual letters of support have also been sent by business representative groups such as the Confederation of British Industry and Federation of Small Businesses as well as national businesses such as Persimmon Homes and PWC.

Engagement with key Stakeholders:

- 42. There was also engagement with stakeholder groups to raise awareness of the Devolution Deal and associated consultation. This included Town and Parish council meetings as well as events with Voluntary and Community Sector organisations. There were also expressions of support for devolution from: higher and further education institutions and representatives from health.
- 43. More recently (since the consultation closed), MPs from across Norfolk and Suffolk were co-signatories to an open letter to the media highlighting the benefits and

ambition associated with the Devolution Deal and supporting its implementation locally.

Norfolk County Council Leaflet

- 44. Norfolk County Council produced an information leaflet about devolution, which was delivered to households across Norfolk between 18 and 29 July. This information leaflet promoted the consultation and encouraged residents to take part in the online consultation. It also included a Feedback Form and freepost address so that residents could comment on the proposals outlined in the leaflet.
- 45. The leaflet went to 406,345 households and an additional 1,650 were sent to County Council outlets including all Norfolk County Council libraries. In total 1,678 completed forms were received by the close of the consultation period (all returns received by 26 August to allow for the postal process).
- 46. As the responses were unstructured text (freeform) they were analysed to ascertain if the sender opposed or supported devolution, based on the tone or nature of the comments made. This resulted in 80% of responses seen as opposed to devolution with 21% in support. Norfolk and Suffolk Deal Proposal. In analysing the underlying themes of the responses the key issue raised was the desire to not create another layer of bureaucracy/cost, with 38% (635) highlighting this as a concern. 13% did not want devolution, 13% were positive comments and 10% did not want a Mayor.

Summary of the draft Order

- 47. The content of the draft Order is attached as appendix A. This section provides an overview of the key principles underpinning the Norfolk and Suffolk approach to establishing a Mayoral Combined Authority that are reflected in the draft Order. As previously highlighted, the Order is part of the statutory process for establishing a Combined Authority and will be subject to Parliamentary process and scrutiny.
- 48. The Order reflects the draft Governance Scheme consulted on during the Summer as well as the Norfolk and Suffolk Devolution Deal content. However, it will be for the Combined Authority locally, to agree its constitution, which will be included in the business of the Authority's first meeting when established in March 2017 and developed whilst the Combined Authority is in shadow form.
- 49. The Order specifies the constituent members of the Combined Authority (the twelve Norfolk and Suffolk authorities that consulted on the Scheme) and a nonconstituent member, New Anglia Local Enterprise Partnership.
- 50. It sets out the specific functions to be devolved to the Mayor and the Combined Authority upon creation of the Combined Authority. Further powers will be conferred through subsequent orders if the Combined Authority and the Government agree.
- 51. Once elected, the Mayor will chair and be a voting Member of the Combined Authority but will not have a casting vote. There will be Mayoral elections every four years.

- 52. The following will require unanimous agreement of the Members of the Combined Authority:
 - Borrowing limits, treasury management, investment strategy
 - Constitution, standing orders and changes thereto
 - Establishment of committees/boards, Overview & Scrutiny Committee and Audit Committee, terms of reference and composition
 - Spatial plan
 - Proposals to Secretary of State for additional powers
 - Appointment and dismissal of statutory officers
 - Approval of the making of arrangements for the exercise of functions of the Combined Authority
 - Appointment of members drawn otherwise than from the elected members of the constituent councils or conferral of voting rights on such members; and
 - Review or changes the membership, geography, constitution, remit of the Combined Authority.
- 53. Paragraphs 47-52 highlight the principles and approach to decision making; however, more detail will be provided in the Combined Authority's constitution.

Resource Implications (Finances, Staffing, Property, IT)

- 54. Leaders have been clear that costs should be kept to a minimum. There will be upfront costs; although this will be superseded by the level of funding that the Devolution Deal will generate. The costs would be minimised by maximising existing resources, for example, use of existing buildings and 'back office' systems, with opportunity to minimise duplication across the authorities. Existing Combined Authorities have tended to evolve with staffing secured by a combination of:
 - Recruitment to posts employed directly by the Combined Authority
 - Transfer to posts employed directly by the Combined Authority
 - Secondment (e.g. to directly-employed posts or to a team hosted by a lead authority)
 - Job share (e.g. to directly-employed posts or to a team hosted by a lead authority)
 - Service Level Agreement
 - Commissioning support from member authorities
- 55. For most Combined Authorities costs have been minimised by existing senior staff taking on the statutory posts required for a Combined Authority (Head of Paid Service, Monitoring Officer and Chief Finance Officer). Similarly, the Mayoral elections will be run on the same day as existing local elections in order to reduce the associated running costs.
- 56. Of the funding available in the Deal, the £25 million a year for 30 years single investment pot is entirely new and additional funding that would not otherwise be allocated to Norfolk and Suffolk.
- 57. The £30 million housing for Norwich and Ipswich Borough is also entirely new and as is the £100 million capital funding for housing across the Combined Authority area.

