

# Combined Authorities: signs of success

2017



“ We should confront the fact that our economy is one of the most centralised in the world, with institutions that are often too fragmented to provide the most effective leadership in shaping successful places. Evidence and experience suggests that strong, streamlined, decentralised governance – such as through our city deals, growth deals and mayoral devolution deals – can improve economic decision making and spur innovation and productivity gains.”

**Industrial Strategy: green paper – Department for Business, Energy & Industrial Strategy, Jan 2017**



**9** Combined Authorities established



**16.2m**  
people living in  
Combined Authority areas



**6** Combined Authority Mayors elected



**£1.3bn**

combined revenue and capital budget for the six mayoral Combined Authorities, 2017-18



**9**

Combined Authorities already making strategic investment decisions with powers over transport, housing, planning, policing and economic development



**2**

further areas publicly committed to pursuing the Combined Authority model

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# Foreword

In her foreword to ‘Building our Industrial Strategy’ the Prime Minister states that the initiative “will help to deliver a stronger economy and a fairer society – where wealth and opportunity are spread across every community in our United Kingdom, not just the most prosperous places in London and the South East.” Combined Authorities – the newest model for the governance of local public services – are central to this.

At Grant Thornton and Bond Dickinson we have been working with local authorities for decades to support them in realising their ambitions for people and place. As passionate supporters of the sector we are keen to understand how these new models for the delivery of growth across the country can succeed on behalf of communities and businesses. We therefore decided to jointly commission this report. This report provides an insight into the establishment of each combined authority in the context of their specific challenges. It is only a first step however. More research will be required to consider the big questions around how the success of combined authorities can be determined over time, and this is something that we may review later in the year.

London has had its own “combined authority” since 2000 when Greater London Authority was formed. Its success is seen as a model to breathe life into local authority structures across England and to focus investment for the benefit of all. But the model is only considered to succeed where local communities are willing to work together to strike a deal with central government. These “devolution deals” are the basis for the creation of each combined authority. And it is the combined authority which appears to be viewed by central government as one of the pillars for delivery of the Industrial Strategy. That is, “Creating the right institutions to bring together sectors and places.”



**Paul Dossett**  
Head of Local Government  
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# Introduction

“As economies and transport networks operate at a scale greater than individual local authority areas, there is a logic to establishing strategic bodies designed to function across conurbations and sub-regional areas.”

(NAO, *Progress in Setting Up Combined Authorities*, 2017, 6)

## 1. Introducing Combined Authorities

Combined authorities are a key element in the devolution of powers, funding and responsibility for public policy to local authorities and sub-national partners. Spanning local authority boundaries, combined authorities offer new opportunities for coordinated intervention in key policy areas such as economic development, transport, skills, health and social care. They are formed from the ‘bottom up’ by authorities wishing to work more closely together to support common strategic aims, often motivated by a clear functional economic geography across their shared area. The onus is on combined authorities to make the case for drawing down powers and resources and in that respect, there is considerable potential for combined authorities to learn from each other.

To date, nine combined authorities have been formed.



Table 1.1 The nine Combined Authorities as of July 2017.



The nine combined authorities so far created are likely to be joined by others. Greater Lincolnshire and East Anglia were unable to reach agreement locally on their devolution deals in 2016, but development work is currently being undertaken in the North Midlands and Cheshire and Warrington (NAO, 2017). There were 38 devolution bids by September 2015, but as of 2016 only 11 of these were for combined authority status.

Combined authorities are legal bodies and a local authority may be a member of only one. Each combined authority has its own history with different powers, priorities and organisational forms, as set out in their respective devolution deals with the Government and the relevant Statutory Order(s) for their establishment. Many have been around in shadow form before formal inception.

The core legislation for combined authorities is set out in the Local Democracy, Economic Development and Construction Act 2009 (2009 Act) amended by the Cities and Local Government Devolution Act 2016. The 2009 Act restricted combined authorities to economic development, regeneration or transport functions, whereas the 2016 Act removed these limitations allowing the Secretary of State to transfer a potentially wider range of statutory functions.

The context is currently changing because as of May 2017, six of the combined authorities now have directly elected mayors. This change reflects government's clear aspiration that further devolved funding and powers would be granted, conditional on combined authorities committing to the increased accountability provided by a mayor.

Combined authorities were 'designed with city regions in mind' (Hardy 2016; See References p. 68) and that is reflected in the strong leaning so far to the core cities. However, there is clearly an appetite in government, and across the country, to extend the combined authority model to other areas where authorities are prepared to collaborate. The current government signalled in its manifesto that it may relax the requirement for a mayor to encourage innovative proposals from rural areas. The scene is set for further experimentation and innovation in the expanded role, remit and portfolio of combined authorities.

## 2. Aims of this report

The election of combined authority mayors on May 4th 2017 has generated a surge of interest in, and commentary about, the potential of both the combined authority model, and the roles, responsibilities and potential significance of mayors.

There is further research on combined authorities and devolved governance in England, including two reports from the National Audit Office and two House of Commons Select Committee reports: one from the Committee of Public Accounts and one from the Communities and Local Government committee. This research has focused in particular, although not exclusively, on the formation, audit and accountability of combined authorities.

However, there is very limited benchmarking of the state of play across combined authorities in terms of not only their funding, key powers and functions, but also their progress in taking work forward, their investment plans, their potential for policy innovation based on their experience so far, and in the new era of mayoral combined authorities.

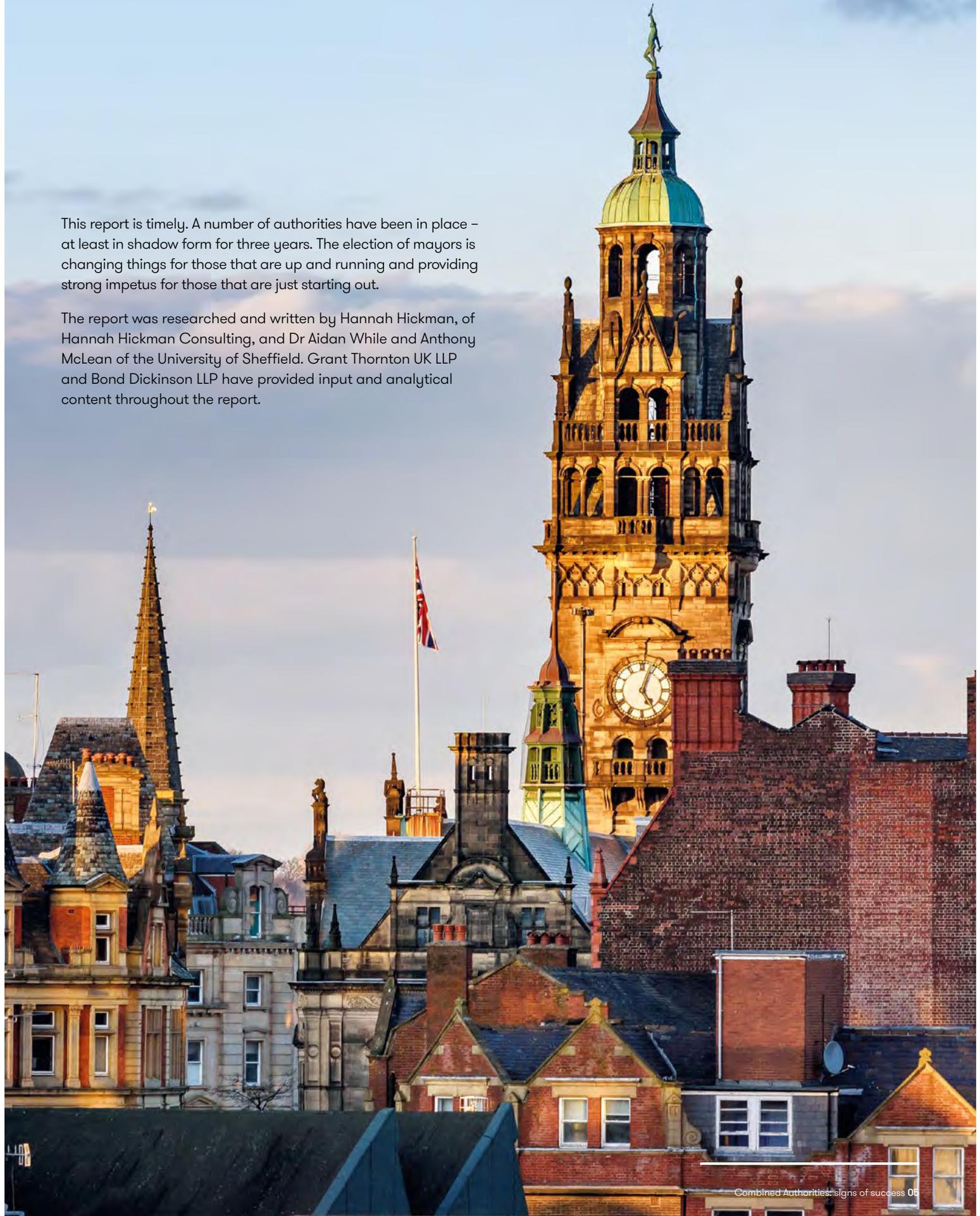
This report fills that gap, covering both mayoral and non-mayoral combined authorities. It includes an analysis of the combined authority model of local government and a review of each combined authority so far formed, set against economic performance indicators of the area. In this way, the report begins to establish a benchmark against which future performance may be evaluated

This report draws on experience so far to highlight some of the opportunities and challenges in maximising the potential of combined authorities to provide a platform for added value across different areas of public policy. We take a broad approach that spans the full range of policy domains, including economic development, skills and training, transport and planning, environmental and social policy.

This report is relevant to anyone with an interest in the evolution of the combined authority model: in particular those groups of local authorities who may have an interest in pursuing the approach in the future, or have proposals currently under consideration.

This report is timely. A number of authorities have been in place – at least in shadow form for three years. The election of mayors is changing things for those that are up and running and providing strong impetus for those that are just starting out.

The report was researched and written by Hannah Hickman, of Hannah Hickman Consulting, and Dr Aidan While and Anthony McLean of the University of Sheffield. Grant Thornton UK LLP and Bond Dickinson LLP have provided input and analytical content throughout the report.





# Part 1: Context

## 1. Why Combined Authorities?

Combined authorities have become a key element in the selective devolution of powers and funding to English local authorities under the Coalition and Conservative governments since 2010. Combined authorities have had a particular remit to stimulate local growth in areas outside of London and the South East, giving areas some of the powers and autonomy of the London Mayor and Greater London Authority.

The combined authorities are part of a longer ebb and flow of devolved powers and responsibilities in England, including: the abolition of metropolitan county councils in the 1980s, the continued role for metropolitan transport authorities, the strengthening of regional institutions under Labour governments from 1997 to 2010 and their abolition by the Coalition government after 2010 in favour of city-regional combined authorities and sub-regional Local Enterprise Partnerships.

Support for combined authorities recognises the importance of delivering public policy tailored to local need through joint working between local authorities. Combined authorities should foster collaboration and innovation with the extension of powers and freedoms for authorities that can lead and deliver. Combined authorities also recognise that policy areas such as transport and aspects of economic development require coordinated approaches across travel to work areas and functional economic areas that often span many local authorities. Indeed, many combined authorities have incorporated the powers and functions of pre-existing transport authorities.

Most combined authorities to date have been city-regions or conurbations, though there are exceptions, such as Cambridgeshire and Peterborough. City-regional combined authorities largely follow the boundaries of metropolitan county councils that were abolished in the mid-1980s, though in some cases they involve a broader range of local authorities.

Most combined authorities cover the same footprint as a single Local Enterprise Partnership area (sub-regional economic development organisations created by central government in 2010 as part of its devolution programme).

Combined authorities therefore reflect a commitment to devolution, local responsiveness and city-regional and sub-regional coordination to stimulate economic growth and get more out of government investment in key policy areas.

There is no single model for combined authorities. The onus is on local policy-makers to maximise the potential of combined authority frameworks and negotiate a particular settlement with central government. Originally created to promote economic regeneration and transport, their remit is now more open ‘leaving the functions of a combined authority to be determined by a combination of local choice and the outcome of negotiations with government’ (CLG, 2017: See References p. 68).

Greater Manchester has received the largest selection of devolved powers outside of London, including responsibility for a health and social care budget of over £6billion, although this is not under the direct control of the combined authority. The Mayor of Greater Manchester also takes on the role of the Police and Crime Commissioner and has responsibility for the Manchester Fire and Rescue Service. It is atypical in this respect.

“Combined authorities have become a key element in the selective devolution of powers and funding to English local authorities under the Coalition and Conservative governments since 2010.”

## 2. Mayors and Combined Authorities

Combined authorities are formally established by the Secretary of State for Communities and Local Government following the request and consent of councils, and where there is agreed to be a strong likelihood of a positive answer to these questions:

- Will the combined authority improve the delivery of its functions in the area it covers?
- Will the combined authority help to secure effective and convenient local government?
- Does the proposed combined authority reflect local identity and the interests of local communities? (Local Government Association, 2016: See References p. 68)<sup>1</sup>

Central government has sought to bring combined authorities under the remit of elected mayors. Elected mayors are thought to enhance oversight and accountability (NAO, 2017: See References p. 68) and provide a clear focus for political leadership. There has been the expectation that devolved funding and powers will be ‘most likely to be given in exchange for increased accountability in the form of a mayor’ (NAO, 2017: 13: See References p. 68).

The North East and West Yorkshire combined authorities have opted not to follow the mayoral route and that is reflected in their more limited range of devolved powers. There is also some opposition to an elected mayor in parts of the Sheffield City Region.

## 3. Powers

“The Devolution Bill is a deliberately non-prescriptive and enabling piece of legislation that allows for the devolution of almost anything – housing, health, welfare, policing and more – to a local level. The limit to the level of devolution under this model will be the willingness and ability of local and national politicians to reach agreement on what other functions may be devolved in the future.”

**(Centre for Cities, 2016)**

Combined authorities do not follow a single model and the detail of their powers and funding depends on separate devolution deals with central government. There have been some concerns about the lack of transparency in the individual deal negotiations (House of Commons Communities and Local Government Committee, 2016).

1. These questions have become enshrined into two legislative tests for the establishment of a combined authority: ‘The first test is to establish whether the creation of the combined authority is ‘likely to improve the exercise of [those] statutory functions in the area or areas concerned’. ... The second test is captured in the duty on the Secretary of State to have regard to the identities and interests of local communities and the need to ‘secure effective and convenient local government.’ (LGA, 2016: 5: See References p. 68).



In practice the main areas of devolved powers relate to economic development, transport, skills and land development (NAO, 2017: See References p. 68), and have been described by the House of Commons as ‘a menu with specials’ (Sandford, 2016: 16: See References p. 68). Some powers are statutory, some are non-statutory, some are policy commitments, and some, although not all, are associated with the devolution of funds. There are subtle differences in the language used to describe these powers across both the devolution deals and the statutory orders, but the following areas are some examples:

- **Employment and business support**, including the uniting of local and central business support services under a ‘growth hub’ model, partnership arrangements with UK Trade and Investment, a devolution of business support services, and partnership working on the government’s Work and Health programme.
- **Further education and skills**, including full devolution of the adult skills budget by 2018-19, apprenticeship grants for employers, and partnerships to review 16+ education.
- **Spatial planning, land and housing**, including the power to create a spatial plan for the area, invest in housing, create Mayoral Development Corporations, and Compulsory Purchase Powers alongside the Homes and Communities Agency and with the consent of the local authority. Devolution deals also refer to the establishment of non-statutory joint bodies (‘Land Commissions’ or ‘Joint Asset Boards’) to improve the management of surplus land.
- **Transport**, including powers to introduce bus franchising, multi-modal ‘smart ticketing’ systems, joint working between combined authorities, Network Rail and Highways England, and responsibilities for the key route network of local roads.
- **Wider public services**, including public health responsibilities and the integration of health and social care, responsibilities for police and fire services, and policing and crime.

An important issue is the extent to which combined authorities can or may make use of wider powers and freedoms through further negotiation with central government or by making use of wider powers already conferred through legislation. For example, under the Bus Services Act 2017, a combined authority may make a bus services franchise scheme as the franchising authority for its area. They also have a ‘general power of competence’ to do anything an individual may do unless it is specifically prohibited from doing so. These wider powers are however subject to the terms of the statutory order(s) made for each authority area. All combined authorities have borrowing powers, although for non-mayoral authorities this is limited to transport.

As the LGA points out ‘it is important to see the creation of combined authorities and the transfer of powers to them as a process rather than a one-off event’ (LGA, 2016: 6: References p. 68) Legislation allows councils and central government to transfer additional functions to a combined authority over time and a series of recent announcements and initiatives have served to reinforce the Government’s appetite for the model. The Autumn Statement in 2016 provided for new borrowing powers for mayoral combined authorities in line with their functions, and announcements of further work and second deals in some places. Most recently, the Government’s green paper – ‘Building our Industrial Strategy’ – gave prominence to combined authorities, emphasising their importance as institutions for growth. The Conservative Party 2017 election manifesto included commitments to ‘make’ combined authorities prepare their own industrial strategies in line with the national strategy.

“The Investment Fund Grant can be added to the ‘single pot’ which each combined authority is free to spend as it wishes, albeit for the broad pursuit of economic growth.”

## 4. Funding

The work of combined authorities is funded by devolved monies from central government or by revenues raised directly. The combination of funding methods varies between combined authorities.

Most of the ‘new’ money from central government comes through the Investment Fund Grant (IFG), although the division of this fund into capital and revenue elements varies between areas. These 30-year grants are agreed through devolution deals, and will be subject to five-yearly assessments to confirm whether the spending has contributed to national growth. The size of the fund ranges from £15m per year in Tees Valley to £36.5m per year in the West Midlands (NAO, 2017), and is worth around £16 per person across the combined authority areas on average (NAO, 2017: 20).

Beyond the headlines on investment funds, it can be difficult to work out precisely what funding is at the disposal of combined authorities and what is ring fenced for existing commitments. It can also be confusing to distinguish between ‘new’ or additional money coming to combined authorities and existing funding streams, as IFG is only one component of the total ‘single pot’ provided to combined authorities. Individual combined authorities also use differing terminology to describe their funding arrangements with headline figures tending to represent only the money coming directly from central government.

The IFG can be added to the ‘single pot’ which each combined authority is free to spend as it wishes, albeit for the broad pursuit of economic growth. The single pot is designed to give combined authorities certainty as to their funding, to better enable investment planning and decision making. To this single pot, the central government is adding a series of devolved funding streams while removing the traditional restrictions on how they are spent. For example, in Greater Manchester the single pot comprises the IFG, as well as a consolidated transport grant (made up of a number of funds devolved from the Department of Transport such as: the Integrated Transport Block, the Highways Maintenance Block and the Pothole Action Fund), money from the National Productivity Investment Fund and the flexible element of the Local Growth Fund. Greater Manchester is free to shift money between these funds and spend cash on locally-decided priorities.

In addition, combined authorities have responsibility for a range of funding that is largely ring fenced for specific services. This includes transport grants, apprenticeship grants and housing funding. In Greater Manchester, this ring-fenced funding includes money for the Work and Health programme, an Apprenticeship grant, a Bus Services Operator grant, and funds for Health and Social care. Although the combined authorities have received devolved powers in relation to how these programmes are managed and administered, the funds remain ring fenced. Combined authorities have also become the accountable body for the Local Growth Fund in the seven combined authorities that have become accountable bodies for LEPs. However, many have noted the relatively limited financial powers of combined authorities, and have called for further and more comprehensive fiscal devolution’ (see Centre for Cities 2015, House of Commons 2016 and Smith Institute 2017: See References p. 68).

Funding ambitious investment plans will be an issue for many combined authorities if there are limited resources for administration. The West of England Combined Authority (WECA), for example, has stated that beyond its transport levy ‘no additional contributions should be requested from the constituent councils to meet the costs of the WECA’ and it does not have the power to add a precept to local council tax bills to fund its functions. Whereas the West Midlands Combined Authority (WMCA) charges an annual fee for membership as do others. [Most mayoral combined authorities are now part of a pilot scheme from April 2017, to trial the retention of 100% of business rates in their area.] All combined authorities have borrowing powers, but those without mayors can only borrow in relation to transport. The WMCA has already stated that £2.2bn of its planned investment expenditure will be funded by WMCA debt (WMCA, 2016b: See References p. 68).

Combined authorities are constituted similar to local authorities, and must be run in the way described in the Local Government Accountability System Statement which ensures that finances are being managed appropriately. Table 2.1 summarises the main forms of funding for combined authorities.

Table 2.1. The main forms of funding for combined authorities



### Single pot funding

Combined authorities are in receipt of a single pot of funding devolved from central government, made up of the IFG, transport grant (comprising Integrated Transport Block funding, Highways Maintenance Block funding, Highways Maintenance incentive funding; National Productivity Investment Fund (2017/18 only); the Pothole Action Fund) and adult education budget (forthcoming). These are grants over which combined authorities will have wide discretion to vary both between projects and year on year. The Treasury has committed to a 30-year funding stream, subject to five-yearly assessments to confirm whether the spending has contributed to national economic growth.

The single pot is designed to give combined authorities certainty on funding to better enable investment planning and decision making.



### Business rate retention

100% business rates retention pilots, albeit that the pilots are not exclusive to combined authority areas.

Elected mayors for combined authorities will also be able to increase business rates by 2p per pound with agreement of the LEP.