- 58. Control over the Adult Skills Budget is new; therefore, whilst some of that money would have been spent in the area all of that budget (approximately, £20 million) will be spent in Norfolk and Suffolk as considered most locally appropriate from 2018-19. The same rationale also applies to the Apprenticeship Grant for Employers (approximately, £2 million).
- 59. The strategic transport budget (approximately £225 million across Norfolk and Suffolk over four years) would normally be allocated on an annual basis to highways authorities. Therefore, although it is funding that is currently received by the area, the Deal provides longer term surety over four years, enabling better planning for its use.
- 60. In terms of additional leverage, it will, for example, be possible for the Combined Authority to use £10 million of the £25 million to support borrowing of up to £150 million to invest in growth, housing and jobs.
- 61. Legally, the costs of the mayor are met by the Constituent Authorities. From 2018/19 these costs can be met from precepts issued by the Combined Authority. However, to minimise any call on the constituent authorities, the Combined Authority's draft Order states that in the first three years, the Mayoral costs may be met by a loan from each of the Constituent Authorities (pro rata to population) to the Combined Authority, that is repayable on the third anniversary of the Mayoral election.
- 62. It also establishes the expectation that the benefit derived from investment of the single investment pot will outweigh the Mayoral costs. It is clear that the Combined Authority is not permitted to dip into the single pot money directly to cover the mayoral budget (although some authorities have proposed using a share of the fund to help resource the Combined Authority). However, the financial benefits that will be generated by the Deal (such as the additional single investment pot) will be substantially greater than the mayoral costs.

Issues and Risks

- 63. Devolving powers from central government to a new Combined Authority is not without potential negative implications and perspectives. These are summarised below with corresponding proposals to mitigate:
 - a) The Combined Authority will add an additional layer of bureaucracy. It will exist alongside County, District and Parish Councils
 - Councils are committed to ensuring that the Combined Authority makes use of existing staff and systems and decisions will be made by the existing council leaders working together with a mayor and the LEP. There will be no election of additional councillors to the combined authority and the principle of subsidiarity will mean that delivery occurs at the lowest possible level.
 - b) Higher overall cost of local government to the tax payer, through creating an additional local government organisation that will require staffing, premises, etc
 - Councils are committed to ensuring that the running costs of the Combined Authority should not add to the cost of local government in Norfolk and Suffolk. Although there will be some transitional costs there are also efficiencies that are expected to be achieved.

 The unsuitability of a mayoral model for a rural area because of multiple centres of economic activity, multiple identities and complex two-tier arrangements

The government's pre-requisite for the devolution of significant new powers and taxpayers' money is for a corresponding increase in local accountability through a directly elected Mayor.

d) The loss of historic boundaries and roles

Existing councils and existing ceremonial roles, such as Lord Mayors, will continue unchanged.

An elected mayor is an appointed local government executive leader, directly elected by the people. A Lord Mayor or civic Mayor is a ceremonial/civic representative with no formal powers. These are traditionally elected by a town, borough or city councils. These will not be replaced by the CA mayor.

e) The loss of individual council authority and power through ceding power to the Combined Authority

Individual councils will retain their own individuality and sovereignty. The services local councils provide will remain the same. For example if Broadland District Council is responsible for collecting your bins, Broadland District Council will continue to collect your bins. Furthermore if you pay your business rates to Ipswich Borough Council then you will continue to pay your business rates to Ipswich Borough Council.

Furthermore the elected leaders of each council will continue to fulfil their designated roles and will remain accountable in the normal democratic way, through local council elections.

f) A democratic deficit unrepresentative of the area as a whole because the Combined Authority is not required to be politically proportionate

Whilst the Board of the Combined Authority will comprise a member from each of the constituent councils, membership of the Overview and Scrutiny Committee does have to reflect representation across the whole of the area.

As the Norfolk and Suffolk CA is about collaborating on strategic policy the key is to be able to work together for the benefit across the region as a whole and this will require consensus.