### Borrowing powers

The Autumn Statement, confirmed the ability of mayoral combined authorities to borrow money to deliver across their areas of responsibility. The statutory order setting up the authority must detail the purposes for which the money may be borrowed. The cap is to be agreed by the Government and subject to further legislation. In non-mayoral areas this is limited to transport.



### Other funding

- Apprenticeship grants
- Land (to be determined by combined authorities)
- Other transport funding
- Bus service operators grant
- Housing funding

+ a variety of additional sources in Greater Manchester reflecting its wider range of powers and functions.



### Tax raising powers

Council tax precept may be set by combined authority mayors from April 2018, where the relevant statutory order allows them to do so.



### Council contributions

These levies are set by combined authorities but in agreement with their constituent local authority councils. This has been reported as a shift in funding from constituent councils, not a means of raising additional resources.



### Infrastructure levy

Subject to parliamentary approval, mayoral combined authorities will be able to ask for an additional 2p per pound of rateable value, from local businesses to fund infrastructure projects.



## 5. Variation and progression

The structures and programmes of combined authorities are very varied, determined by the individual deals that each city-region has agreed with government, and the appetite, experience and capacity of the emerging authorities to take work forward. Unsurprisingly, Greater Manchester is seen as the forerunner having been the first to be established, and having received the greatest number of functions and powers. But others may not be far behind. The new impetus provided by elected mayors appears to be accelerating progress in a number of places, and several authorities are already expressing their desire for the agreement of further powers in the future.

## 6. Challenges

There is considerable potential for combined authorities to develop distinctive and meaningful local policy-making using the devolved powers and funding at their disposal.

However, there are considerable challenges in taking forward the combined authority agenda. Questions have been raised about the limited staff capacity of combined authorities at a time when local authority capacity for policy making has been reduced. Concerns have also been expressed over the pay bill arising from increasing staff numbers.

Combined authority mayors can offer leadership and vision but they also add a layer of complexity and possibly tension to existing combined authority structures. Combined authorities might come to be defined by the ability of leaders to exercise soft power to keep key partners onside and build collaboration.



# Part 2: Combined Authority Pen Portraits

The following pages contain pen portraits of each of the combined authorities, providing key contextual information. For each there is:

1

A statistical overview showing the current performance of the Combined Authority area on key economic, transport and other relevant indices.

#### About the data

For each combined authority area, Grant Thornton has provided a comparative analysis of the following:

- **Key indicators** – a snapshot of selected measures of economy, society, housing and transport in each area benchmarked against other combined authority areas. Full definitions and statistical notes are provided at the end of the report
- **Growth over time** – a set of measures looking at recent and projected changes in key areas of GVA, business stock, employment and working age population
- **Vibrant economy indices** – Grant Thornton believes that a vibrant economy index is one that goes beyond financial returns and takes into account the wellbeing of society and everybody's ability to thrive. To this end they have developed a set of Vibrant Economy Indices that consider prosperity, but also dynamism and opportunity; inclusion and equality; health, wellbeing and happiness; resilience and sustainability; and community, trust and belonging. Further information and an interactive tool are available at: <http://www.grantthornton.co.uk/insights/vibrant-economy-index/>

These two parts are presented alongside one another. The statistical information illustrates the challenges that combined authorities have the opportunity to proactively address. Information on their key services and functions, highlights the areas where a combined authority has the ability to make decisions and invest to address those challenges.

2

A summary of the combined authority in terms of its leadership, governance, key functions, vision and priorities, and early signs of progress and innovation.

These summaries have been based upon an in-depth exploration of publicly available information sources on each of the combined authorities. Although not limited to, these sources have included:

- **devolution deals**
- **introductory information on combined authority websites**
- **latest AGM/combined authority committee papers**
- **published strategies**
- **annual reports**
- **relevant news items.**

Examples given, including on key services and functions, are intended to be illustrative not comprehensive.

The world of combined authorities is fast moving. This report is thus a snapshot of where each of the combined authorities is at, as of July 2017.

A detailed analysis of the legal frameworks of each of the combined authorities has been undertaken by Bond Dickinson as part of this study, and is available to download **here**.



# Cambridgeshire and Peterborough

The most recent combined authority to be established, following the demise of plans for wider East Anglia.

## Dates

- Shadow authority formed, December 2016
- Statutory Order, 3 March 2017
- Devolution deal, 16 March 2017
- First official meeting, 20 March 2017
- Mayor elected, May 2017

## Mayor

- Mayor: **James Palmer**, Conservative
- Deputy mayors: **John Holdich**, Conservative (Constitutional Deputy), and **Councillor Robin Howe**, Conservative (Statutory Deputy)

## Constituent local authorities

Cambridge, Cambridgeshire, East Cambridgeshire, Fenland, Huntingdonshire, Peterborough, South Cambridgeshire

## Non constituent members

Greater Cambridge Greater Peterborough Local Enterprise Partnership (with voting rights)



## Governance structures

### Main groups

- Combined authority
- Audit and Governance Committee
- Overview and Scrutiny Committee

### Working groups

- Investment Working Group
- Delivery Working Group

## Key services and functions include:



### Transport

Public Transport functions subsumed by the combined authority. Responsibility for the local transport plan, powers in relation to the key route network, bus franchising and proposals for smart and integrated ticketing.



### Further education and skills

Area-based review of 16+ skills provision. Devolved 19+ adult skills funding from 2018-19.



### Economy

Single employment skills board. Joint commissioning of new National Work and Health Programme. Apprenticeship grants for employers. Joint working with UKTI on export advice.



### Housing, planning and land use

Strategic planning powers, including responsibility for a non-statutory spatial framework. Development of a land commission. Joint Assets Board. Powers to acquire land and invest in housing.



## Overarching vision statement and priorities

Key headline ambitions are stated as:



**Doubling the size of the local economy**



**Accelerating house building rates to meet local and UK need**



**Delivering outstanding and much needed connectivity in terms of transport and digital**



**Providing the UK's most technically skilled workforce**



**Transforming public service delivery to be much more seamless and responsive to local need**



**Growing international recognition for our knowledge based economy**



**Improving the quality of life by tackling areas suffering from deprivation (CPCA, 2017)**

Mayor James Palmer published a 100-day plan with 30 actions that include working with the National Infrastructure Commission, the promotion of community land trusts, feasibility studies into an underground for Cambridge, setting up of a land commission and the launch of the Cambridgeshire and Peterborough Investment Fund.

**“The Combined Authority could contribute an additional £7 billion to the economy of Cambridgeshire and Peterborough.”**

**Cambridgeshire & Peterborough Committee Papers, (March 2017)**



## Signs of progress and innovation

- Work underway includes a housing strategy, a single skills strategy, a transport strategy, a market towns strategy and commissioning of an investment fund strategy
- Cambridgeshire and Peterborough Combined Authority's forward plans highlight a number of forthcoming key investment decisions, including the announcement of the first affordable housing schemes and the establishment of the Sustainable Economic Growth Plan Commission
- Work underway on the range of measures and tasks to support their developing Housing Programme



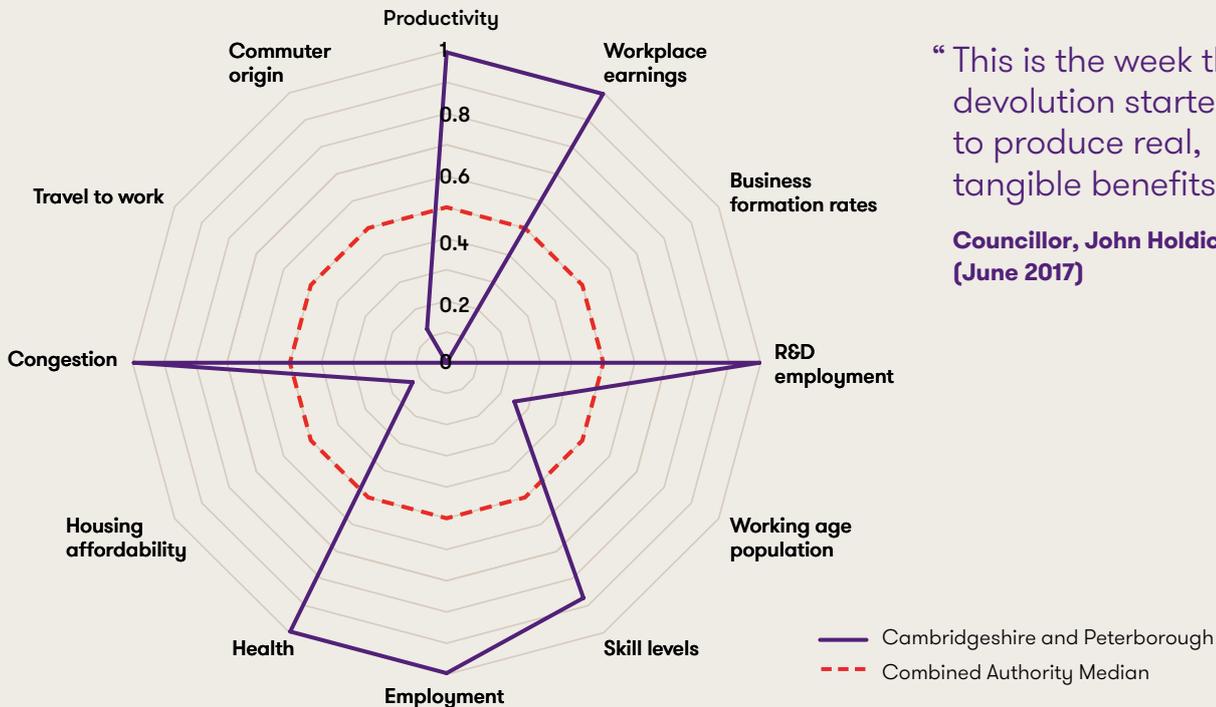
## Investment funds

Budget has been allocated in the 2017/18 period for an investment fund strategy. In June 2017, the combined authority agreed a £2.25m investment in transport including feasibility studies for strategic road schemes and a £6.5m investment in Peterborough University.

# Cambridgeshire and Peterborough

## Profile

### Key indicators



“This is the week that devolution started to produce real, tangible benefits.”

**Councillor, John Holdich, (June 2017)**

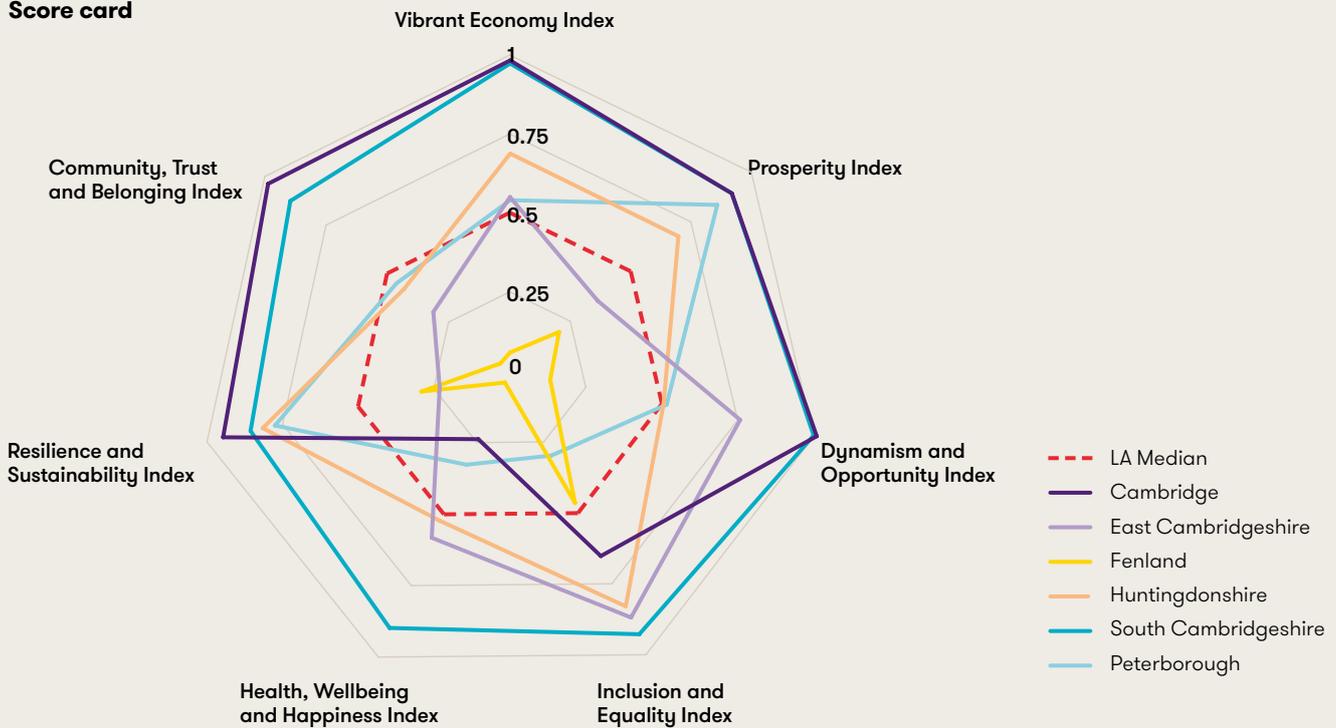
\*Larger shape means better performance.

## Key indicators in detail

Theme	Indicator	Commentary	CA average
<b>Economy</b>	Productivity	Gross Value Added per job is <b>£58,454</b>	<b>49,398</b>
	Workplace earnings	The mean annual workplace earnings are <b>£28,695</b>	<b>25,520</b>
	Business formation rates	The proportion of all businesses that were registered for VAT within the last year was <b>13.02%</b>	<b>15.01</b>
	R&D employment	The proportion of workplace employees employed in Research and Development is <b>3.84%</b>	<b>0.42</b>
<b>Society</b>	Working age	<b>63.31%</b> of the total resident population are of working age	<b>63.57</b>
	Skills	<b>39.9%</b> of the working age population are qualified to degree level and above	<b>32.55</b>
	Employment	The proportion of 16-64 year olds in employment is <b>77.6%</b>	<b>70.17</b>
	Health	Average life expectancy at birth is <b>82.31 years</b>	<b>80.36</b>
<b>Housing &amp; Transport</b>	Housing affordability	Average house prices are <b>9.58</b> times higher than annual mean earnings	<b>7.32</b>
	Congestion	The average delay on locally managed 'A' roads is <b>27</b> spvpm	<b>48.00</b>
	Travel to work	<b>8.1%</b> of people travelled to work by public transport at the time of the last Census	<b>14.06</b>
	Commuter origin	<b>79.75%</b> of the workplace population originate from within the combined authority area	<b>85.40</b>

## Vibrant Economy Index

### Score card



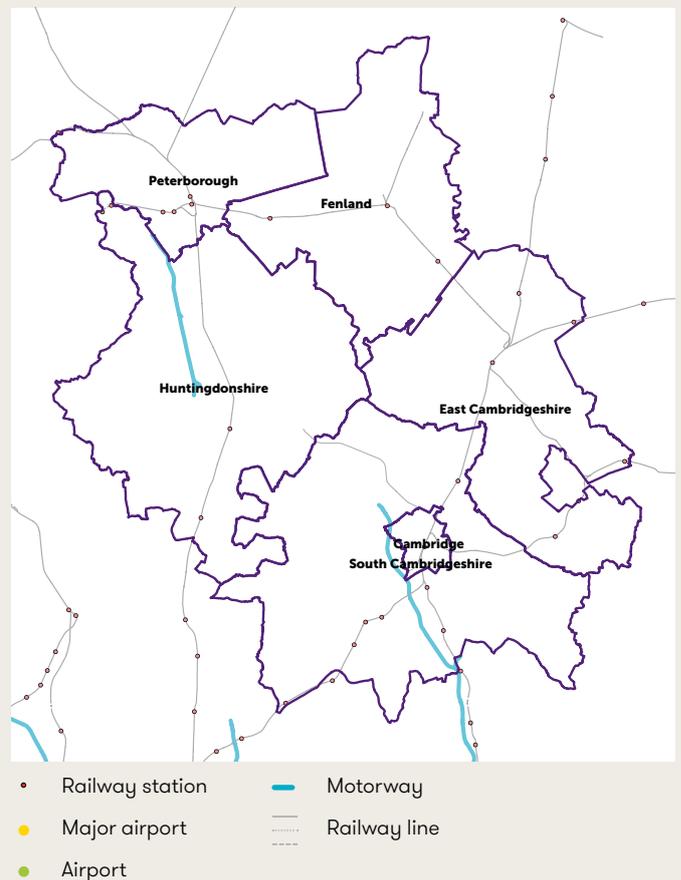
## Growth over time

### Key metrics

Indicator	Commentary
<b>Total GVA</b>	Between 2010 and 2015 GVA increased by 24.5 %
<b>Business stock</b>	Total business stock has increased by 16.21% between 2010 and 2016
<b>Employment growth</b>	The employment base has increased by 39,046, equivalent to a 10.41% increase
<b>Working age population</b>	Between 2010 and 2016 the working age population increased by 2.78%
<b>Projected working age growth</b>	The working age population is forecast to increase by 19.87% between 2014 and 2039

## Transport nodes

### Motorways, airports and railway stations



# Liverpool City Region

The Liverpool City Region Combined Authority (LCRCA) includes Halton, Knowsley, Liverpool, St. Helens, Sefton and Wirral. The Combined Authority is not coterminous with police or NHS boundaries, which also include Cheshire.

## Dates

- **Statutory Order**, 1 April 2014
- **First official meeting**, 1 April 2014
- **Devolution deal**, 17 November 2015
- **Mayor elected**, May 2017

## Mayor

- **Mayor**: **Steve Rotheram**, Labour

## Constituent local authorities

Halton, Knowsley, Liverpool, St Helens, Sefton, Wirral

## Non constituent members

Liverpool City Region Local Enterprise Partnership (non-voting), Warrington, West Lancashire



## Governance structures

### Main groups

- Overview and Scrutiny
- Audit Committee
- Standards Committee

### Working groups

- Investment Committee
- Transport Committee
- Appointments and Disciplinary Committee

## Key services and functions include:



### Transport

Integrated Transport Authority and Passenger Transport Executive subsumed by the combined authority. Responsibility for the local transport plan, powers in relation to the key route network, bus franchising and proposals for smart and integrated ticketing.



### Further education and skills

Area-based review of 16+ skills provision. Devolved 19+ adult skills funding.



### Economy

Apprenticeship Grant for Employers. Joint commissioning of new National Work and Health Programme. Joint working with UK Trade and Investment (UKTI) on export advice and responsibility for working with government on devolving national business support programmes to the Liverpool City Region Growth Hub.



### Housing, planning and land use

Single Statutory City Region Framework to support the delivery of strategic employment and housing by 2020. Compulsory purchase powers jointly with the Homes and Communities Agency. Mayoral powers over important planning applications. Creation of Mayoral Development Corporations.

“Devolution as we currently have it is only a starting point and everyone involved has pulled up trees to get what we currently have. But there is more to come, it is a process that happens over time – if you look at Scotland’s first devolution deal to what is has now it is totally different and ours will grow, it’s a journey.”

**Mayor Steve Rotheram, 8th May 2017 (Thorp 2017)**



## Overarching vision statement and priorities

Liverpool City Region’s Strategic Economic Plan ‘Building Our Future’, jointly owned by the LEP and the combined authority, outlines three growth pillars for the wider city region: productivity, people and place, under a vision ‘to build on our core strengths and capacity for innovation to create a truly global and competitive City Region at the heart of the Northern Powerhouse.

In July 2017, the new Mayor Steve Rotheram announced a 100-day action plan that brings together existing commitments already announced by the combined authority and new manifesto commitments made during the election.

### Some of the 50 action points include:



**Progress on a special purpose vehicle to plan and deliver a Mersey Tidal Barrage**



**An ambition to become one of the world’s leading tech cities**



**Moves towards a zero-carbon city region and discussions over adopting clean air zones**



**Utilising a ‘housing first’ approach to tackle homelessness**



## Signs of progress and innovation

- A 50-point action plan announced in July 2017 by the newly elected mayor to create a ‘truly global and competitive world city’
- £21.5m invested in 30 education and housing projects through its Strategic Investment Fund
- 14 transport schemes funding worth £150m
- £9m of Growth Deal Funding spent on the International Festival for Business 2016 and invested in new state-of-the-art films studios
- Work started on a £470m project to replace the Merseyrail fleet

The city region received one of the highest Local Growth Fund allocations during the latest third round, with £72m secured over 4 years. It now has responsibility for the delivery of a £13.8m Business Support Programme through the Growth Hub. The LCRCA is exploring taking on powers in relation to health and social care, with an agreement for social care collaboration between Liverpool, Sefton and Knowsley.