Conclusion

- 64. Having considered the evidence of the Governance Review and the results of the consultation as well as the potential opportunities offered by the Norfolk and Suffolk Devolution Deal, the Secretary of State has decided that creating a Mayoral Combined Authority for Norfolk and Suffolk meets the statutory test to: "improve the exercise of statutory functions in the area".
- 65. Consequently, an Order has been drafted to enable creation of the Norfolk and Suffolk Mayoral Combined Authority, with the intention for it to begin on 1st March 2017 with election for the directly elected Mayor on 4th May 2017 (to coincide with the County Council elections). This is summarised in the summary of the draft Order section and the content of which is attached at Appendix A

- 66. The Norfolk and Suffolk Devolution Deal on offer is described as a "generational opportunity to accelerate growth in the local and national economy whilst improving the life chances and quality of life for every resident in Norfolk and Suffolk" (Norfolk and Suffolk Devolution Deal). Bold and ambitious, it is considered the start of an ongoing dialogue with Government for further devolution deals to gain greater local autonomy and support a thriving economy and thriving local people and places.
- 67. The Council is recommended to give consent to being included in the Order being laid before Parliament in order to create the Norfolk and Suffolk Mayoral Combined Authority and begin to realise the multiple benefits associated with the Norfolk and Suffolk Devolution Deal.
- 68. If the Council does not give consent, the Mayoral Combined Authority will not be established and the Norfolk and Suffolk Devolution Deal will no longer be available. The associated funding and local autonomy over decision making will be withdrawn. Government has suggested that the funding and flexibilities within the Norfolk and Suffolk Devolution Deal may be offered as part of negotiations that are ongoing with other areas in England.
- 69. As demonstrated with the proposed North East Deal, any councils wishing to continue to pursue a devolution deal would begin negotiations again from scratch.

Sources of further information

- a) Report to Council 30 June 2016 link below
 - http://democracy.westnorfolk.gov.uk/documents/g1500/Public%20reports%20pack%2030th-Jun-2016%2018.30%20Council.pdf?T=10
- b) Content of the Draft Order, Consultation Summary etc
- c) Cities and Local Government Devolution Act

Contents of Draft Norfolk and Suffolk Combined Authority Order

PART 1 General

Commencement

The commencement date for Norfolk and Suffolk Combined Authority ("NSCA") is 1st March 2017.

Interpretation

Combined authority area is the areas of

- (a) Babergh District Council
- (b) Broadland District Council
- (c) Forest Heath District Council
- (d) Ipswich Borough Council
- (e) King's Lynn and West Norfolk District Council
- (f) Mid-Suffolk District Council
- (g) Norfolk County Council (the part of the County Council covering King's Lynn and West Norfolk District Council, South Norfolk District Council and Broadland District Council)
- (h) St Edmundsbury Borough Council
- (i) South Norfolk District Council
- (j) Suffolk County Council
- (k) Waveney District Council

PART 2

Establishment of a combined authority for Norfolk and Suffolk

Establishment

The combined authority is to be a body corporate and is to be known as **the Norfolk** and **Suffolk Combined Authority**.

Constitution-Mayor and Mayoral elections

According to section 107A of LDEDCA there should be a directed elected mayor for the area of NSCA. The first election will be held in May 2017 and subsequent elections shall take place in the fourth year thereafter (2021) and on the same day of ordinary elections. Thereafter terms shall be four years (5.3).

Constitution – Membership

There will be 14 members of NSCA (12 constituent councils, 1 non-constituent, 1 elected mayor from May 2017 (4.1); The New Anglia Local Enterprise Partnership (NALEP) shall be a non-constituent in NSCA (Intro); Each constituent council appoints one elected member and one substitute member (4.3).

Funding

The NSCA will agree an annual budget identifying its expenditure and source of income (20.3).

Expenses of the NSCA that are reasonable attributable to the exercise of its functions will be met by existing resources of the constituent authorities, and any additional costs will be met in equitable shares by the constituent authorities. (20.1)

NSCA shall be a levying body under s74 LGFA 1988 and shall have the power to issue a levy to its constituent authorities in respect to expenses reasonable attributable to the exercise of its functions (excluding mayoral functions), such levy will be apportioned between the constituent authorities in equitable shares to be agreed in the annual budget. The Constitution will set out a process for agreeing the budget of how these expenses will be met. (20.2 and 20.3)

The constituent councils and the Mayor must ensure that the costs of the Mayor reasonably attributable to the exercise of the mayoral functions are met.