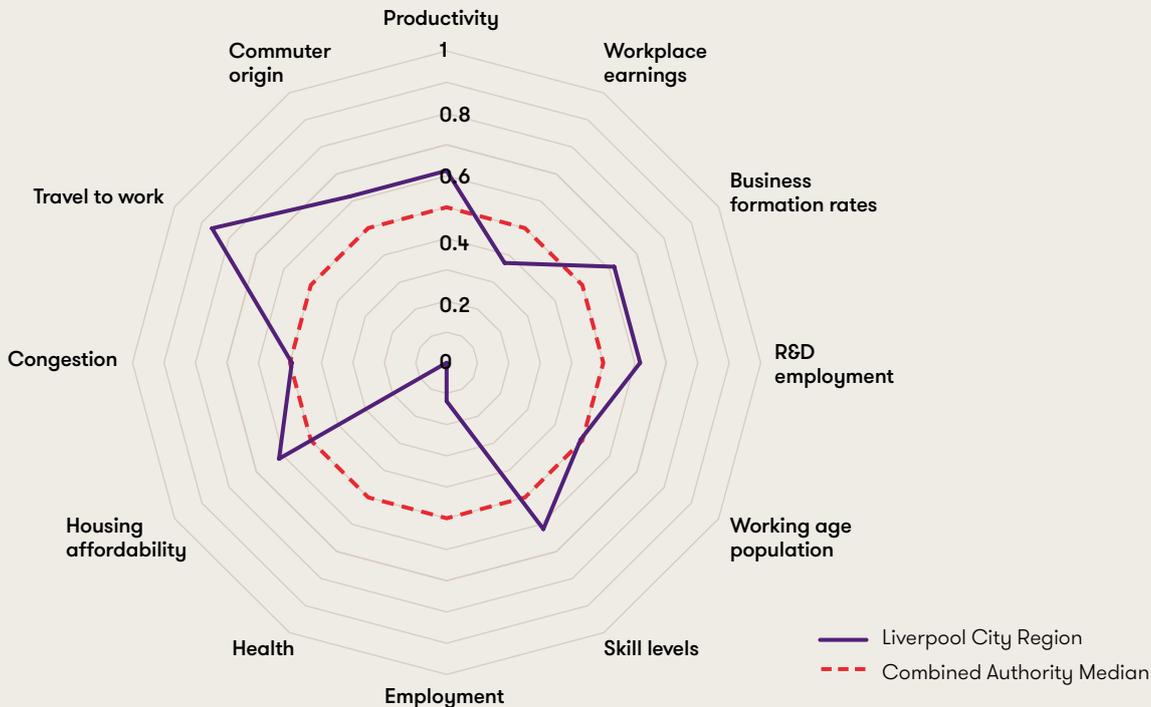
## Investment funds

The Liverpool City Region has leveraged its single pot devolved funding with other sources, such as from the European Structural and Investment Fund and the £35m Chrysalis fund which supports property, regeneration and sustainability projects within the area. The fund is being managed by a consortium of private companies on behalf of the city region. This wider Single Investment Fund provides a focus for strategic investment in support of economic development and regeneration. Over £458m is allocated for investment up to 2020/21. More than 100 projects have applied for funds seeking in excess of £300m. In early 2017, 48 were invited to submit business cases for appraisal.

# Liverpool City Region

## Profile

### Key indicators



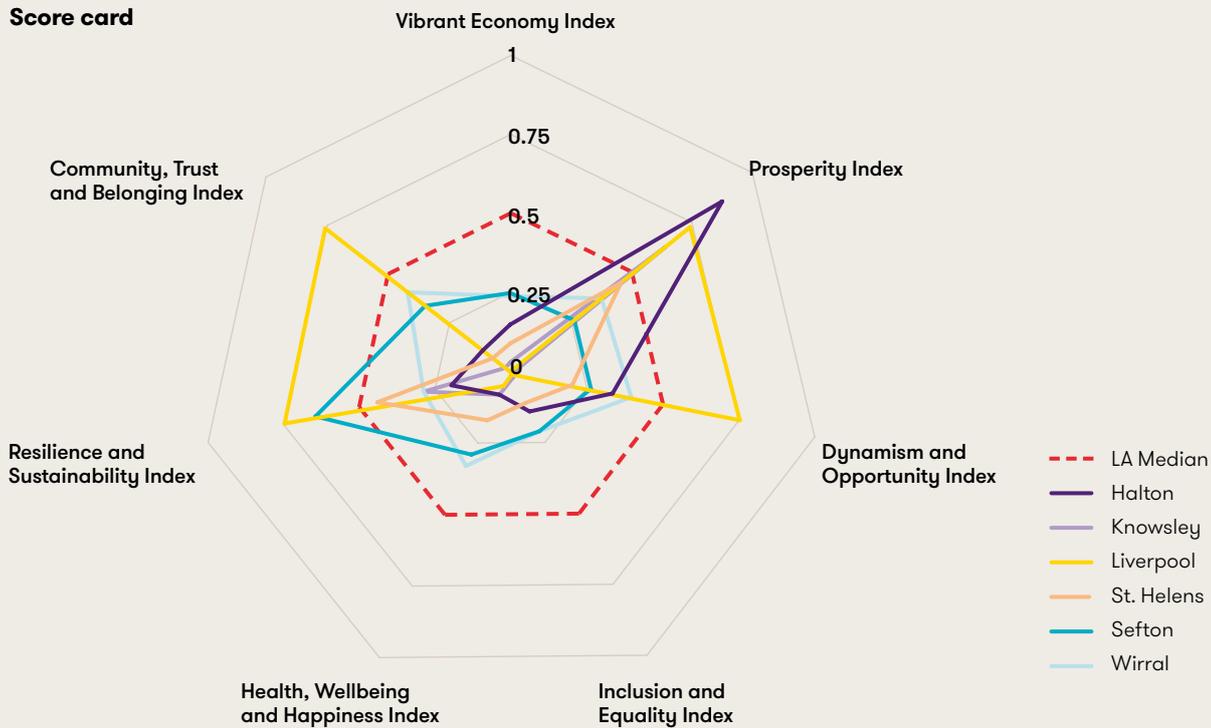
\*Larger shape means better performance.

## Key indicators in detail

Theme	Indicator	Commentary	CA average
<b>Economy</b>	Productivity	Gross Value Added per job is <b>£49,216</b>	<b>49,398</b>
	Workplace earnings	The mean annual workplace earnings are <b>£24,608</b>	<b>25,520</b>
	Business formation rates	The proportion of all businesses that were registered for VAT within the last year was <b>15.52%</b>	<b>15.01</b>
	R&D employment	The proportion of workplace employees employed in Research and Development is <b>0.26%</b>	<b>0.42</b>
<b>Society</b>	Working age	<b>63.41%</b> of the total resident population are of working age	<b>63.57</b>
	Skills	<b>31.9%</b> of the working age population are qualified to degree level and above	<b>32.55</b>
	Employment	The proportion of 16-64 year olds in employment is <b>68.4%</b>	<b>70.17</b>
	Health	Average life expectancy at birth is <b>79.36</b> years	<b>80.36</b>
<b>Housing &amp; Transport</b>	Housing affordability	Average house prices are <b>6.44</b> times higher than annual mean earnings	<b>7.32</b>
	Congestion	The average delay on locally managed 'A' roads is <b>52.21</b> spvpm	<b>48.00</b>
	Travel to work	<b>16.85%</b> of people travelled to work by public transport at the time of the last Census	<b>14.06</b>
	Commuter origin	<b>86.11%</b> of the workplace population originate from within the combined authority area	<b>85.40</b>

## Vibrant Economy Index

### Score card



## Growth over time

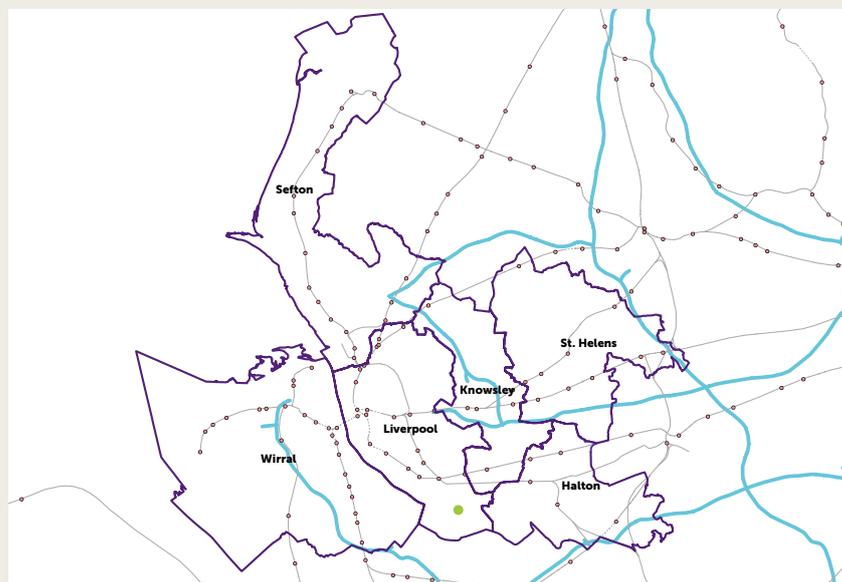
### Key metrics

Indicator	Commentary
Total GVA	Between 2010 and 2015 GVA increased by 9.28%
Business stock	Total business stock has increased by 25.05% between 2010 and 2016
Employment growth	The employment base has increased by 22,267, equivalent to a 3.86% increase
Working age population	Between 2010 and 2016 the working age population decreased by 0.3%
Projected working age growth	The working age population is forecast to increase by 6.42% between 2014 and 2039

## Transport nodes

### Motorways, airports and railway stations

- Railway station
- Major airport
- Airport
- Motorway
- Railway line



# Greater Manchester

Greater Manchester Combined Authority (GMCA) has the greatest degree of devolution outside of London. The combined authority builds on city regional structures that have evolved over 30 years and the geographic boundaries match those used by NHS organisations. In areas such as health, Greater Manchester has more powers than Greater London, although these are not under the direct auspices of the GMCA.

## Dates

- Association of Greater Manchester Authorities (AGMA) created in 1986
- Statutory Order, 1 April 2011
- First official meeting 1 April 2011
- Devolution deal, 3 November 2014
- Devolution deal expanded in 2015 and 2016
- Mayor elected, May 2017

## Mayor

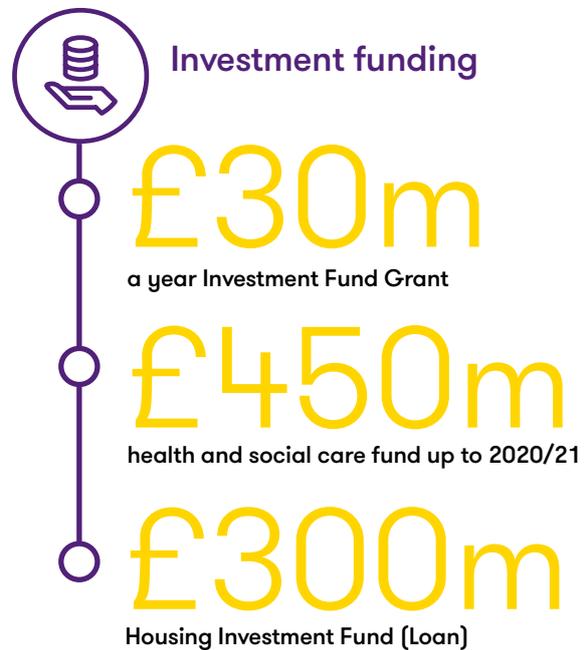
- Mayor: **Andy Burnham**, Labour
- Deputy mayors: **Sir Richard Leese**, (Manchester City Council) and **Baroness Beverley Hughes** (Police Crime Commissioner deputy)

## Constituent local authorities

Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford, Wigan

## Non constituent members

Greater Manchester Local Enterprise Partnership (non-voting)



## Governance structures

### Main groups

- Joint GMCA/AGMA Executive Board
- GMCA and AGMA Joint Scrutiny Committee
- GMCA and AGMA Joint Audit Committee

### Working groups

- AGMA Executive Board
- AGMA Statutory Functions Committee
- Low Carbon Hub Board
- Transport for Greater Manchester Committee
- Planning and Housing Commission
- Fire Committee
- Police and Crime Panel
- GM Health and Social Care Strategic Partnership Board
- GM Skills and Employment Partnership
- GMCA Standards Committee
- GMCA Resources Committee

“As we build on our success, we’ll look to strengthen not just Greater Manchester, but the entire Northern Powerhouse. We must work with our partners in the north of England to ensure that we’re able to achieve our shared objectives and build a stronger, more inclusive United Kingdom.”

**Sir Richard Leese, city council leader, (Begum 2017)**

## Key services and functions include:



### Transport

Integrated Transport Authority and Passenger Transport Executive subsumed by the combined authority. Responsibility for the local transport plan, powers in relation to the key route network, bus franchising and proposals for smart and integrated ticketing.



### Further education and skills

Area-based review of 16+ skills provision. Devolved 19+ adult skills funding.



### Economy

Apprenticeship grants for employers. Joint working with UK Trade and Investment (UKTI) on export advice and responsibility for devolved national business support programmes. Joint oversight with the LEP of the economic development agency the Manchester Growth Company. Joint commissioning of the national Work and Health Programme.



### Housing, planning and land use

Development of a Land Commission. Spatial development strategy. Compulsory purchase powers jointly with the Homes and Communities Agency. Mayoral Development Corporations.



### Public services

Mayor acts as the Police and Crime Commissioner and has responsibility for the fire service, improving health and for the performance of Clinical Commissioning Groups jointly with Head of Paid Service. The Greater Manchester Waste Development Authority will be dissolved in 2018 and its functions transferred to the combined authority.



## Overarching vision statement and priorities

Greater Manchester has stated its aim to be more prosperous, better connected, and greener, intending by 2020 to be self-reliant and contributing to national wealth rather than needing government help (GMCA and LEP 2013). The Greater Manchester Strategy: Stronger Together (GMS) sets out the combined authority vision for Greater Manchester, focusing on the twin aims of reforming public services and a continued drive for growth and prosperity. The strategy has five main themes: Creating the Conditions for Growth; Supporting Business; Worklessness and Skills; Building Independence and Raising Expectations through Public Sector Reform.



## Investment funds

A Core Investment Fund has invested more than £195m to 100 companies and is expected to create over 6,500 jobs. The fund offers loans of between £0.5m and £5m to eligible companies which are having difficulties in accessing traditional funds from the private sector. Examples include investment in the manufacturer James Briggs to support a £5.5m project for better IT, automation and infrastructure, and investment in Reality Mine, which devises technical solutions for researching consumer behaviour. The money is expected to triple the company's turnover. The £300m Housing Investment Fund is intended to deliver 10,000 to 15,000 additional homes over 10 years.



## Signs of progress and innovation

Greater Manchester has led the way on English devolution and there is considerable progress and innovation across local transport, health and skills. The combined authority now exercises powers in relation to highways, planning, police, fire and rescue and waste but the mayor can also make grants to constituent councils for wider purposes. Some examples of progress and innovation are:

- in April 2016, Greater Manchester became the first region in the country to take control of its combined health and social care budgets totalling more than £6 billion, although these budgets are not under the direct control of GMCA. Local leaders and the Greater Manchester Clinical Commissioning Groups will work with the government to produce a business plan for the integration of health and social care
- control of a £300m ten-year Housing Investment Fund to deliver an additional 10,000 to 15,000 homes per year with loans repaid and recycled
- action to reduce the city region's carbon footprint through the Low Carbon Hub
- publication of a Greater Manchester Spatial Framework to support growth and deliver housing
- an integrated approach to investment support that includes using development loan funding to generate returns for reinvestment
- a £20m investment fund in the Life Sciences Cluster
- the Working Well programme helping long-term unemployed people with a health condition back into employment.

A photograph of a tram in Manchester at dusk. The tram is in the foreground, moving from left to right, with its headlights and interior lights visible. The background features a large, multi-story building with many windows, some of which are illuminated. A modern glass skyscraper is visible in the distance on the left. The sky is a deep blue, and the overall scene is lit with the warm glow of city lights.

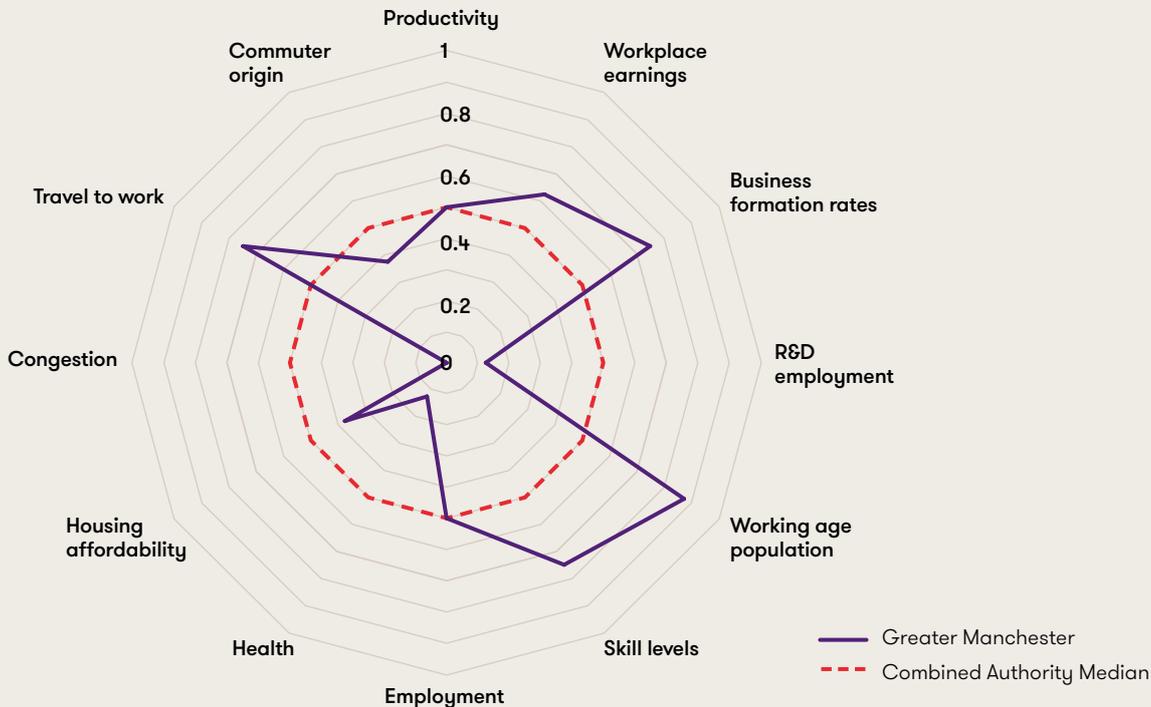
“The Government and Parliament is set to be dominated by Brexit but the voices of the nations and regions cannot be shut out.”

Mayor Andy Burnham, (GMCA 2017)

# Greater Manchester

## Profile

### Key indicators



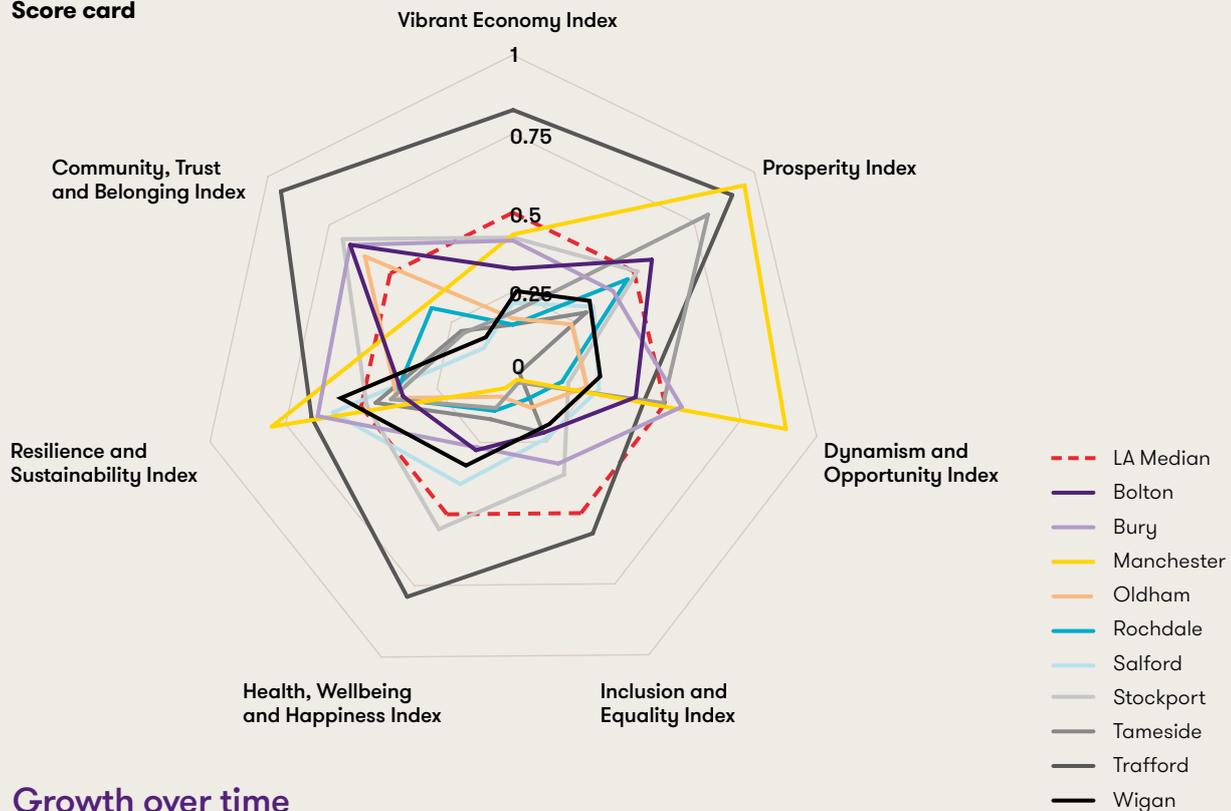
\*Larger shape means better performance.

## Key indicators in detail

Theme	Indicator	Commentary	CA average
<b>Economy</b>	<b>Productivity</b>	Gross Value Added per job is <b>£49,138</b>	<b>49,398</b>
	<b>Workplace earnings</b>	The mean annual workplace earnings are <b>£25,394</b>	<b>25,520</b>
	<b>Business formation rates</b>	The proportion of all businesses that were registered for VAT within the last year was <b>15.58%</b>	<b>15.01</b>
	<b>R&amp;D employment</b>	The proportion of workplace employees employed in Research and Development is <b>0.08%</b>	<b>0.42</b>
<b>Society</b>	<b>Working age</b>	<b>64.02%</b> of the total resident population are of working age	<b>63.57</b>
	<b>Skills</b>	<b>34.6%</b> of the working age population are qualified to degree level and above	<b>32.55</b>
	<b>Employment</b>	The proportion of 16-64 year olds in employment is <b>70.5%</b>	<b>70.17</b>
	<b>Health</b>	Average life expectancy at birth is <b>79.46 years</b>	<b>80.36</b>
<b>Housing &amp; Transport</b>	<b>Housing affordability</b>	Average house prices are <b>7.14</b> times higher than annual mean earnings	<b>7.32</b>
	<b>Congestion</b>	The average delay on locally managed 'A' roads is <b>71.68</b> spvpm	<b>48.00</b>
	<b>Travel to work</b>	<b>14.67%</b> of people travelled to work by public transport at the time of the last Census	<b>14.06</b>
	<b>Commuter origin</b>	<b>85.34%</b> of the workplace population originate from within the combined authority area	<b>85.40</b>

## Vibrant Economy Index

### Score card



## Growth over time

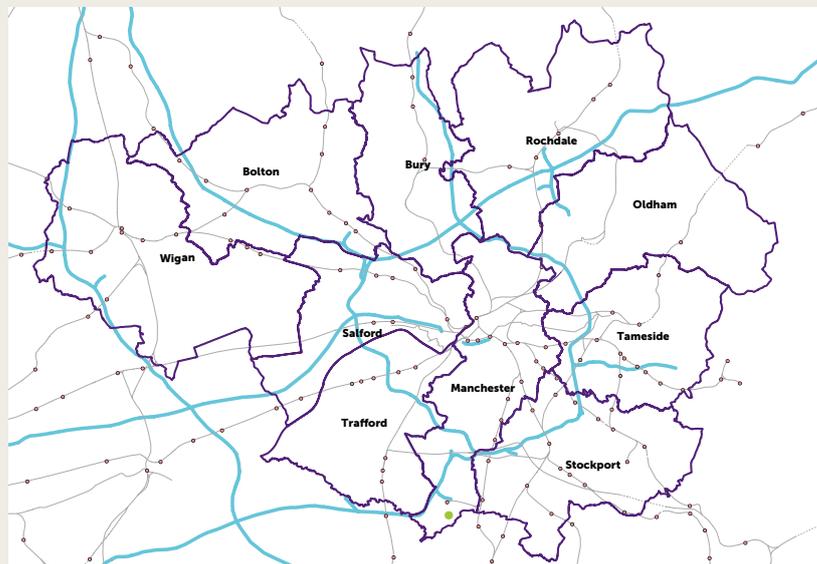
### Key metrics

Indicator	Commentary
Total GVA	Between 2010 and 2015 GVA increased by 15.64%
Business stock	Total business stock has increased by 26.09% between 2010 and 2016
Employment growth	The employment base has increased by 62,110, equivalent to a 5.4% increase
Working age population	Between 2010 and 2016 the working age population increased by 2.04%
Projected working age growth	The working age population is forecast to increase by 12.99% between 2014 and 2039

## Transport nodes

### Motorways, airports and railway stations

- Railway station
- Major airport
- Airport
- Motorway
- Railway line



# North East

In September 2016 four of the constituent authorities rejected the £900m devolution deal and plans for an elected mayor. Three of North East Combined Authority's (NECA) current constituent local authorities – North Tyneside, Northumberland and Newcastle – are reported as continuing to pursue devolution discussions. Arrangements are continuing without an elected mayor but with fewer devolved powers and resources.

## Dates

- Statutory Order, 14 April 2014
- First official meeting, 15 April 2014
- Devolution deal rejected, September 2016

## Councillor

- Chair: **Paul Watson**, Labour

## Constituent local authorities

Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland

## Non constituent members

The North East Local Enterprise Partnership (non-voting)

## Governance structures

### Main groups

- Leadership Board
- Transport North East Committee
- Transport North East (Tyne and Wear) Sub-committee (TWSC)
- Economic Development and Regeneration Advisory Board (EDRAB)
- Governance Committee
- Overview and Scrutiny Committee
- Call-in sub committee

### Working groups

- NECA has several advisory boards. They have co-opted members from the North East England Chamber of Commerce, Confederation of British Industry, Federation of Small Business and Trade Union Congress.



## Investment funding

A transport net revenue budget for 2017/18 of

£84.74m

A combined budget for North East LEP and NECA for 2017/18 of

£4.4m

## Key services and functions include:



### Transport

Public Transport functions subsumed by the combined authority. Responsibility for the local transport plan, powers in relation to the key route network, bus franchising and proposals for smart and integrated ticketing.



### Economy

Area-based review of 16+ skills provision. Devolved 19+ adult skills funding from 2018-19.

“The opportunity to take control of our own economic future is one we must seize to help the region improve its transport connections, offer even more support to business and boost the skills of our workforce.”

**Helen Golightly, North East LEP chief operating officer, (LEP 2016)**



### Overarching vision statement and priorities

NECA's overarching ambition is to 'create the best possible conditions for growth in jobs, investment and living standards, making the North East an excellent location for business and enabling residents to develop high-level skills so they can benefit long into the future' (NECA 2017). NECA has also stated its 'joint ownership' of the North East LEP's Strategic Economic Plan. In 2016, it reported its key next steps as being: the North East Growth Deal; the Strategic Economic Plan; the North East Transport Manifesto and Transport Plan; Transport for the North; Metro Rolling Stock; and, continuing conversations on devolution.



### Signs of progress and innovation

- Report on 'Health and Wealth: closing the gap in the North East' published in December 2016
- Nexus established as an executive body of NECA
- Metro and Local Rail strategies published
- Transport manifesto 'Our Journey' to feed into the NECA's Local Transport Plan for the North East (draft due in September 2017)
- Expansion plans for the Tyne and Wear metro, and investment in new rolling stock
- Clear transport ambitions and investment taking place
- Despite no formal powers in the area of public health, NECA has pursued positive work in this area and has supported a mental health trailblazer project. NECA has also held a health and social care integration commission



### Investment funds

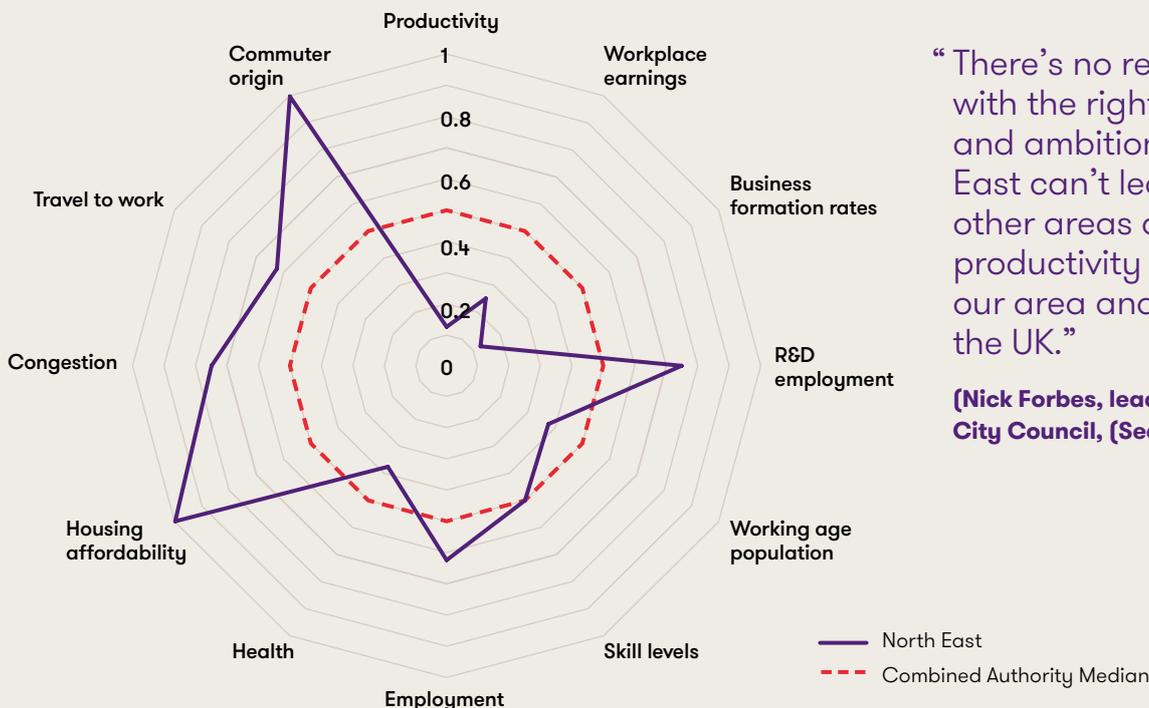
A £145m North East Fund beginning in 2017 will invest loan, equity and mezzanine funding into new or growing businesses over a five-year period. The agreement with the Department for Communities and Local Government (which has responsibility for the European Regional Development Fund in England) will allow NECA to access cash from the European Investment Bank. The fund will also consist of legacy money generated from historical funds which have been in operation since 2003.

In December 2016 NECA and the NELEP secured £145m JEREMIE (Joint European Resources for Micro to Medium Enterprises) funding to support business growth. NECA will use local authority borrowing powers to ensure investment will start by the end of the year.

# North East

## Profile

### Key indicators



“There’s no reason why, with the right powers and ambition, the North East can’t leapfrog over other areas and close the productivity gap between our area and the rest of the UK.”

**(Nick Forbes, leader of Newcastle City Council, (Sedgwick 2017))**

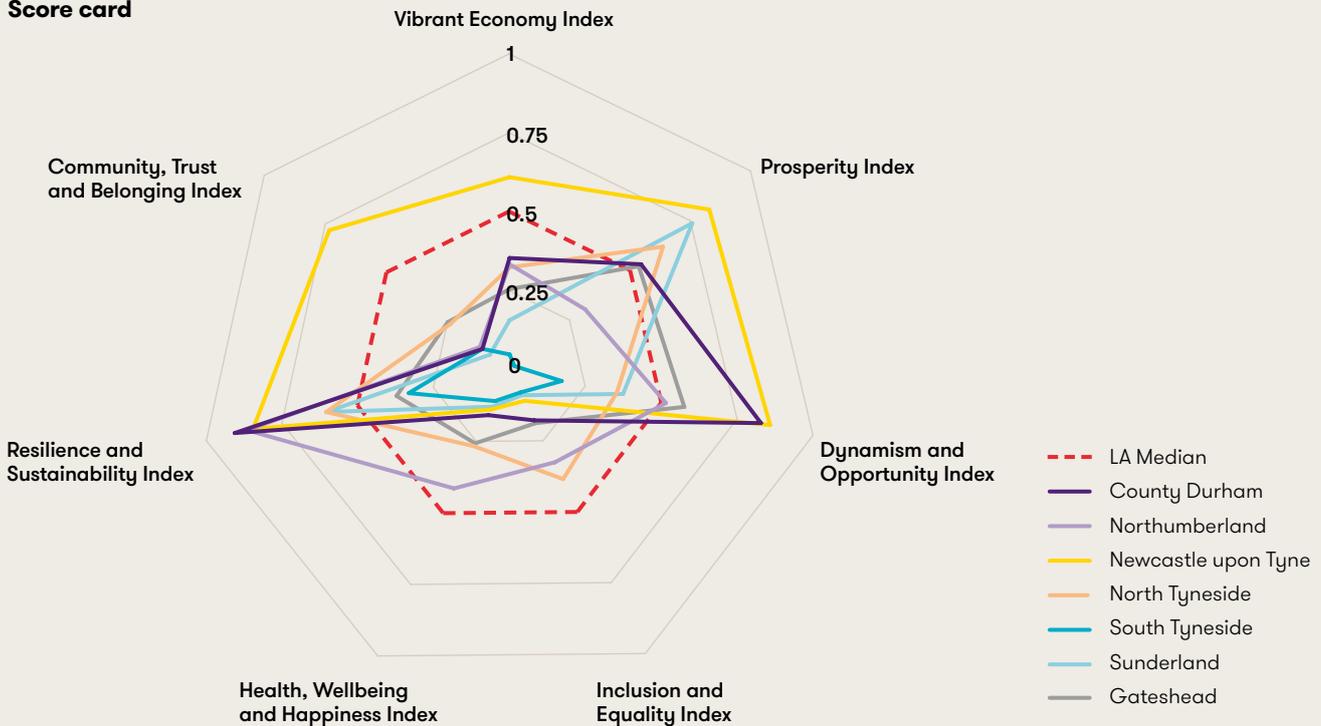
\*Larger shape means better performance.

## Key indicators in detail

Theme	Indicator	Commentary	CA average
<b>Economy</b>	Productivity	Gross Value Added per job is <b>£46,439</b>	<b>49,398</b>
	Workplace earnings	The mean annual workplace earnings are <b>£24,298</b>	<b>25,520</b>
	Business formation rates	The proportion of all businesses that were registered for VAT within the last year was <b>13.19%</b>	<b>15.01</b>
	R&D employment	The proportion of workplace employees employed in Research and Development is <b>0.39%</b>	<b>0.42</b>
<b>Society</b>	Working age	<b>63.32%</b> of the total resident population are of working age	<b>63.57</b>
	Skills	<b>31.5%</b> of the working age population are qualified to degree level and above	<b>32.55</b>
	Employment	The proportion of 16-64 year olds in employment is <b>70.9%</b>	<b>70.17</b>
	Health	Average life expectancy at birth is <b>79.9 years</b>	<b>80.36</b>
<b>Housing &amp; Transport</b>	Housing affordability	Average house prices are <b>5.98</b> times higher than annual mean earnings	<b>7.32</b>
	Congestion	The average delay on locally managed ‘A’ roads is <b>29.56</b> spvpm	<b>48.00</b>
	Travel to work	<b>14.61%</b> of people travelled to work by public transport at the time of the last Census	<b>14.06</b>
	Commuter origin	<b>95.72%</b> of the workplace population originate from within the combined authority area	<b>85.40</b>

## Vibrant Economy Index

### Score card



## Growth over time

### Key metrics

Indicator	Commentary
<b>Total GVA</b>	Between 2010 and 2015 GVA increased by 17.13%
<b>Business stock</b>	Total business stock has increased by 18.89% between 2010 and 2016
<b>Employment growth</b>	The employment base has increased by 49,663, equivalent to a 6.64% increase
<b>Working age population</b>	Between 2010 and 2016 the working age population decreased by 0.85%
<b>Projected working age growth</b>	The working age population is forecast to increase by 7.16% between 2014 and 2039

## Transport nodes

### Motorways, airports and railway stations



# Sheffield City Region

The Sheffield City Region Combined Authority faces challenges, with Doncaster and Barnsley withdrawing from the existing devolution deal to seek a wider Yorkshire deal. The implications for the city region are currently unclear. A mayoral election will still be held in 2018, but as things stand the powers of the new mayor will be limited.

## Dates

- **Devolution deal**, April 2013
- **Statutory Order**, 1 April 2014
- **First official meeting**, 22 April 2014

## Chair

- **Chair: Sir Steve Houghton**, Labour

## Constituent local authorities

Barnsley, Doncaster, Rotherham, Sheffield

## Non constituent members

Bassetlaw, North East Derbyshire, Derbyshire Dales, Bolsover, Sheffield City Region LEP (with non-voting rights)



a year Investment Fund Grant dependent on the city region accepting an elected mayor.

## Governance structures

### Main groups

- Combined Authority
- Audit and Governance Committee
- Overview and Scrutiny Committee
- Transport Committee

### Working groups

- Five executive boards covering infrastructure, transport, business, skills and housing

## Key services and functions include:



### Transport

Sheffield City Region Combined Authority (SCA) is now the Integrated Transport Authority and Passenger Transport Executive. It will gain powers in relation to the key route network, HS2 preparations, smart ticketing and bus franchising (dependent on mayoral election).



### Further education and skills

Area-based review of 16+ skills provision. Devolved 19+ adult skills funding from 2018-19.



### Economy

Joint working with UK Trade and Investment (UKTI) on Export Advice and responsibility to work with government on devolving national business support programmes through the SCR Growth Hub. Joint commissioning of the new National Work and Health Programme. Apprenticeship grants for employers.



### Housing, planning and land use

Strategic planning powers, including responsibility for a spatial framework for the city region. Mayoral responsibility for a Joint Assets Board. Creation of Mayoral Development Corporations. Call-in powers for planning applications of strategic importance.

“For too long Whitehall has been in control of major decisions affecting local places on important issues such as transport, skills, regeneration and infrastructure improvements. This deal goes some way to redressing this imbalance.”

James Newman, Chairman of the Sheffield City Region LEP, October 2015, (Patel 2015)



## Overarching vision statement and priorities

**A 25-year vision for the city region – A Better Future Together – outlines six priority areas:**

**Innovation and enterprise – creating an ecosystem, building on the region’s strengths in innovation and manufacturing**

**Global excellence – local impact, ensuring the region is outward-looking but maximises the local impact of investment**

**Joining-up health and well-being, creating a region known for its healthy and active population through tackling health inequalities**

**Transformation in education and skills, improvement in education**

**Promoting the regional green network**

**Better internal and external connectivity, transforming the region’s physical and virtual connectivity**

400 organisations have signed up to this vision for the city region which includes work on a ‘Transport Prospectus’ to respond to national programmes such as HS2 and Transport for the North. Discussions are ongoing with central government over the creation of a Housing Investment Fund and the full localisation of business rates.



## Signs of progress and innovation

- Despite the delay of a Mayoral election, SCRC is aiming to increase its international business connections
- Has been awarded the right to host the global Horasis 2017 conference in November – a summit similar to the Davos economic summit which attracts heads of government, investors and multinational chief executives
- Other international successes include plans for the Canadian-backed Verdion to develop the second stage of the iPort site in Doncaster
- Plans for manufacturers Boeing and McLaren to move to the Advanced Manufacturing Innovation District (AMID) between Sheffield and Rotherham. The AMID is already home to Rolls Royce, Alcoa, Tata, Outokumpu and Forgemasters



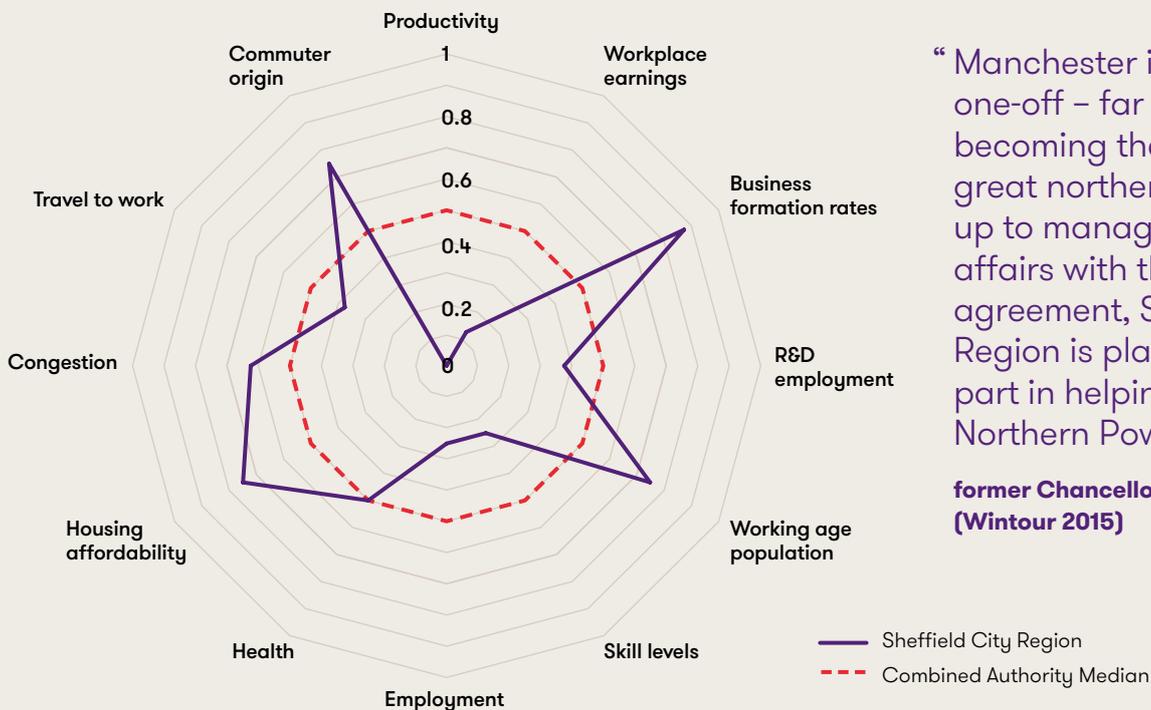
## Investment funds

The Sheffield City Region Infrastructure Fund (SCRIF) invests in schemes across the city region and has helped fund the Great Yorkshire Way scheme that helps unlock huge opportunities at Doncaster Sheffield Airport and at the new Port facility in Doncaster. The fund is valued at £650m with £211m secured from central government.