Funding (Mayor)

In financial year 2017/18 the costs of the Mayor that are incurred in (or in connection with) the exercise of mayoral functions will be met by the constituent authorities. Such costs shall be apportioned between constituent authorities in equitable shares to be agreed in the annual budget (21.1). The initial mayoral budget will be agreed by the NSCA prior to the mayoral election so will be agreed by all constituents

In any financial year following 2017/18 the costs of the Mayor that are incurred in (or in connection with) the exercise of mayoral functions may be met from precepts issued by NSCA under s.40 LGA 1992 (21.2)

The CA will be a major precepting authority under section 39 of the Local Government Finance Act 1992 but only in relation to expenditure incurred by the Mayor in or in connection with the exercise of Mayoral functions (21.3)

Any mayoral costs incurred by the constituent authorities will be treated as a loan to the NSCA repayable on the 3rd anniversary of the first mayoral election (21.4)

The Mayor shall exercise the function to issue a precept under Chapter 4 of Part 1 of the Local Government Finance Act 1992, acting on behalf of the CA (21.5)

The Mayor shall maintain a fund in relation to receipts arising and liabilities incurred in the exercise of the mayoral functions (21.6)

Prior to the start of each financial year and beginning with 2018/19 the Mayor shall follow a process for the development of his/her budget for the exercise of mayoral functions for the financial year in question that is in accordance with Regulations, or in the absence of Regulations has the following characteristics (21.7 a-d):

 preparation of a draft budget to include expenditure plans and income including the proposed precept;

- scrutiny of the draft budget by the other members of the Combined Authority and the Overview and Scrutiny Committee;
- the making of changes to the draft budget as a result of such scrutiny; and
- the approval of the draft budget.

The Mayor's draft budget shall be treated as rejected if two thirds of the constituent authority members of the NSCA vote to reject it and in that event the Mayor shall propose a revised draft budget (21.8)

Property, rights and liabilities

No transfer of property, rights and liabilities between NSCA or the Mayor and the constituent authorities, other than by the agreement of the constituent authorities. (21.1)

General Power and Competence (Mayor)

Mayor may do anything the Combined Authority can do under s113A of the LLEDCA subject to the limitations under s113B (12.2)

General Power and Competence (NSCA)

Full GPC (Chapter 1 of Part 1 of Localism Act 2011) to be applied to NSCA (14.2)

CA approval of Mayoral decisions

The Mayor shall consult the Combined Authority before a decision is taken on the approval of any strategy falling within the remit of the Mayor under the Mayoral Functions, whether that approval is to be given by the Mayor directly.

Any other strategy or spending plans shall be treated as rejected if a two thirds majority of the Constituent Authority Members of the Combined Authority vote to reject such a plan provided that any Constituent Authority directly affected by such a strategy or plan and present and able to vote at the meeting must be part of the deciding vote's majority for that rejection decision to carry (unless they abstain).

PART 3

Transport

Functions: Transport funding (Mayor)

The Mayor is responsible for a consolidated, multi-year local transport budget. NSCA to have powers under section 31 of the Local Government Act 2003, to be exercised by the Mayor via section 107D of the 2009 LDEDCA, to allocate highways funding. A condition will also be attached to the use of that function which provides that the mayor must have due regard to an allocation policy, or factors relevant to the allocation.

Functions: Key Route Network (Mayor)

Take responsibility for delivering a new Key Route Network of local authority roads, the management and maintenance of which shall be undertaken by the constituent authorities.

Functions: Transport Plans (Mayor)

Confer on the Mayor the powers in s. 108, 109 and 112 of the Transport Act 2000 to publish and produce a Local Transport Plan for the CA area. Concurrency still under consideration by constituent authorities. To exercise powers under Part 2 of the Local Transport Act 2000. The Transport Plan and any spending plans or plans for the allocation of transport-related funding shall be treated as rejected if a two thirds majority of the Constituent Authority Members of the Combined Authority vote to modify or reject the Transport Plan and associated spending, provided that any decision to reject or modify the Transport Plan or budget includes the Combined Authority Members from each of Norfolk and Suffolk County Councils.

Functions: Buses (Mayor)

To exercise concurrently, such powers to franchise bus services to support delivery of smart and integrated ticketing.

PART 4

Mayoral Development Corporation

Conferral of function

The Combined Authority shall have in relation to its area functions corresponding to the functions contained in the provisions in the 1999 Act set out in Schedule 2 that the Mayor of London has in relation to Greater London.

Conditions on which the function is to be exercised by the Combined Authority

The functions may be exercised by the Combined Authority only with the consent of each of the members of the Combined Authority who are elected members of a constituent council whose council area contains any part of the area to be designated as a mayoral development area.

PART 5

Incidental Functions

Functions: Planning (Mayor)

A non-statutory spatial framework and supplementary planning documents must be created.

The spatial framework and any supplementary planning documents referred shall require the unanimous approval of all the Constituent Members of the Combined Authority (2.5.1)

Incidental provisions

The following provisions of the Local Government and Housing Act 1989(**e**), namely—

- (a) section 1(f) (disqualification and political restriction of certain officers and staff), and
- (b) sections 2 and 3A(**g**) (politically restricted posts and exemptions from restriction) so far as they have effect for the purposes of that section,

shall apply as if a Corporation were a local authority.

PART 6

Additional functions

General functions of the Combined Authority exercisable only by the Mayor

The general function exercisable on by the Mayor are sections 334 to 342 and 346 of the 1999 Act and the transport functions. The Mayor shall consult the Combined Authority before exercising these functions.

Economic development and regeneration functions

Confer on the NSCA local authority functions under:

- Sections 15ZA, 15ZB, 15ZC, 17 and 18A(1)(b) of the Education Act 1996 and the powers under sections 514A and 560A of that Act (duties and powers related to the provision of education and training for persons over compulsory school age)
- Section 144 of the Local Government Act 1972 (the power to encourage visitors and provide conference and other facilities)
- Section 69 of the 2009 LDEDCA (duty to prepare an assessment of economic conditions).

The functions of the constituent councils set out in Schedule 4 are exercisable by the Combined Authority in relation to its area and in cooperation with the constituent councils.

Incidental provisions

The following provisions shall have effect as if the Combined Authority were a local authority for the purposes of those provisions—

- (a) section 113 of the Local Government Act 1972(**c**) (power to place staff at the disposal of other local authorities);
- (b) section 142(2) of the Local Government Act $1972(\mathbf{d})$ (power to arrange for publication of information etc relating to the functions of the authority); and

(c) section 222 of the Local Government Act 1972(**e**) (power to prosecute and defend legal proceedings).

"(4A) A person who is a member of a committee falling within paragraph (i) of subsection (4) or a sub-committee appointed by such a committee shall for all purposes be treated as a non-voting member of that committee or sub-committee unless that person is a member of one of the constituent councils as defined by article 2 of the Norfolk and Suffolk Combined Authority Order 2016."

In Part 2 of Schedule 3 (pension funds) to the Local Government Pension Scheme Regulations 2013(**b**) in the table insert at the end—

TBC Council"

"An employee of the Norfolk and Suffolk Combined Authority established by the Norfolk and Suffolk Combined Authority Order 2016

Schedule 1

Constitutional Provisions

Membership

There would be 14 members of NSCA (12 constituent councils, 1 non-constituent, 1 elected mayor) from May 2017 (4.1). The New Anglia Local Enterprise Partnership (NALEP) shall be a non-constituent in NSCA (Intro)

Each constituent council must appoint one of their members to be a member of the Combined Authority and another of its elected members to act as a substitute member.

The Local Enterprise Partnership must also nominate one of its Directors to be a member of the NSCA and another Director to act as a substitute member. Such nominated Directors shall become a Member or Substitute Member from the date on which written notice of nomination by the NALEP is received by the NSCA.

If a person ceases to be a member of the constituent council that appointed them or the Local Enterprise Partnership that nominated them, then they cease to be members or substitute members of the Combined Authority. A person may also resign as a member or substitute member of the Combined Authority by written notice served on the proper officer of the constituent council that appointed them or the chairman or vice-chairman of the Local Enterprise Partnership that nominated them. Where a member or substitute member of the Combined Authority's appointment ceases, the constituent council that made the appointment or the LEP must give written notice as soon as possible to the Combined Authority and appoint/nominate another of its elected members.

The constituent councils or NALEP may terminate the appointment of their appointed member or substitute member and replace them at any time by giving not less than 14 days written notice to the NSCA and the termination and replacement shall take effect on the expiry of such notice (6.5)

An elected Mayor of a constituent council is to be treated as a member of the constituent council.

Chair and vice-chair

At the first meeting of the Combined Authority and after the appointment of its members, the CA must appoint a chair. A person ceases to be chair of the Combined Authority if they cease to be a member of the Combined Authority. If a vacancy arises in the office of chair, an appointment to fill the vacancy is to be made at the next ordinary meeting of the Combined Authority. The chair ceases to hold office on 7 May 2017 and the position of chair is abolished with effect from 8 May 2017.

After the appointment of the chair, the CA must in each year appoint a vice-chair from among its members and agree on the order of the rotation of the vice-chair. These will happen during the first meeting of the CA and in subsequent years at the annual meeting of the CA. A person ceases to be vice-chair of the Combined Authority if they cease to be a member of the Combined Authority. If a vacancy arises in the office of vice-chair, an appointment to fill the vacancy is to be made at the next ordinary meeting of the Combined Authority.