# Sheffield City Region

## Profile

### Key indicators



“Manchester is not a one-off – far from it. In becoming the second great northern city to sign up to managing its own affairs with this ambitious agreement, Sheffield City Region is playing a vital part in helping to build the Northern Powerhouse.”

**former Chancellor George Osborne, (Wintour 2015)**

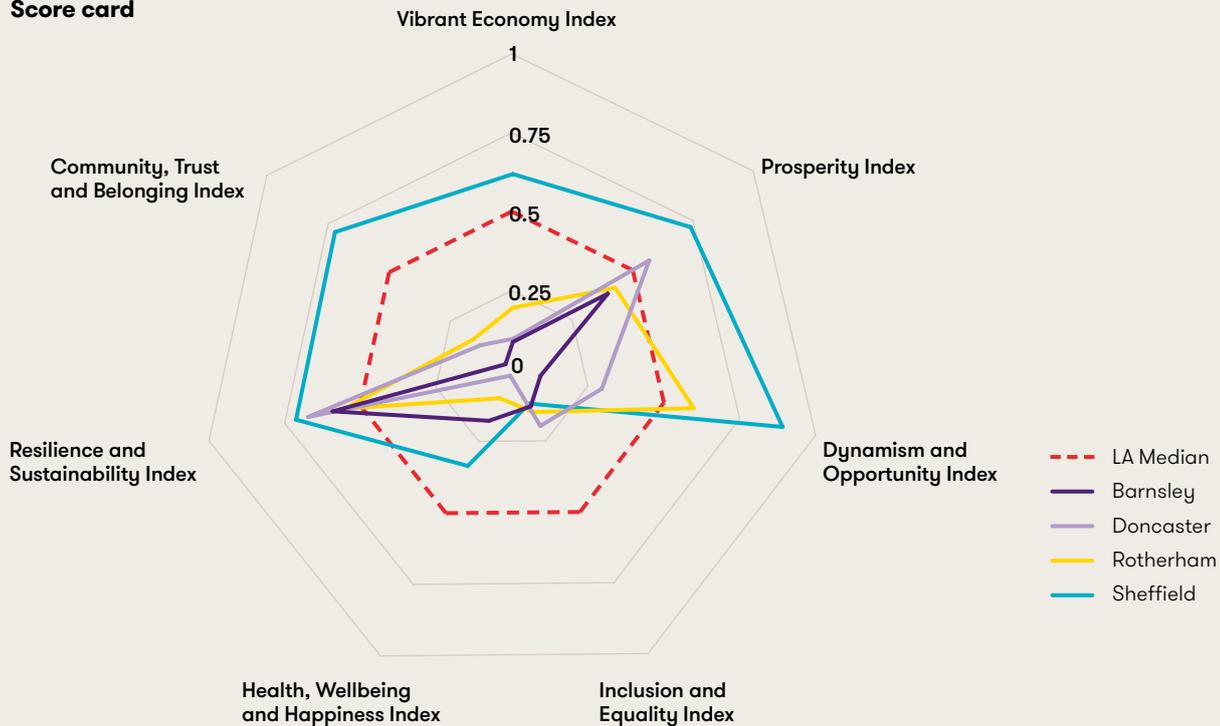
\*Larger shape means better performance.

## Key indicators in detail

Theme	Indicator	Commentary	CA average
<b>Economy</b>	Productivity	Gross Value Added per job is <b>£44,638</b>	<b>49,398</b>
	Workplace earnings	The mean annual workplace earnings are <b>£23,896</b>	<b>25,520</b>
	Business formation rates	The proportion of all businesses that were registered for VAT within the last year was <b>15.94%</b>	<b>15.01</b>
	R&D employment	The proportion of workplace employees employed in Research and Development is <b>0.20%</b>	<b>0.42</b>
<b>Society</b>	Working age	<b>63.66%</b> of the total resident population are of working age	<b>63.57</b>
	Skills	<b>30.8%</b> of the working age population are qualified to degree level and above	<b>32.55</b>
	Employment	The proportion of 16-64 year olds in employment is <b>68.9%</b>	<b>70.17</b>
	Health	Average life expectancy at birth is <b>80.17 years</b>	<b>80.36</b>
<b>Housing &amp; Transport</b>	Housing affordability	Average house prices are <b>6.36</b> times higher than annual mean earnings	<b>7.32</b>
	Congestion	The average delay on locally managed 'A' roads is <b>41.74</b> spvpm	<b>48.00</b>
	Travel to work	<b>13.52%</b> of people travelled to work by public transport at the time of the last Census	<b>14.06</b>
	Commuter origin	<b>87.34%</b> of the workplace population originate from within the combined authority area	<b>85.40</b>

## Vibrant Economy Index

### Score card



## Growth over time

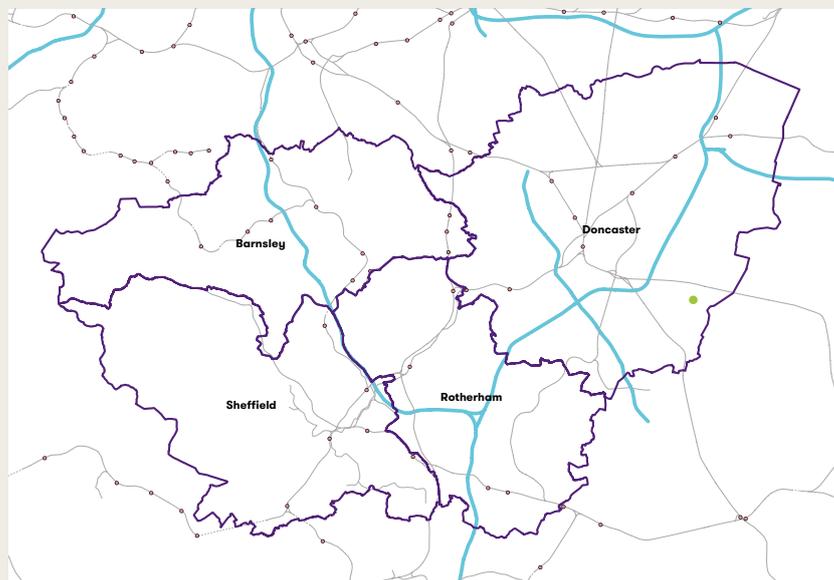
### Key metrics

Indicator	Commentary
Total GVA	Between 2010 and 2015 GVA increased by 12.4 %
Business stock	Total business stock has increased by 25.19% between 2010 and 2016
Employment growth	The employment base has increased by 26,779, equivalent to a 5.17% increase
Working age population	Between 2010 and 2016 the working age population increased by 1.98%
Projected working age growth	The working age population is forecast to increase by 11.04% between 2014 and 2039

## Transport nodes

### Motorways, airports and railway stations

- Railway station
- Major airport
- Airport
- Motorway
- Railway line



# Tees Valley

Tees Valley Combined Authority (TVCA) is one of the smaller combined authorities by population. Its boundaries are approximately that of the former Cleveland County Council. Surprising election in 2017 of a Conservative mayor in a Labour stronghold.

## Dates

- Devolution deal, October 2015
- Shadow authority formed, December 2016
- Statutory Order, 1 April 2016
- First official meeting, 4 April 2016
- Mayor elected, 2017

## Mayor

- Mayor: **Ben Houchen**, Conservative
- Deputy mayor: **Bob Cook**, Labour, Leader of Stockton-on-Tees Borough Council

## Constituent local authorities

Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, Stockton-On-Tees

## Non constituent members

Tees Valley Local Enterprise Partnership (with non-voting rights)

“Coming together as the Tees Valley Combined Authority ensures that we will have the stability we need to continue to drive economic growth and secure investment in key infrastructure and employment projects.”

**Sue Jeffrey, former chair of the Combined Authority, 4 April 2016 (TVCA 2016)**



## Investment funding

£15m

a year Investment Fund Grant

Additional

£15m

a year until 2020 for transport funding

## Governance structures

### Main groups

- Audit and Governance Committee
- Overview and Scrutiny Committee
- Transport Committee

### Working groups

- Land Commission
- Education, Employment and Skills Partnership Board
- Culture and Tourism Partnership Board
- Innovation Task Group
- Transport Advisory Group
- Business Compass Steering Group

“Today marks a critical point in the devolution of new powers to our area, as a result of the deal secured with government. I am committed to use these new powers to help to deliver a strong and prosperous future for the people of our area.”

**Mayor, Ben Houchen, 8 May 2017 (Ord 2017)**

**Key services and functions include:**



**Transport**

Responsibility for the local transport plan and powers in relation to the key route network and bus franchising. Acts as the Passenger Transport Executive.



**Further education and skills**

Joint work on adult education services, including 19+ skills funding.



**Economy**

Apprenticeship grant for employers. Joint working with UK Trade and Investment (UKTI) on Export Advice and responsibility to work with government on devolving national business support programmes through the Tees Valley Business Compass growth hub. Joint commissioning of new National Work and Health Programme. Working with HMRC to provide efficient, simple and transparent customs procedures for the region’s ports.



**Housing, planning and land use**

Mayoral Development Corporations with responsibility for infrastructure and land ownership. Powers to review housing needs with partner local authorities.





## Overarching vision statement and priorities

### Tees Valley's 2025 Vision is to:

Develop manufacturing and deliver technologies to support a low carbon UK economy

Be the go-to location for businesses looking to access bespoke, flexible support and an internationally connected knowledge network

Provide technologies to be developed to meet four key growth sectors: advanced manufacturing, process, healthcare and digital

A Strategic Economic Plan, shared with the LEP (refreshed in 2016), aims for a “high value, low carbon, diverse and inclusive” economy. The plan attempts to incorporate the ‘circular economy’ into programmes by prioritising Foresight Design (such as recycling) and Integration (through industrial integration and reusing by-products such as waste and heat).



## Signs of progress and innovation

- Aims to become a low-carbon hub in developing and manufacturing new technologies, and offer bespoke, flexible support for businesses
- The Tees Valley is the first area outside Greater London to draw on Development Corporation powers (for the 45,000 acre former steelworks site at Redcar)
- The TVCA will keep a portion of the business rate growth generated in eight of the region's Enterprise Zones
- A £3m plan to promote cycling and public transport; improving transport corridors between the A1 and Teesport
- Taskforce Funding for former works at SSI Redcar steelworks (£13m in 2016/17). Finance available to support former steel workers
- Discussions over powers to create a potential £1 billion ‘war chest’ for the region through borrowing



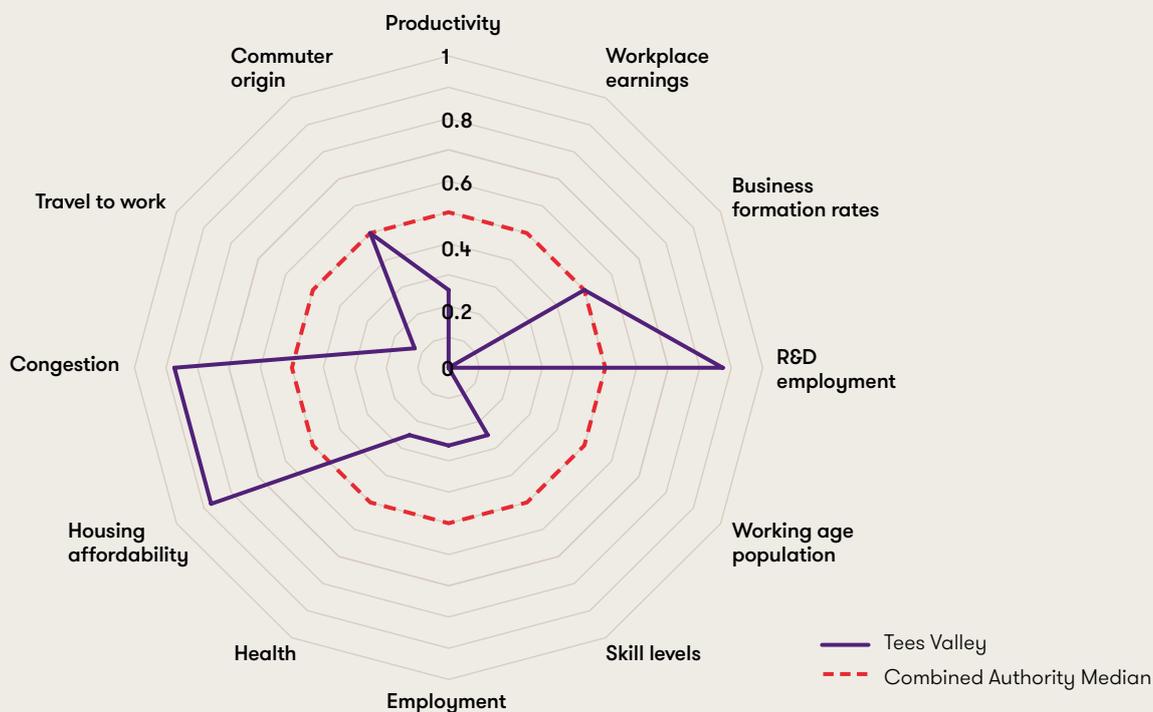
## Investment funds

Investment Fund of £15m each year for 30 years (total of £450m). Additional £15m a year until 2020 for transport funding, and a five-year pot of £103m under the LEP Local Growth Fund. An SSI Task Force spent £13m in 2016/17 to support both individuals and business affected by the steelworks closure and also to provide longer term wider economic benefits to the area. There are ongoing discussions about the creation of a Tees Valley equity-based investment vehicle to support the devolution of housing financial transaction funding. If agreed, this entity will be an “innovative and ambitious” piece of work to develop a funding and investment proposition for housing, regeneration and development.



## Profile

### Key indicators



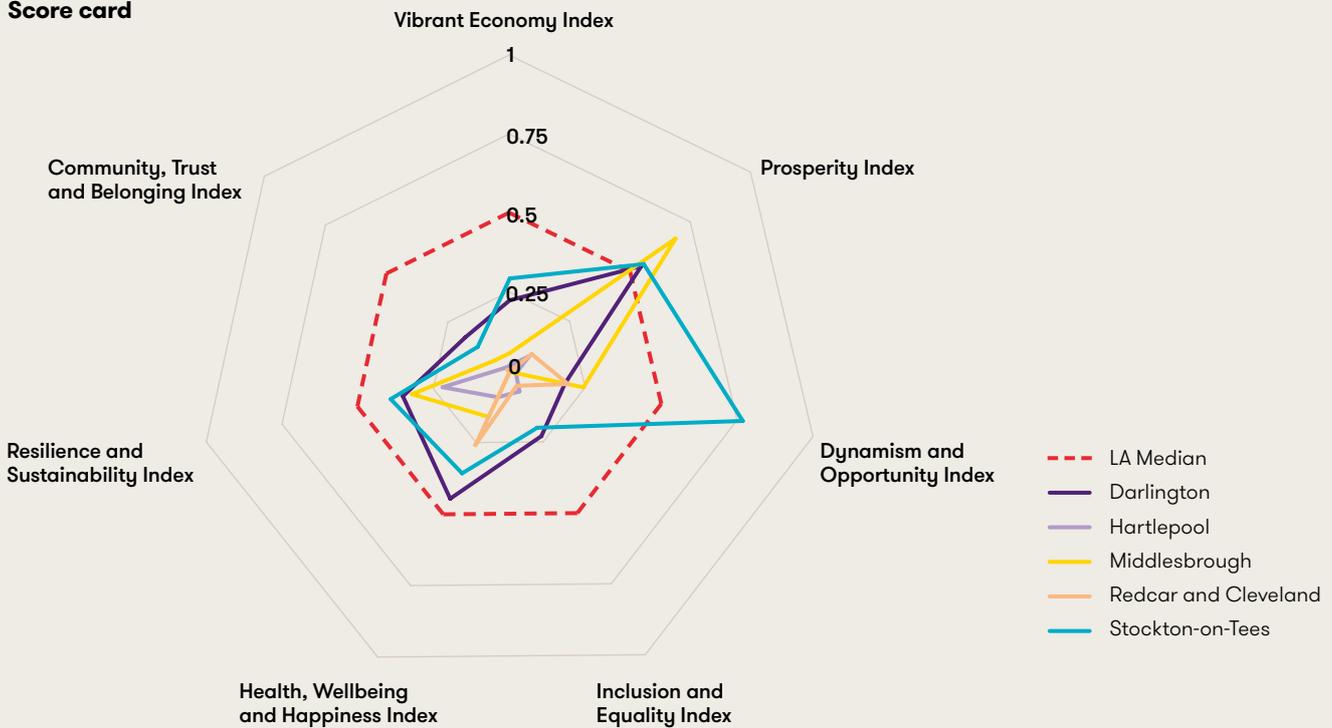
\*Larger shape means better performance.

## Key indicators in detail

Theme	Indicator	Commentary	CA average
<b>Economy</b>	Productivity	Gross Value Added per job is <b>£46,724</b>	<b>49,398</b>
	Workplace earnings	The mean annual workplace earnings are <b>£23,814</b>	<b>25,520</b>
	Business formation rates	The proportion of all businesses that were registered for VAT within the last year was <b>14.62%</b>	<b>15.01</b>
	R&D employment	The proportion of workplace employees employed in Research and Development is <b>0.73%</b>	<b>0.42</b>
<b>Society</b>	Working age	<b>62.1%</b> of the total resident population are of working age	<b>63.57</b>
	Skills	<b>30.8%</b> of the working age population are qualified to degree level and above	<b>32.55</b>
	Employment	The proportion of 16-64 year olds in employment is <b>68.9%</b>	<b>70.17</b>
	Health	Average life expectancy at birth is <b>79.79 years</b>	<b>80.36</b>
<b>Housing &amp; Transport</b>	Housing affordability	Average house prices are <b>6.03</b> times higher than annual mean earnings	<b>7.32</b>
	Congestion	The average delay on locally managed 'A' roads is <b>28.17</b> spvpm	<b>48.00</b>
	Travel to work	<b>8.48%</b> of people travelled to work by public transport at the time of the last Census	<b>14.06</b>
	Commuter origin	<b>85.65%</b> of the workplace population originate from within the combined authority area	<b>85.40</b>

## Vibrant Economy Index

### Score card



## Growth over time

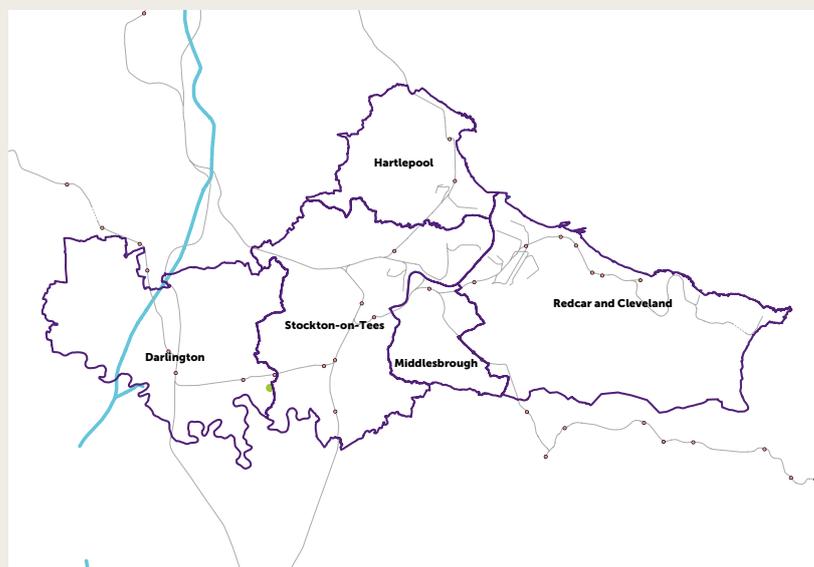
### Key metrics

Indicator	Commentary
Total GVA	Between 2010 and 2015 GVA increased by 10.6 %
Business stock	Total business stock has increased by 29.35% between 2010 and 2016
Employment growth	The employment base has increased by 10,528, equivalent to a 4.05% increase
Working age population	Between 2010 and 2016 the working age population decreased by 1.78%
Projected working age growth	The working age population is forecast to increase by 5.61% between 2014 and 2039

## Transport nodes

### Motorways, airports and railway stations

- Railway station
- Major airport
- Airport
- Motorway
- Railway line



# West of England

The West of England Combined Authority (WECA) is the second most recent to be established. It covers three of the four local authorities in the former county of Avon. North Somerset's decision to remain out of WECA has resulted in the establishment of alternative arrangements in the form of the West of England Joint Committee. This adds a layer of complexity to governance in the West of England.

## Dates

- **Devolution deal**, 16 March 2016
- **Statutory Order**, 8 February 2017
- **First official meeting**, 1 March 2017

## Mayor

- **Mayor: Tim Bowles**, Conservative
- **Deputy mayor: Tim Warren**, Conservative

## Constituent local authorities

Bath and North East Somerset, Bristol, South Gloucestershire

## Non constituent members

There are no non-constituent members, but WECA has stated the importance of working with partners 'including the West of England Local Enterprise Partnership, North Somerset Council and other local service providers.' Meeting agendas include a standing agenda item to hear from the LEP Chair.



## Governance structures

### Main groups

- Combined Authority Committee
- Overview and Scrutiny Committee

### Working groups

- Advisory boards are to be established to advise the CA, the LEP and the Joint West of England Committee\*, all chaired by the Mayor

\*The Joint West of England Committee has been established to facilitate continued joint working between North Somerset Council and the CA.

## Key services and functions include:



### Transport

Public Transport functions subsumed by the combined authority. Responsibility for the local transport plan, powers in relation to the key route network, bus franchising and proposals for smart and integrated ticketing. Proposals to implement Clear Air Zones.



### Further education and skills

Area-based review of 16+ skills provision. Devolved 19+ adult skills funding from 2018-19.



### Economy

Joint working with UK Trade and Investment (UKTI) on Export Advice and a devolved approach to national business support through the creation of a Growth Hub and joint working with UKTI on export advice. Joint commissioning of new National Work and Health Programme. Apprenticeship grants.



### Housing, planning and land use

Strategic planning powers, including responsibility for a statutory spatial development strategy. Call-in powers and powers to submit and determine planning applications. Joint Assets Board. Mayoral development corporations. Compulsory Purchase Powers.



## Overarching vision statement and priorities

WECA has reported that it is: ‘... currently developing the vision for the West of England, to ensure our future is more productive and better connected’.

**This will include initiatives and measures to help sustainably grow our economy and tackling the barriers to growth, including:**

**Making sure local people have the right skills for the jobs and reducing the skills gaps in some sectors**

**Ensuring we have effective infrastructure to help people live, work and move around**

**Having enhanced powers to speed up delivery of new housing in line with the Joint Spatial Plan and resist unsustainable developments that are not in line with jointly agreed planning policies**

**The three West of England councils participating in a Business Rates retention pilot, which allows them to retain 100% of business rates rather than the current 50%.**

A West of England Regional Strategy discussion paper setting out the combined authority ambition for economic growth was published for consultation in July 2017. Prior to publication, it stated its purpose as to ‘inform the combined authority Business Plan, shape the organisations’ activities and help inform scheme prioritisation ... strengthen the case for further investment and devolution ... and provide a framework for performance management’.

WECA has also stated as its priority the preparation of Joint Transport and Spatial Plans. These are the continuation of processes already commenced under previous collaborative arrangements. Statutory powers for the combined authority mayor are to be delayed until 2018 to allow existing processes to complete.



## Signs of progress and innovation

- The budget for 2017/18 focuses on transport delivery and payment of Highways and Transport Capital grants
- Mayoral roundtable discussions on transport held
- Regional Strategy discussion paper published
- 2017/18 budget indicates forthcoming preparatory work on skills
- Terms of reference for the preparation of a Bus Strategy and a Key Route Network (KRN) - components of the emerging Joint Local Transport Plan (JLTP) – agreed

WECA is one of the few combined authorities to have agreed powers for a statutory strategic planning function with the ambition of closely aligning investment decisions with statutory plans. Their plans to progress this work have been delayed – by agreement with Government – until completion of existing non-statutory joint plans. In theory, the use of these statutory powers in the future could enable strong alignment between statutory strategic plans and investment, as the devolution deal proposes a strategic infrastructure delivery plan aligned with the Joint Spatial Plan and funded through devolved infrastructure funds.



## Investment funds

The 2017/18 to 2020/21 Capital Investment Programme outlines ‘up to £2m to support the development of Prioritised Schemes’. The budget does not identify specific schemes. Next steps to develop ‘a prioritised investment programme’ have been agreed, including the development of objectives and metrics, supported by an Economic Model.

WECA is also expected to take over the running of the already established West of England Revolving Investment Fund during 2017/18.

# West of England

## Profile

### Key indicators



“We can be much more ambitious – we can make decisions here in the West of England about things that affect our residents every day – decisions about homes, transport, skills for jobs and how we support business to ensure our economy continues to grow.”

**Tim Bowles, Mayor, (ITV 2017)**

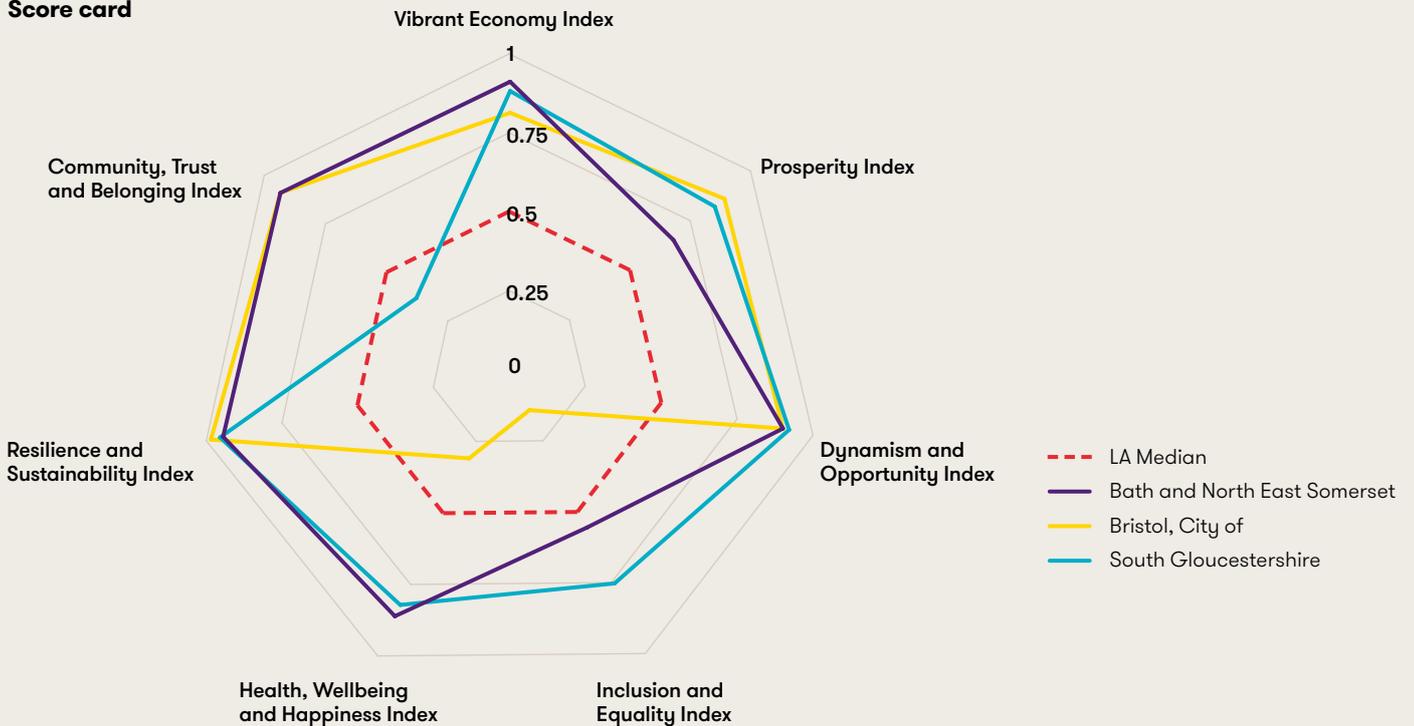
\*Larger shape means better performance.

## Key indicators in detail

Theme	Indicator	Commentary	CA average
<b>Economy</b>	Productivity	Gross Value Added per job is <b>£57,202</b>	<b>49,398</b>
	Workplace earnings	The mean annual workplace earnings are <b>£27,878</b>	<b>25,520</b>
	Business formation rates	The proportion of all businesses that were registered for VAT within the last year was <b>13.37%</b>	<b>15.01</b>
	R&D employment	The proportion of workplace employees employed in Research and Development is <b>0.25%</b>	<b>0.42</b>
<b>Society</b>	Working age	<b>65.88%</b> of the total resident population are of working age	<b>63.57</b>
	Skills	<b>44.7%</b> of the working age population are qualified to degree level and above	<b>32.55</b>
	Employment	The proportion of 16-64 year olds in employment is <b>76.7%</b>	<b>70.17</b>
	Health	Average life expectancy at birth is <b>81.9 years</b>	<b>80.36</b>
<b>Housing &amp; Transport</b>	Housing affordability	Average house prices are <b>11.08</b> times higher than annual mean earnings	<b>7.32</b>
	Congestion	The average delay on locally managed 'A' roads is <b>62.06</b> spvpm	<b>48.00</b>
	Travel to work	<b>9.7%</b> of people travelled to work by public transport at the time of the last Census	<b>14.06</b>
	Commuter origin	<b>78.82%</b> of the workplace population originate from within the combined authority area	<b>85.40</b>

## Vibrant Economy Index

### Score card



## Growth over time

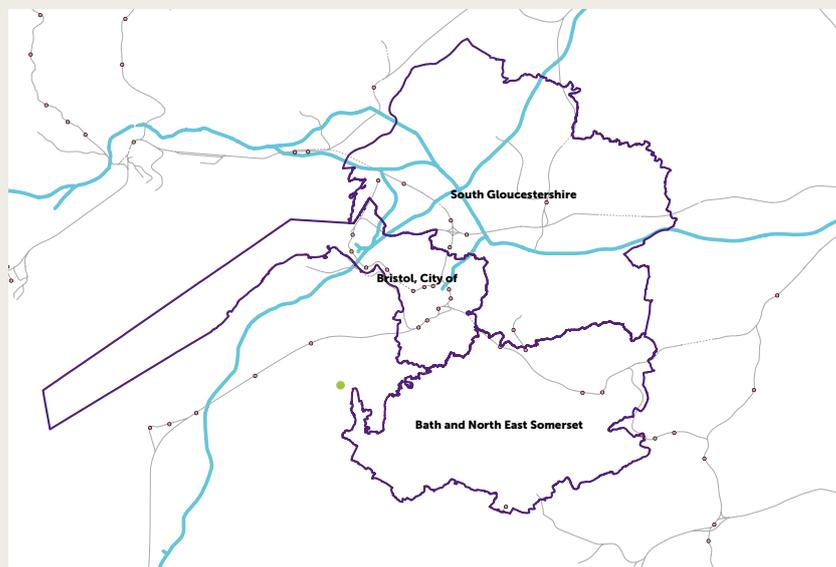
### Key metrics

Indicator	Commentary
Total GVA	Between 2010 and 2015 GVA increased by 14.8 %
Business stock	Total business stock has increased by 24.18% between 2010 and 2016
Employment growth	The employment base has increased by 11,347, equivalent to a 2.45% increase
Working age population	Between 2010 and 2016 the working age population increased by 5.98%
Projected working age growth	The working age population is forecast to increase by 20.88% between 2014 and 2039

## Transport nodes

### Motorways, airports and railway stations

- Railway station
- Major airport
- Airport
- Motorway
- Railway line



# West Midlands

The West Midlands Combined Authority (WMCA) extends beyond the former West Midlands County Council area. It spans three LEP areas. Having been in a shadow form since 2015, the WMCA has been active in undertaking a great deal of preparatory work ahead of its Mayoral election and forged ahead in 2016 with work on plans and strategies with a strong economic focus.

## Dates

- Shadow authority authority formed in 2015
- Devolution deal, November 2015
- Statutory Order, 2016
- First official meeting 10 June 2016
- (Functions and amendment) Order 2017
- Mayoral elected, May 2017

## Mayor

- Mayor: **Andy Street**, Conservative
- Deputy mayor: **Bob Sleigh**, Conservative

## Constituent local authorities

Birmingham, Wolverhampton, Coventry, Dudley, Sandwell, Solihull and Walsall

## Non constituent members

Cannock Chase, Nuneaton and Bedworth, Redditch, Tamworth, Telford and Wrekin, Black Country LEP, Coventry and Warwickshire LEP, Greater Birmingham and Solihull LEP (A number of other organisations are awaiting non-constituent status)

**Observer organisations:** West Midlands Police and Crime Commissioner, and West Midlands Fire and Rescue Authority

**Co-optees:** Trade Union Congress (West Midlands)



Investment funding

£36.5m

a year Investment Fund Grant

## Governance structures

### Main group

- WMCA Board
- Audit, Risk & Assurance Committee
- Investment Board
- Overview & Scrutiny Committee
- Transport Delivery Committee
- Wellbeing Board

### Working groups

- Innovation Working Group
- Collective Investment Fund Working Group
- HS2 Delivery Programme Board
- Productivity Working Group
- Housing and Land: Housing One Public Estate and Land Remediation Board
- Public Sector Reform: Skills and Employability Troubled Individuals and Criminal Justice Working Group
- Public Sector Reform: Health and Wellbeing and Mental Health Working Group
- Arts & Culture Working Group



## Key services and functions include:



### Transport

Integrated Transport Authority and Passenger Transport Executive subsumed by combined authority. Responsibility for the local transport plan, and powers in relation to the key route network, implementing integrated smart ticketing and bus franchising.



### Further education and skills

Area-based review of 16+ skills provision. Devolved 19+ adult skills funding from 2018-19.



### Economy

Responsibility for devolved business support budgets and joint working with UK Trade and Investment (UKTI) on export advice. Co-design of employment support for the harder-to-help claimants. Ring-fence trade services resource within the combined authority area based on an agreed export plan.



### Housing, planning and land use

Compulsory purchase powers jointly with the Homes and Communities Agency and a joint approach to strategic plans for housing and growth. Creation of Mayoral Development Corporations.

“This is such a fabulous moment in time for the West Midlands and is an irresistible opportunity to work alongside our newly-elected mayor and bring greater prosperity to a region.”

**Deborah Cadman, incoming Chief Executive, (Elkes 2017)**

“This region has so much talent, industry and innovation yet we have not been very good at telling that to the rest of the world ... we must – and we will – get much better at telling our story.”

**Andy Street, (BQ 2017)**



## Overarching vision statement and priorities

The WM Strategic Economic Plan – Making Our Mark – published in 2006 ‘puts in place the strategic framework to enable the WMCA to take decisions about the use of the resources that have been devolved to it’. The Strategic Economic Plan outlines an £8bn 30-year investment programme, subdivided into 8 packages and series of aspirational targets for economic growth to 2030.

### The eight priority packages are:



HS2 Connectivity Package



Curzon Masterplan



Birmingham Interchange and UK Central



UK Central Plus



Coventry City Centre Regeneration



Metro extensions



Wolverhampton Interchange



Black Country Strategic Brownfield Land Programme



East Birmingham and North Solihull

Andy Street’s manifesto – his Renewal Plan for the West Midlands – is wide ranging and comprises 238 ‘I will’ promises.



## Signs of progress and innovation

- A number of strategies additional to the SEP have been published, including the West Midlands Transport Strategy – Movement for Growth – and a number of constituent sub-theme transport strategies
- Growth company launched
- Science and innovation audit published
- Commissions on productivity and skills, land, and mental health launched and published
- Proactive in undertaking significant skills ‘thinking’ in the form of its Skills and Productivity Commission
- Launch of flagship initiatives such as the ‘Mayor’s Mentors Programme’ to assist young people into work

There is a clear focus on investment in land and property to drive economic growth and clarity around projected spend and investment in its 8 priority areas, including the proposed £2.2bn funded by WMCA debt. Its ‘power projects’ are targeted at ‘major wins’. A Dynamic Economic Impact Model (DEIM) has been developed to measure the economic impact of investments ‘... with the ability to consider investments of different types and to forecast synergies or conflicts in their consequences’ (WMCA 2016: 33).



## Investment funds

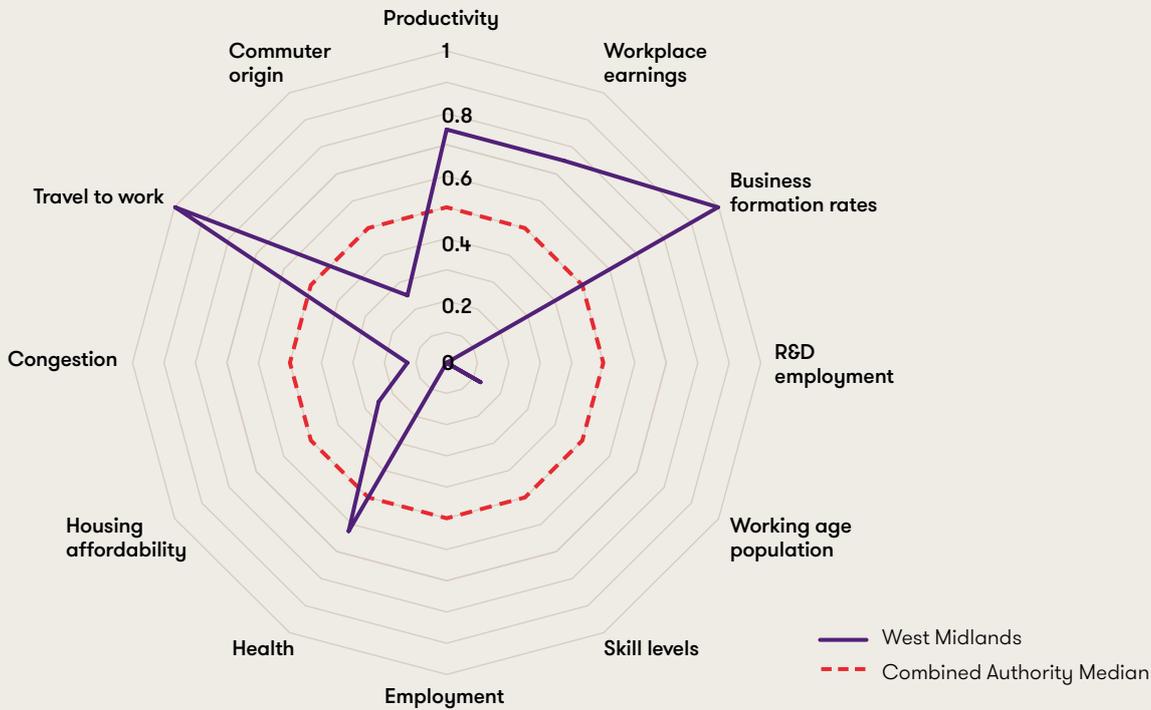
A Collective Investment Fund and a Land Remediation Fund have been established. The CIF is described as a ‘£70 million commercial development war chest’ to unlock private sector investment in commercial land and property developments, and includes contributions from constituent councils and the LEPs. The CIF is administered by Finance Birmingham, and governed by the Investment Board.



# West Midlands

## Profile

### Key indicators



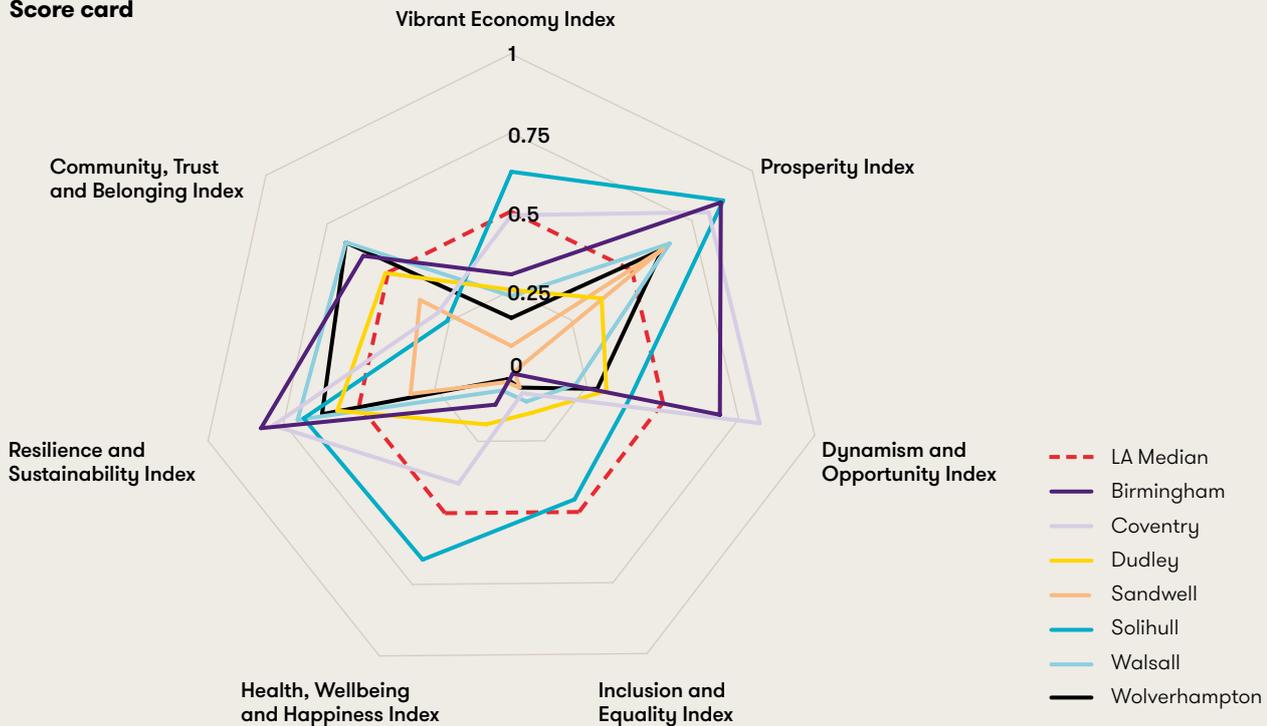
\*Larger shape means better performance.