Proceedings

Each member, or substitute member is to have one vote and no member or substitute member is to have a casting vote. If a vote is tied on any matter it is deemed not to have been carried. Members appointed from the Local Enterprise Partnership shall be non-voting members of the CA.

N.B. Voting rights can't be conferred on the LEP through the order. The Combined Authority can confer.

Any questions that are to be decided by the Combined Authority are to be decided by a majority of at least two-thirds of the members and substitute members, acting in place of members, present and voting on that question at a meeting of the Combined Authority. NSCA quorum is 7 voting members or substitute members and must include a district member and a county member from each of Norfolk and Suffolk (16.8)

The following decisions shall only be taken in a meeting of the full Combined Authority and shall require a unanimous vote in favour by all constituent council members or substitute members standing in their place (16.2, 16.4):

 Approval of borrowing limits, treasury management strategy including reserves, investment strategy, borrowing and budget of the NSCA including the amount of any expenses to be met by the constituent councils; (16.2a)

- Approval of NSCA standing orders and any amendments, including any standing orders requiring other matters to be determined by unanimous vote; (16.2b, 16.4)
- Approval of the establishment of committees, their terms of reference and composition; (16.2d)
- Approval of the establishment of an Overview and Scrutiny Committee, its terms of reference and composition and accepting appointments to it; (16.2d)
- Approval of the spatial planning framework and any supplementary planning documents (14.3a)
- Making of proposals to the SoS for the conferral of additional powers and functions; (16.2f)
- Approval of the making of arrangements for the exercise of functions of the Combined Authority; (16.2g)
- Admission of non-constituent members or conferral of voting rights on such members; (16.2h)
- Giving consent to orders made by the SoS for the NSCA; (16.2i)
- Appointment and dismissal of Head of Paid Service, Monitoring Office and office responsible for financial affairs.(16.2j)
- Approval of NSCA constitution and further changes to the NSCA constitution other than changes required by legislation or minor or consequential drafting changes (16.7)
- Appointment of members drawn otherwise than from the elected members of the constituent councils or conferral of voting rights on such members; and
- Provision of consent to orders made under Part 6 of the 2009 Act.

Pending the appointment of a mayor, decisions on the appointment of the Chair of NSCA should only be taken in a meeting of the full NSCA and require a majority vote in favour by all constituent council members or substitute members standing in their place: (16.2, 16.2c and 16.4)

Decisions to change the CA's constitution other than changes required by legislation or minor drafting or consequential amendments shall require a unanimous vote in favour by all constituent members present or substitute members standing in their place (16.7)

Decision-making for mayoral strategies reflected under powers sections

NSCA may in Standing Orders provide for special majority arrangements contained on specified reserved decisions and may include arrangements to ensure that constituent authorities affected by a decision must be part of a majority. (16.5). It should not be possible to vary voting arrangements for voting on any strategy falling within the remit of the mayor. (14.3, 16.6)

Proceedings shall not be invalidated by any vacancy amongst the NSCA members or by any defect in the appointments or qualification of any member (16.12)

Committees/Boards

The Combined Authority shall make arrangements in its constitution to establish appropriate bodies for the discharge of functions (11.1) based on thematic or geographic clusters.

The Combined authority S101 and 102 LGA 1972 shall apply to the NSCA so that may delegate functions other than those reserved to it under paragraph 16.2 to a board or to another officer or authority. (11.2 and 16.1)

Chairs of the boards will act as a supporting and advisory function to the Mayor in respective policy areas (11.3b)

NSCA shall be permitted to exercise any of the functions of constituent authorities concurrently. Any such functions shall only be exercised with the agreement of a simple majority of the constituent authorities and include the constituent authority whose functions are to be exercised by the combined authority.

Committees- Overview and Scrutiny

The Combined Authority must appoint at least one member of each of the constituent councils to the overview and scrutiny committee appointed by the Combined Authority so that the members of the committee taken as a whole reflect so far as reasonably practicable the balance of political parties. An overview and scrutiny committee may not include any substitute member of the Combined Authority and no business is to be transacted unless at least seven members from at least three constituent councils are present at the meeting.

Chair of O&S Committee is an appropriate member of one of the constituent councils who is not a member of a registered political party of which the mayor is a member. (17.3) If the mayor is an independent candidate, then the Chair cannot be a member of the party that holds a majority within the Combined Authority.

Each O&S member has one vote and there is no casting vote (17.4). A tied vote is deemed not to be carried (17.5).

O&S committee shall have the power to (17.6 a-f):

- Invite Combined Authority Members and officers, including the Mayor and Deputy Mayor, to attend and answer questions;
- Review or scrutinise decisions or other actions taken in connection with the discharge of any functions which are the responsibility of the Combined Authority or the Mayor;
- Make reports or recommendations to the Combined Authority and the Mayor with respect to the discharge of any functions which are the responsibility of the Combined Authority or the Mayor;
- Make reports or recommendations to the Combined Authority and the Mayor on matters that affect the authority's area or the inhabitants of the area;
- In respect of any decision made but not implemented by either the Combined Authority or the Mayor, direct that the decision is not to be implemented while

it is under review or scrutiny and to recommend that the decision be reconsidered; and

Invite others to attend meetings of the Committee.

Where an overview and scrutiny committee makes a report or recommendation the committee may publish the report or recommendations and by notice in writing require within two months the Combined Authority to consider the report or recommendations, respond to the overview and scrutiny committee indicating what (if any) action the Combined Authority proposes to take; and if the overview and scrutiny committee has published the report or recommendations publish the response.

Audit Committee

The membership of the audit committee shall be determined by the NSCA but must include at least one independent person as a member (18.2)

The audit committee will have the power to (18.3 a-d):

- Review and scrutinise the Office of the Mayor and Combined Authority's financial affairs;
- Review and assess the Mayor and Combined Authority's risk management, internal control and corporate governance arrangements;
- Review and assess the economy, efficiency and effectiveness with which resources have been used in discharging the Combined Authority's functions and the Mayoral Functions; and
- Make reports and recommendations to the Combined Authority and/or the Mayor in relation to any reviews carried out in relation to the matters stated above.

Records

The CA must make arrangements for the names of members and substitute members present at any meeting to be recorded.

Minutes of the proceedings of a meeting of the Combined Authority, or any committee or sub-committee of the Combined Authority, are to be kept in such form as the Combined Authority may determine. Any such minutes are to be signed at the same or next suitable meeting of the Combined Authority, committee or sub-committee as the case may be, by the person presiding at that meeting. Any minute purporting to be signed as mentioned is to be received in evidence without further proof. A meeting of the Combined Authority, committee or sub-committee, a minute of whose proceedings has been signed is deemed to have been duly convened and held, and all the members and substitute members present at the meeting are deemed to have been duly qualified.

Standing orders

The Combined Authority may make standing orders for the regulation of its proceedings and business and may vary or revoke any such orders

Remuneration

No remuneration is to be payable by the Combined Authority to its members.

Schedule 2

- 1.—(1) The Combined Authority is to have in relation to its area the functions contained in the following provisions in Chapter 2 of Part 8 of the 2011 Act—
- (a) section 197 (designation of Mayoral development areas);
- (b) section 199 (exclusion of land from Mayoral development areas);
- (c) section 200 (transfers of property etc to a Mayoral development corporation);
- (d) section 202 (functions in relation to Town and Country Planning);
- (e) section 204 (removal or restriction of planning functions);
- (f) section 214 (powers in relation to discretionary relief from non-domestic rates);
- (g) section 215 (reviews);
- (h) section 216 (transfers of property, rights and liabilities);
- (i) section 217 (dissolution: final steps);
- (j) section 219 (guidance by the Combined Authority); and
- (k) section 221 (directions by the Combined Authority).
- (2) The Combined Authority is to have in relation to its area the functions contained in the following provisions in Schedule 21 to the 2009 Act—
- (a) paragraph 1 (membership);
- (b) paragraph 2 (terms of appointment of members);
- (c) paragraph 3 (staff);
- (d) paragraph 4 (remuneration etc: members and staff);
- (e) paragraph 6 (committees); and
- (f) paragraph 8 (proceedings and meetings).