## Key indicators in detail

Theme	Indicator	Commentary	CA average
<b>Economy</b>	Productivity	Gross Value Added per job is <b>£49,412</b>	<b>49,398</b>
	Workplace earnings	The mean annual workplace earnings are <b>£26,725</b>	<b>25,520</b>
	Business formation rates	The proportion of all businesses that were registered for VAT within the last year was <b>16.95%</b>	<b>15.01</b>
	R&D employment	The proportion of workplace employees employed in Research and Development is <b>0.04%</b>	<b>0.42</b>
<b>Society</b>	Working age	<b>63.13%</b> of the total resident population are of working age	<b>63.57</b>
	Skills	<b>29%</b> of the working age population are qualified to degree level and above	<b>32.55</b>
	Employment	The proportion of 16-64 year olds in employment is <b>65.5%</b>	<b>70.17</b>
	Health	Average life expectancy at birth is <b>80.19 years</b>	<b>80.36</b>
<b>Housing &amp; Transport</b>	Housing affordability	Average house prices are <b>7.58</b> times higher than annual mean earnings	<b>7.32</b>
	Congestion	The average delay on locally managed 'A' roads is <b>64.07</b> spvpm	<b>48.00</b>
	Travel to work	<b>16.94%</b> of people travelled to work by public transport at the time of the last Census	<b>14.06</b>
	Commuter origin	<b>81.21%</b> of the workplace population originate from within the combined authority area	<b>85.40</b>

## Vibrant Economy Index

### Score card



## Growth over time

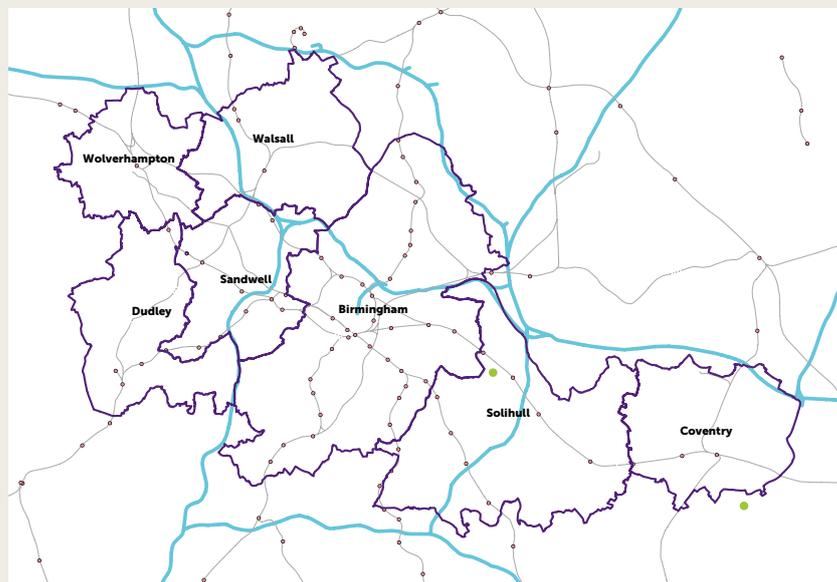
### Key metrics

Indicator	Commentary
Total GVA	Between 2010 and 2015 GVA increased by 19.99%
Business stock	Total business stock has increased by 24.91% between 2010 and 2016
Employment growth	The employment base has increased by 67,304, equivalent to a 5.94% increase
Working age population	Between 2010 and 2016 the working age population increased by 4.85%
Projected working age growth	The working age population is forecast to increase by 17.76% between 2014 and 2039

## Transport nodes

### Motorways, airports and railway stations

- Railway station
- Major airport
- Airport
- Motorway
- Railway line



# West Yorkshire

The West Yorkshire Combined Authority (WYCA) has received the largest ever Growth Deal and the largest amount via all Local Growth Funds in the country. Whilst local authorities in West Yorkshire have yet to agree a deal for an elected mayor they have stated that they wish to agree to an elected mayor model and are currently working to secure a mayoral devolution deal.

## Dates

- Statutory Order, 1 April 2014
- First official meeting, 1 April 2014
- Devolution deal, 18 March 2015

## Chair

- Chair: **Susan Hinchcliffe**, Labour
- Deputy Chair: **Tim Swift**, Labour

## Constituent local authorities

Leeds, Wakefield, Kirklees, Calderdale, Bradford

## Non constituent members

York, Leeds Local Enterprise Partnership (with non-voting rights)



## Investment funding

# £1bn

West Yorkshire transport deal over 10 years (deal agreed without creating an elected mayor) building on the existing Local Transport Plan worth £482m over ten years.

## Governance structures

### Main groups

- West Yorkshire Combined Authority
- Overview and Scrutiny Committee
- Governance and Audit Committee

### Working groups

- Two consultative and advisory forums, the Leeds City Region Partnership Committee and the West Yorkshire and York Investment Committee

## Key services and functions include:



### Transport

WYCA is the integrated transport authority and has subsumed the powers of the Passenger Transport Executive.



### Skills

WYCA has plans to subsidise those not in education, employment or training (NEETs) and disabled people to access employment, education and training.



### Economy

WYCA powers in relation to economic development and regeneration are expressed as 'exercisable concurrently with the constituent councils' which means that each WYCA member authority retains the ability to carry out the same functions: conversely a constituent council's duty to exercise a function is fulfilled when the combined authority does it e.g. duty to prepare an assessment of economic conditions.



## Overarching vision statement and priorities

Aims to guarantee every young person a job or training opportunity through the creation of 62,000 jobs in the region; to ensure access through transport development; and to be the driving force for delivering an outstanding economy with better connectivity and services for businesses, people and places.

The 20-year Strategic Economic Plan (delivered jointly with the Leeds City Region LEP) aims for the region to be a 'globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life for everyone'.

### It has four main targets:

**Deliver upwards of 35,000 additional jobs and an additional £3.7 billion of annual economic output by 2036**

**Become a positive, above average contributor to the UK economy**

**Seek to exceed the national average on high level skills and to become a NEET-free (not in employment, education or training) City Region**

**Make good progress on headline indicators of growth and productivity, employment, earnings, skills and environmental sustainability**

The West Yorkshire plus Transport fund is the largest of its kind in the country, with £1bn of funding over 10 years. This includes a ten year £182.8m transport scheme funding allocation, revenue funding from central government and local prioritisation of projects.



## Signs of progress and innovation

- Ongoing work to replace the current 2011 West Yorkshire Transport plan, as well as a bus strategy for the region
- Creation of new 14-24 Academy and Apprenticeship Hubs to help the region become 'NEET-free'
- £29m funding awarded for Wakefield Eastern Relief Road
- Ongoing development of LCR Infrastructure Investment Framework to support strategic growth ambitions, focusing on transport, utilities, energy, telecommunications, green infrastructure, commercial development, waste and minerals, and flood risk and drainage
- Better Homes Yorkshire launched to improve energy efficiency
- Coordinated response to 2015 floods
- £28m in private sector grants awarded
- Export ambassadors to help business reach overseas markets



## Investment funds

Partners within the Leeds City Region (including WY, York and Harrogate) have created a £400m Economic Investment Fund backed by £200m of pooled local resources, including CIL, retained Business Rates, EU, RGF, GPF and EZ receipts. Investments include economic infrastructure to promote housing growth, low carbon and flood alleviation, based on a shared investment strategy and a Single Appraisal Framework.

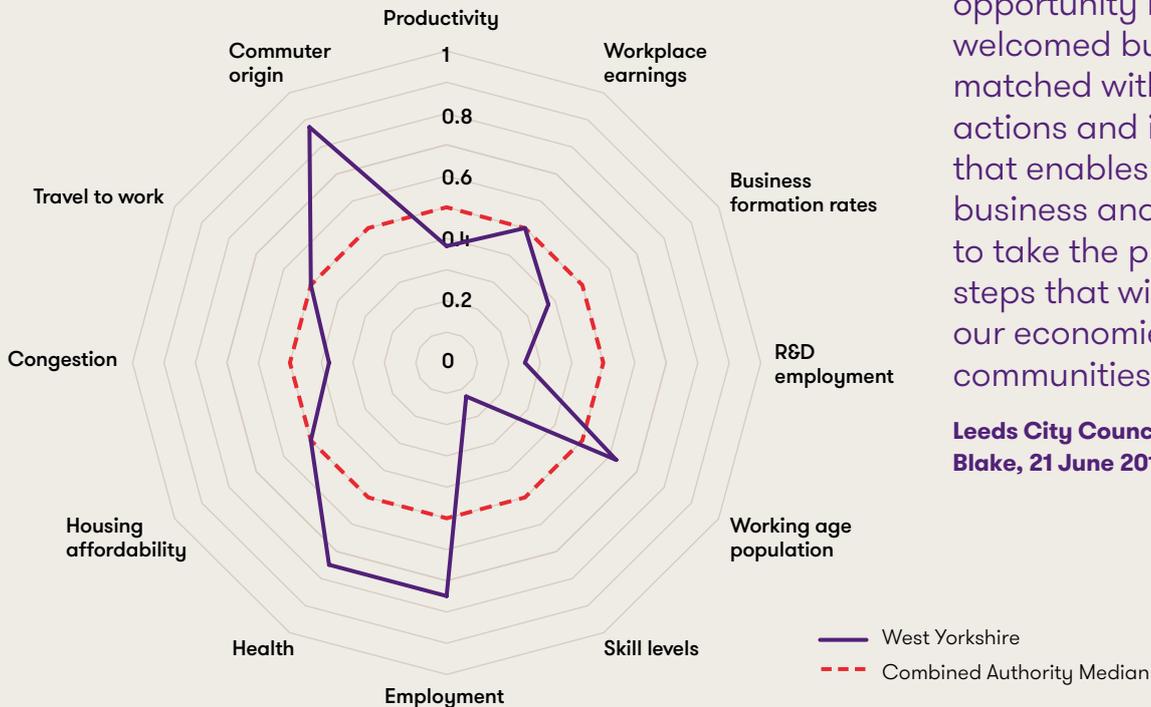
The transport fund appears to be moving towards the large-scale devolution of transport decision making, with the combined authority responsible for deciding between competing schemes (albeit in line with Treasury guidelines). This removes central government from a large portion of transport policy within the region.

“Within the Leeds City Region, we have demonstrated through our devolved skills, employment and business growth programmes, we can deliver at twice the impact and three times the speed of equivalent national programmes overseen by officials 200 mile away in Whitehall.”

**Chair Peter Box, 6 July 2017 (WYCA 2017a)**

## Profile

### Key indicators



“A commitment to spreading prosperity and opportunity has to be welcomed but it has to be matched with meaningful actions and investment that enables us as business and civic leaders to take the practical steps that will transform our economies and our communities.”

**Leeds City Council, leader Judith Blake, 21 June 2017 (WYCA 2017b)**

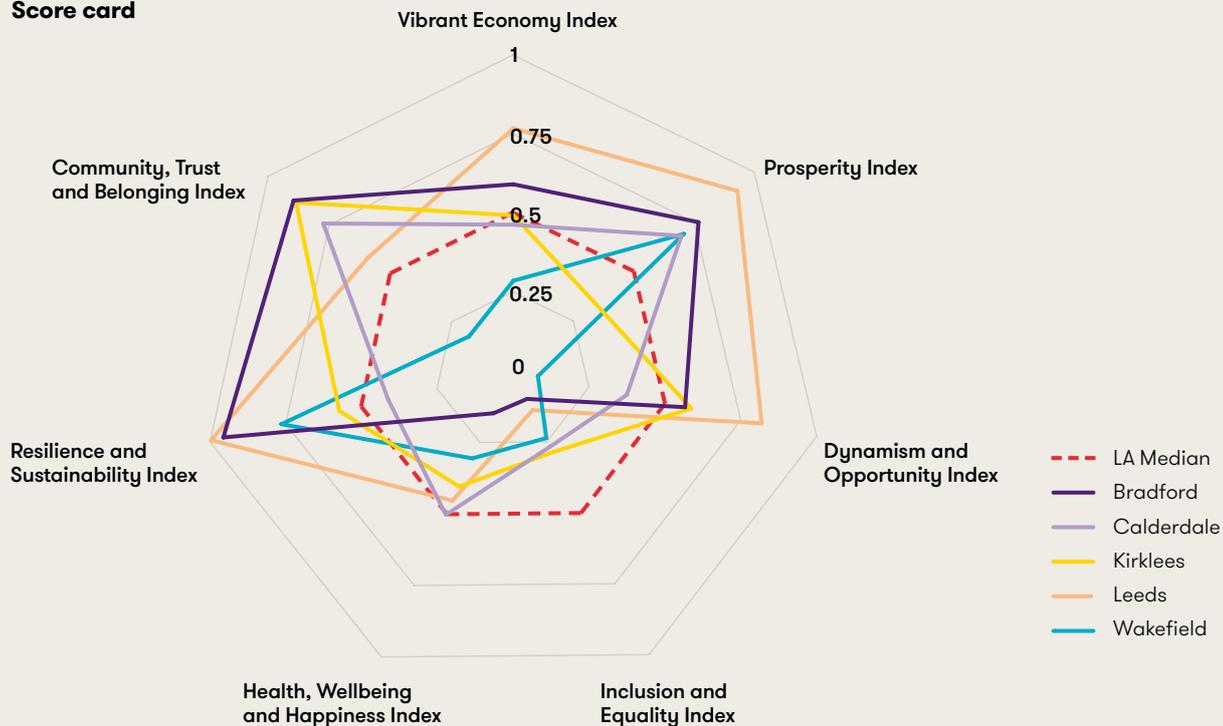
\*Larger shape means better performance.

## Key indicators in detail

Theme	Indicator	Commentary	CA average
<b>Economy</b>	Productivity	Gross Value Added per job is <b>£48,054</b>	<b>49,398</b>
	Workplace earnings	The mean annual workplace earnings are <b>£25,189</b>	<b>25,520</b>
	Business formation rates	The proportion of all businesses that were registered for VAT within the last year was <b>14.25%</b>	<b>15.01</b>
	R&D employment	The proportion of workplace employees employed in Research and Development is <b>0.13%</b>	<b>0.42</b>
<b>Society</b>	Working age	<b>63.44%</b> of the total resident population are of working age	<b>63.57</b>
	Skills	<b>29.6%</b> of the working age population are qualified to degree level and above	<b>32.55</b>
	Employment	The proportion of 16-64 year olds in employment is <b>71.7%</b>	<b>70.17</b>
	Health	Average life expectancy at birth is <b>80.21 years</b>	<b>80.36</b>
<b>Housing &amp; Transport</b>	Housing affordability	Average house prices are <b>6.7</b> times higher than annual mean earnings	<b>7.32</b>
	Congestion	The average delay on locally managed 'A' roads is <b>52.35</b> spvpm	<b>48.00</b>
	Travel to work	<b>13.93%</b> of people travelled to work by public transport at the time of the last Census	<b>14.06</b>
	Commuter origin	<b>88.65%</b> of the workplace population originate from within the combined authority area	<b>85.40</b>

## Vibrant Economy Index

### Score card



## Growth over time

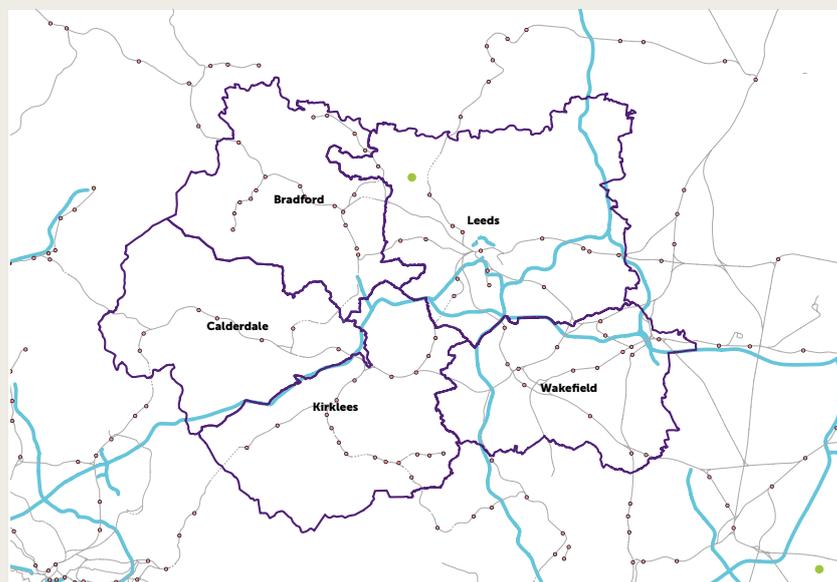
### Key metrics

Indicator	Commentary
Total GVA	Between 2010 and 2015 GVA increased by 14.9 %
Business stock	Total business stock has increased by 24% between 2010 and 2016
Employment growth	The employment base has increased by 61,070, equivalent to a 6.38% increase
Working age population	Between 2010 and 2016 the working age population increased by 1.25%
Projected working age growth	The working age population is forecast to increase by 12.51% between 2014 and 2039

## Transport nodes

### Motorways, airports and railway stations

- Railway station
- Major airport
- Airport
- Motorway
- Railway line





# Part 3: Taking stock, moving forward

This is an important juncture in the new era of the combined authority experiment as programmes are implemented, combined authority mayors find their feet and new combined authorities come forward. A pressing question is what existing combined authorities and those thinking of joining the initiative, might learn from progress so far across the first nine combined authorities.

Here, we provide some insights, and some questions raised by our review for future exploration as the work of Combined Authorities progresses, on the following themes:



The role of mayors



The nature of powers and the importance of variety



Where can combined authorities make a difference?



The need for legibility



Capacity for action



Added value



Future appetite



### 3.1 The role of mayors

It is simply too soon to assess the difference that mayors will make. Mayors have only just started fleshing out their vision but that will change. But mayors cannot go it alone and much will depend on the working relationships that evolve in the months and years to come.

While many combined authorities are similar in their governance structures and accountability arrangements, there are variations in how much power any individual mayor or local authority may have, determined by the individual deals each area has agreed with the Government, and these vary in size and scope. The Mayor of GMCA for example, also takes on the role of the Police and Crime Commissioner and can make decisions regarding the appointment, suspension and dismissal of the chief constable. In TVCA meanwhile, the Mayor and the Police and Crime Commissioner remain separate.

Combined authorities will need to work through consensus, partnership and persuasion. So far, they have worked most effectively where soft power is exercised behind the scenes to ensure agreement and this will continue to be important even with elected mayors, particularly given the decision-making requirements of their different functions. Whilst the mayor does have the power of veto over decision making in some areas, in others – such as spatial planning - unanimous agreement is needed. These differences in voting rights are potentially politically significant. The recent election of a Conservative mayor in the traditional Labour stronghold of Tees Valley, is one example where political sensitivity will be required.

The election of combined authority mayors has certainly pushed combined authorities further into the limelight and all mayors have set out strong ambitions, championing a

‘new way of doing politics’ (Williams, 2017). Some mayoral campaigns focused very closely on the core powers they expected to receive in office, others campaigned on a more wide-ranging narrative, with the elected Mayor in the West Midlands making 238 ‘I will’ promises. Elsewhere too, mayoral ambitions stray beyond their statutory powers and functions, illustrating the relatively constrained nature of combined authority powers in some areas. Delivering on wider ambitions may require new partnerships, further devolution discussions or additional sources of funding.

Mayors will provide much needed leadership in some areas, but also a potential point of tension, particularly where joint working is more established and plans are underway, as mayors, together with their boards, take stock of manifesto commitments, review existing structures and seek to demonstrate progress and impact. The creation of directly elected mayors allows for local democratic accountability for locally-made decisions in areas in which the population has previously had little input over funds.



#### Questions:

- How will mayors change things in the short, medium and long term, and will the mayors bring greater focus and specificity?
- How will mayors demonstrate their particular added value? Will they provide an easy scapegoat if things go wrong?

“For non-mayoral combined authorities, with powers in some areas expressed as ‘exercisable concurrently with their constituent councils’, there is a need for absolute clarity about which functions they carry out on behalf of their members.”



## 3.2 The nature of powers and the importance of variety

### Headline

A wide-ranging set of services and functions have been devolved to combined authorities, presenting a huge opportunity for integrated, and locally targeted, decision making. Progress, is however, in many areas still limited, and reflects the relative infancy of most combined authorities. Combined authorities are not one size fits all, and the opportunity for variety should be taken as a strength going forward, allowing for the tailoring of policy so that combined authorities genuinely add value rather than developing policy for its own sake.

Combined authorities have between them received a wide range of devolved powers. It is, however, surprisingly difficult to determine exactly which powers each combined authority has: some powers are statutory, some are non-statutory, some are policy commitments, and some are still emerging from on-going discussions either with central government or with constituent members. Furthermore, some powers represent full devolution – such as in the case of adult skills funding – whereas others are only partial, with the potential for blurring of lines of responsibility. Powers are also commencing at different times, in different places, and powers in some areas have been deferred pending the completion of work already underway. For non-mayoral combined authorities, with powers in some areas expressed as ‘exercisable concurrently with their constituent councils’, there is a need for absolute clarity about which functions they carry out on behalf of their members.