Schedule 3

PART 1 Article 11

Modification of the application of Part 8 of the 2011 Act

- 1.—(1) Part 8 of the 2011 Act applies with the following modifications.
- (2) Section 196 of the 2011 Act is to be read as if there is substituted—
 "In this Chapter—
- "the Combined Authority" means the Norfolk and Suffolk Combined Authority(a);
- "MDC" means a Mayoral development corporation (see section 198)".
- (3) In sections 196 to 222 of the 2011 Act every reference to-
- (a) the Assembly is to be read as references to the Combined Authority;
- (b) the Greater London Authority is to be read as a reference to the Combined Authority;
- (c) the London Assembly is to be read as a reference to a reference to the Combined Authority;
- (d) "the Mayor" is to be read as a reference to "the Combined Authority".
- (4) Section 197 of the 2011 Act (designation of Mayoral development areas) is to be read as if —
- (a) in subsection (1) for "Greater London" there is substituted "the area of the Combined Authority".
- (b) in subsection (3)—
- (i) in paragraph (a) for "any one or more of the Greater London Authority's principal purposes" there is substituted "economic development and regeneration in the area of the Combined Authority(b)", and
- (ii) in paragraph (d) the references to "the London Assembly or" and ", (e), (f) or (g)" are omitted; and
- (c) in subsection (4)—
- (i) paragraph (a) is omitted;
- (ii) paragraph (b) is omitted;
- (iii) in paragraph (d) for "each London borough council whose borough" there is substituted "each district council or county council in the Combined Authority's area whose area";
- (iv) paragraphs (e) to (g) [are omitted];
- (d) in subsection (5) subsection (7) were omitted.
- (5) Section 200 of the 2011 Act (transfers of property etc to a Mayoral development corporation) is to be read as if—
- (a) in subsection (3)—
- (i) in paragraph (a), for "a London borough council" there is substituted "a district council or county council [in the Combined Authority's area]",
- (ii) paragraph (b) is omitted,
- (iii) in paragraphs (d) and (e), for "Greater London" there is substituted "in the area of the Combined Authority",
- (iv) paragraph (f) is omitted,
- (v) paragraph (g) is omitted, and
- (vi) paragraph (h) is omitted;
- (b) in subsection (4) paragraph (b) is omitted;
- (c) subsection (7) is omitted;
- (d) subsection (8) is omitted; and
- (e) in subsection (10), the definitions of a "functional body" a "public authority" are omitted.

- (6) Section 201 of the 2011 Act (object and powers) is to be read as if subsection (8)(b) is omitted.
- (7) Section 203 of the 2011 Act (arrangements for discharge of, or assistance with, planning functions) is to be read as if for "a London borough council or the Common Council of the City of London" there is substituted "a district council or county council in the Combined Authority's area".
- (8) Section 207 of the 2011 Act (acquisition of land) is to be read as if—
- (a) in subsection (2) for "in Greater London" there is substituted "in the Combined Authority's area"; and
- (b) in subsection (3) the words "of London" are omitted.
- (9) Section 214 of the 2011 Act (powers in relation to discretionary relief from non-domestic rates) is to be read as if—
- (a) in subsection (4)(c) for "or an affected local authority" are omitted; and
- (b) in subsection (4) the definition of "an affected local authority" for the purposes of paragraph (c) is omitted.
- (10) Section 216 of the 2011 Act (transfers of property, rights and liabilities) is to be read as if —
- (a) in subsection (2), ", (e)" is omitted; and
- (b) in subsection (4)—
- (i) the definition of "functional body" is omitted; and
- (ii) in the definition of "permitted recipient"—
- (aa) paragraph (b) is omitted,
- (bb) for "(d) a London borough council" there is substituted "a district council or county council in the Combined Authority's area", and
- (cc) paragraph (e) is omitted.

PART 2

Modification of the application of Schedule 21 to the 2011 Act

- 2.—(1) Schedule 21 to the 2011 Act applies with the following modifications.
- (2) Schedule 21 of the 2011 Act is to be read as if—
- (a) in paragraph 1(1) the reference to the Mayor of London ("the Mayor") is to be read as the Combined Authority;
- (b) all subsequent references to the Mayor are to be read as the Combined Authority;
- (c) in paragraph 1(2) the reference to each relevant London council is to be read as each district council or county council in the Combined Authority's area;
- (d) paragraph 1(3)(a) is omitted;
- (e) in paragraph 4(4) the reference to the London Assembly is to be read as a reference to the Combined Authority; and
- (f) in paragraph 10(c) the reference to the London Assembly is to be read as a reference to the Combined Authority.

Schedule 4

Economic development and regeneration functions

- 1. The functions of the constituent councils under section 1 of the Localism Act 2011(a) to the extent that those functions are exercisable for the purpose of economic development and regeneration.
- 2. The power under section 144 of the Local Government Act 1972(b) (the power to encourage visitors and provide conference and other facilities).
- 3. The duties under sections 15ZA, 15ZB, 15ZC, 17 and 18A(1)(b) of the Education Act 1996(c) and the power under sections 514A and 560A of that Act (duties and powers related to the provision of education and training for persons over compulsory school age).
- 4. The duty under section 69 of the 2009 Act (duty to prepare an assessment of economic conditions).