Some combined authorities have been given a ‘general power of competency’ which allows them to exercise a general power in relation to their functions (ie over bus franchising) or over matters ‘incidental’ to their functions. These powers are however modified for each combined authority as provided for in the statutory order forming each authority. The West of England and Cambridgeshire and Peterborough Combined Authorities have a wide general power, while a more limited version is available to Greater Manchester, Liverpool City Region and the West Midlands (Sandford, 2016). Use of this ‘general power’, may extend the current reach of combined authorities.

Given the lack of prescription from government as to the nature of deals, there is, however a surprising lack of significant variation between the powers granted to combined authorities. This is particularly so for mayoral combined authorities, yet the subtle differences in the language used to describe the same powers across devolution deals and statutory orders creates some challenges for understanding differences and commonalities. The opportunity for variety should be further embraced going forwards.



### Questions:

- How might combined authorities increase the clarity over their core functions and services?
- How might combined authorities make the case for additional powers and resources?
- How ‘innovative’ can combined authorities be once central government restrictions on powers and funding are removed?



### 3.3 Where can combined authorities make a difference?

#### Headline

Much of the immediate impact of combined authorities has been on transport. This is not surprising given that city-regional transport authorities were already in place and provide a platform and resources for policy development. The agenda for strategic investment in housing is becoming more significant, broadening out from housing numbers to innovation in new models of housing development, and a focus on locating housing in support of regeneration and economic development. The skills agenda will become more important as funds are devolved.

#### Place-based leadership, strategy making and evidence

In order to achieve more for less, public services and infrastructure need to be looked at in the round: exploring issues from a place perspective and developing joined up strategies across traditional 'silos' to deliver integrated public services. This calls for much greater collaboration across the public, private and not-for-profit. Collaboration can also provide the basis for innovation. For example at the moment, only 4% of the NHS budget is spent on prevention (70% is spent on treatment of long-term conditions). There is an opportunity for communities to address this imbalance by taking a holistic approach to health (creating healthier spaces and workplaces and tackling air quality) and using technology to provide more accessible, cheaper diagnosis and treatment for many routine issues.

Combined Authorities, where they exist now or in the future, have a key role to play in how they set sub-regional strategies, convene and lead on behalf of their place, and use their statutory and soft powers to maximise sustainable and inclusive growth. This includes the development of regional Industrial Strategies and managing the impact of Brexit (such as improving skills shortages and ensuring access to labour supply and funding).

Place based leadership – at the combined authority level and in the constituent councils, other public bodies, business including the LEP, and third sector organisations – will be

critical. A lack of appropriate place based leadership will impact on the effectiveness of strategies, access to and use of funding, and ultimately operational delivery

Combined authorities will need to prepare plans and strategies to frame their activities and assist with the prioritisation and decision making for their investments. In this regard, the combined authority model provides a real opportunity to bring together knowledge from different constituent organisations. The early endeavours of many of the combined authorities have focused on creating, improving, and expanding their knowledge base to inform strategy development and decision making, and substantial progress has been made by all combined authorities in seeking to identify clear priorities, and on a wide range of strategies, particularly transport and the economy. Several combined authorities have already held commissions to investigate priority issues in greater depth, and more are to follow. Recent announcements include the West Midlands 'Funding for Growth Commission' (launched in July 2017) bringing together business, local government and universities to design new ways of bringing in funding, and Cambridgeshire and Peterborough's Independent Economic commission (also launched in July 2017) is tasked with completing a full economic review. A future task for all combined authorities will be the preparation of a Local Industrial Strategy if the current Government progresses this manifesto commitment.

#### Transport

Significant transport functions, powers and responsibilities unite the combined authorities, and there is thus a real optimism about the potential for combined authorities to provide greater coherence to decision making and investment on transport. This has to date been fragmented by local authority boundaries with functions split across organisations.

Already, combined authorities have made major investments in transport, with the NAO reporting a transport spend of £818 million by six of the nine combined authority areas in 2015-16 (NAO 2017: 4 See References p. 68); investment that has focused on both hard and soft infrastructure. The West Midlands reports planned investment to drive growth of '£4 billion of transport infrastructure over the coming decade, including more tram extensions, new suburban rail lines, cycle routes and better motorways' (WMCA 2016a: See References p. 68). Sheffield City Region plans to use its powers to tap into wider national and

“A key issue regarding economic development is the ongoing relationship between the combined authorities and their associated Local Enterprise Partnership(s) (LEPs).”

pan-northern transport schemes, such as HS2 and Transport for the North, but also develop ‘intra-region’ connectivity through a focus within the city region. Uniquely amongst combined authorities, West Yorkshire secured a £1 billion WY ‘plus’ transport fund targeted at reducing congestion, improving the flow of freight and improving commuter routes. The fund is the centrepiece of the city region’s Local Growth Deal. Both Cambridgeshire and Peterborough and the West of England, are reported to be undertaking either feasibility work, or exploring the initial options for, further light rail and new undergrounds, with the West of England’s £8.9 billion transport vision soon to be published (Ashcroft 2017: See References p. 68).

It remains, however, unclear whether all authorities will assume the powers that they have been given, with some mayors still to indicate whether they will take on, for example, bus franchising – now only the preserve of combined authorities, not individual authorities.

### **Economic growth**

Economic growth is key to the development of combined authorities and is the primary *raison d’être* of their creation by central government. The real opportunity for combined authorities to make a difference is in the potential for an integrated approach across their core services and functions to support economic growth. A key issue regarding economic development is the ongoing relationship between the combined authorities and their associated Local Enterprise Partnership(s) (LEPs). Both bodies are responsible for the allocation of the Local Growth Fund, with the LEP taking the primary lead, and both cooperate in the drafting of, or purport to ‘share’, the region’s Strategic Economic Plan (although this is not uniform across combined authorities). However, there is not a consistent approach to LEP representation. They are often – but not necessarily – a non-constituent member and may or may not have voting rights over decisions taken by the combined authority. The blurring of boundaries between the two organisations may result in duplication, creating difficulties in assessing where and how money has been spent and in identifying where the decisions are actually being made, thus potentially heightening issues over the democratic accountability over finance. It may also cause confusion for investors and other partners, raising questions about whether a more crowded institutional landscape on economic development best serves business interests.

### **Spatial planning, land and housing**

Increasing the range and diversity of new housing is a major policy challenge across England and a key area where combined authorities can be seen to add value by bringing forward strategic sites in sustainable locations and supporting new models of housing delivery. While there are some differences between the combined authorities they do share similar features in relation to housing provision, such as in the creation of land commissions or joint assets boards to examine disposals of public land, combined authority-wide spatial strategies and frameworks, mayoral development corporations, and compulsory purchase powers.

As of 2017, Cambridgeshire and Peterborough and Greater Manchester are the only combined authorities with significant housing investment funds. Greater Manchester has a £300m Housing Investment Fund, which offers loans to private developers, and ‘represents a cornerstone of Greater Manchester’s housing growth strategy’ (GMCA 2015: 3: See References p. 68 ). Cambridgeshire and Peterborough has received a £100m housing and infrastructure fund from central government, spread over a five-year period, and housing remains one of the most important pillars of the mayor’s 100-day plan, with the combined authority having already identified 11 affordable housing schemes which could see 253 new homes split across the partner authorities. Some have called for the further devolution of housing funds and powers, suggesting that combined authorities housing powers do not go far enough (Snelling and Davies 2016: See References p. 68), and in July 2017 the government launched a new £2.3 billion Housing Infrastructure Fund (HIF). Authorities are invited to bid competitively for the funding, however while lower tier or single authorities can bid for £10m of Marginal Viability Funding (the final or missing piece of infrastructural funding that can delay schemes) only combined authorities, the Greater London Authority and upper tier authorities are able to bid for the much larger grant of £250m of funding. In combined authorities areas, constituent local authorities will not, therefore, be able to bid for it in their own right.

Where combined authorities have the combination of housing investment plans and spatial planning powers, this offers the best opportunity to both plan coherently and proactively, and deliver. This opportunity will need to be embraced positively, and in practice this is an agenda still relatively limited in

most places. Several mayors have expressed concern about pressures for greenfield development (Gardiner 2017), suggesting some challenges ahead for meeting housing needs, with Mayor Andy Burnham promising a ‘radical re-write’ of Greater Manchester’s existing Spatial Framework to avoid green belt loss.

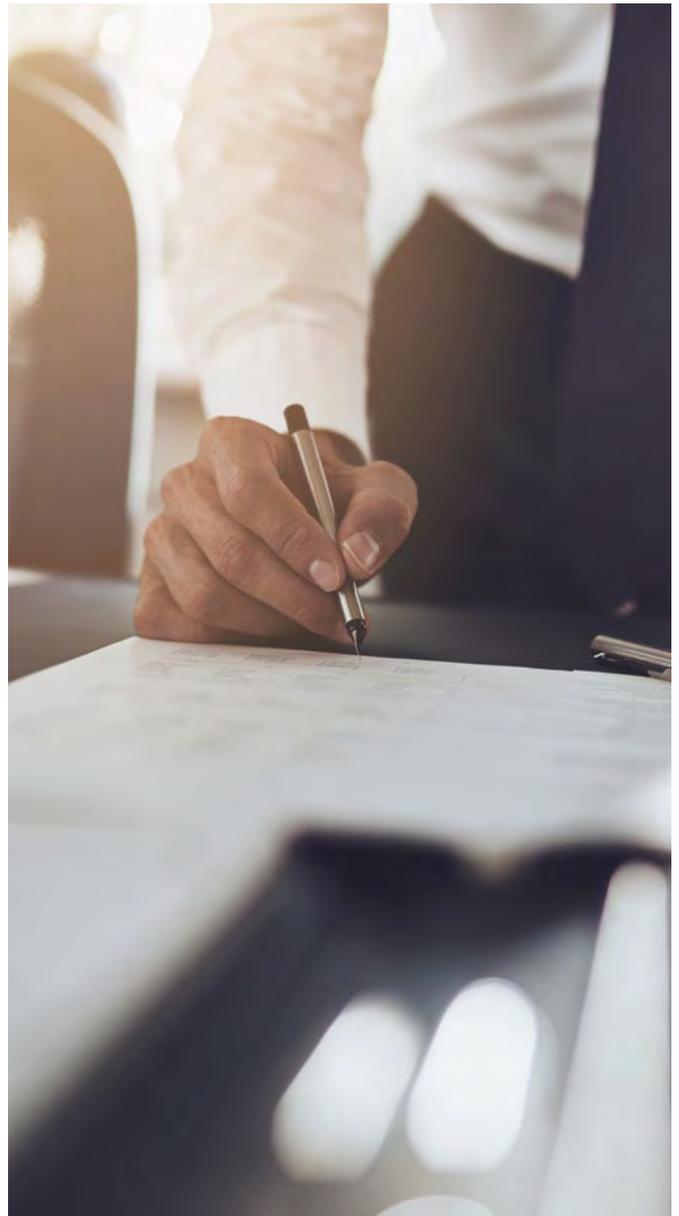
### **Skills**

There is a strong focus on the skills agenda by all combined authorities, working in partnership with the government and providers to ensure that skills training is employer led and meets local needs and priorities. Many of the mayoral combined authorities have agreed powers over the 19+ adult education budget, but these are subject to combined authorities meeting a set of ‘readiness conditions’, with devolution of funds not commencing until 2018/19 at the earliest. There are interesting questions about whether ‘readiness’ conditions might be applied to future areas of devolved funding, and what form they might take.



### **Questions:**

- Are their powers in some areas too constrained to really accelerate change?
- How are combined authorities ensuring that there is real integration across their core areas of responsibility to maximise impact?
- What additional powers and resources are needed for combined authorities to contribute effectively to delivery of the Industrial Strategy?





## 3.4 The need for legibility

### Headline

Some institutional blurring has occurred with the formation of combined authorities, and greater clarity over their roles and functions relative to other organisations is important for their legitimacy going forwards.

Combined authorities cover a diverse range of spatial areas. Most are approximate to functional economic units and travel to work areas, others have a more expansive or restricted spatial reach. In some areas the spatial boundaries are still being consolidated, for example in the West Midlands and South Yorkshire where the scope of the combined authority has stretched beyond previous county council boundaries and current LEP areas. The diverse spatial constitution of combined authorities will continue as new authorities come forward beyond conurbations and city regions.

The role and remit of combined authorities can be difficult to grasp for those who are not on the inside. This has been made more complex by the nature of devolution deal making, comprising initial deals, second deals, further deals and even broken deals.

There will need to be considerable investment in presenting a clear and accessible view of the role of combined authorities and their contribution. This is partly because one of the outcomes of combined authority formation has been institutional blurring. It is not always easy to see where a combined authority's responsibilities in one area starts and stops in relation to another. This is particularly true of Local Enterprise Partnerships, for whom the combined authority has become, in nine out of seven cases, their accountable body. But it is true in other areas also, especially where the expropriation powers are shared rather than given away, as in the case of compulsory purchase powers, where the Homes and Communities Agency and the constituent councils can still exercise their respective powers as before. The new era of combined authorities with elected mayors should help build institutional identity and bring clarity.

One element that will assist the legibility of combined authorities is a clear vision of its future priorities and intended impact. To date, these visions generally lack surprise with the subtle differences between them largely insufficient to be able to easily identify to which combined authority they might belong. This is perhaps unsurprising, given their core competencies, with visions offering a consistent variant on inclusive growth, tackling congestion and improving connectivity, and increasing house building. However, it is as much, if not more, about the extent of the alignment of plans that follow, as it is about the vision itself, as well as the degree to which combined authorities can bring partners together around the vision to impact decision making and investment. Striking in this regard is Sheffield City Region's '25 year Vision for the city region' which is reported to have 400 organisations signed up to it from across the public and private sectors. Moving from prioritisation, to execution and delivery, should increase combined authority legibility.



### Questions:

- How can combined authorities better increase the clarity about their distinctive role and contribution, particularly in relation to other organisations?



## 3.5 Capacity for action

### Headline

The capacity of combined authorities has been relatively constrained to date. The recent focus on staffing should help accelerate their activities.

The internal capacity of many combined authorities has hitherto been highly constrained. As the West Midlands combined authority has observed, “Any work the WMCA has undertaken outside transport, has been resourced through a ‘beg, buy, borrow’ approach” (WMCA 2017: 2). Their relatively limited staffing to date has often drawn from staff on secondments from LEPs, constituent local authorities, or from staff from the transport authorities that a combined authority has absorbed. While there is an expressed desire for combined authorities to remain “lean and effective” (Cambridgeshire and Peterborough), and “streamlined and efficient” (North East), an early activity of many of the mayors has been to appoint chief executives, as in the West Midlands, Cambridgeshire and Peterborough, and to bolster their wider staffing. This should enable the work of combined authorities to accelerate.

From a practical perspective, the process of setting up and resourcing a new combined authority can often be daunting for officers, especially when this is being delivered in parallel with the day job. Some of the most prosaic tasks - such as arranging for a bank account - have proven to be frustrating challenges in themselves.

While the legislation is clear on what governance arrangements a combined authority needs to put in place, there is no “how to” guide for officers in achieving this, and few obvious opportunities to share learning across combined authority areas.



### Questions:

- Will combined authorities be sufficiently resourced in the short term to be able to accelerate the workload

“The internal capacity of many combined authorities has hitherto been highly constrained.”



## 3.6 Added value

### Headline

Combined authorities stand and fall on their ability to add value through targeted investment, strategic coordination, joined up policy and the leveraging-in of additional resources (particularly additional private sector funds). Innovative performance assessment is needed to create opportunities to think more expansively about policy intervention.

All combined authorities are already investing. Most of the additional funding created through the Investment Fund Grant covers spending on capital projects in an attempt to improve infrastructure, with most combined authorities concentrating their spending to date on transport investments. The combined authorities can be innovative in how they access funds and how they invest in areas. One way combined authorities are trying to provide a more long-term and sustainable source of funding is through the creation of Revolving Investment Funds (RIFs). Rather than offering grants or subsidies a RIF provides loans on a commercial basis with any returns going back into the fund, so it grows over time. The loans are usually given to private sector-led infrastructure and construction projects. In West Yorkshire, private partners are expected to invest £3 for every £1 put in by councils. Greater Manchester has wider powers and can ‘earn back’ up to £30m a year of tax for the growth it creates through its RIF, going beyond the government’s current plans for business rate retention. The Smith Institute reports that ‘most of the combined authorities are also hoping to secure additional funding through extended earn back’ and ‘gain share’ schemes, whereby councils earn back a share of the fiscal benefits attached to delivering specific outcomes, such as higher savings’ (Hunter 2017: 23: See Reference p. 68).

Many combined authorities are bullish about the potential economic uplift derived from their plans. For example, the West Midlands Strategic Economic Plan suggests the outcomes of its planned investments to be an additional £7billion GVA over its time frame, as compared to the previous plans of its three constituent LEPs. Critical to establishing the legitimacy of the combined authority model, will be the ability to accurately substantiate these claims and demonstrate this added value.

Government has also yet to respond to criticism about the lack of metrics against which the success of combined authorities will be judged, and combined authorities will, themselves, need to think further about their future performance and how that might be measured and assessed, particularly as many combined authorities have only recently started to exercise their investment functions and have yet to explore the full range of powers at their disposal.

There are concerns that the audit and compliance processes for combined authorities may not be sufficiently rigorous or robust, and at the very least, are untested. In particular, there are concerns that stringent quality assurance frameworks that seek to guarantee value for money for the taxpayer may work against the spirit of the flexibility offered through the devolution deals and may restrict the new freedoms offered to combined authorities. The relaxation of restrictions on single pot funds allows combined authorities flexibility over their own financial priorities, offering the chance for decisions to be made locally and responsibility to be placed closer to the source of policy. Yet devolution has blurred the lines between what were previously separate transport, investment or housing funds. The Communities and Local Government Select Committee has criticised the proposed oversight frameworks as ‘aspirational’ rather than watertight. Thought will need to be given to quality assurance frameworks that allow for flexibility whilst guaranteeing value for money to the taxpayer.



### Questions:

- How will combined authorities substantiate their bold claims about added value, and what would be the best measures of success and progress?
- How will combined authorities demonstrate their distinctive contribution to government, partners and the public?



## 3.7 Future appetite

### Headline

It is frequently pointed out by government and commentators that combined authorities are a work in progress, a journey that will be determined in large part by the creativity and foresight of mayors and local partners. Established combined authorities are already expressing an appetite to expand and further their existing deals.

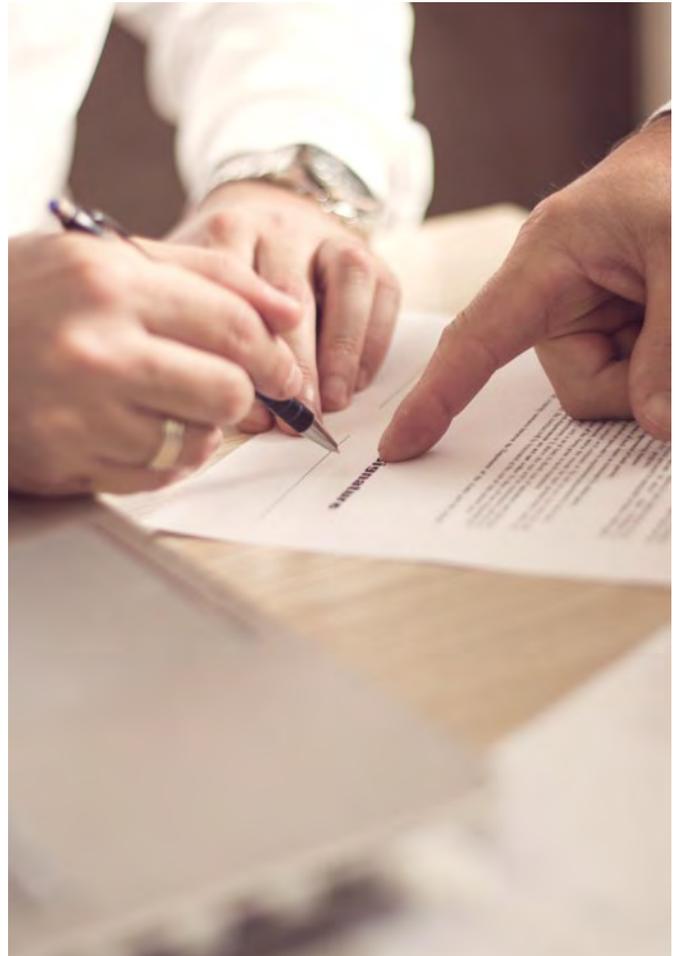
Many of the existing combined authorities have identified further public sector reform as part of their portfolio of activities: the West Midlands has published a Public Reform Strategy as part of its Strategic Economic Plan; Cambridgeshire and Peterborough has a member portfolio on public sector reform; and many express the appetite in headline terms for ‘future devolution discussions’. The eyes of other combined authorities are undoubtedly on Greater Manchester’s wider portfolio of activities – particularly in relation to devolved health spending – but their appetites could go further and deeper. In Liverpool City Region the new mayor has plans to become involved in energy policy with proposals for a Mersey Tidal Barrage, alongside public sector reforms to promote ‘inclusive’ growth.

Furthermore, the signs are there that the devolution project is increasingly about combined authorities, with proposals to prioritise and even limit access to funding to existing combined authorities. As of July 2017, further devolution bids and combined authority proposals are being considered by Government. It is highly likely that more will be formed. There is considerable scope for all combined authorities to learn lessons from what works and what is possible in other areas that will help minimise the costs and risks of policy development, and optimise the support that can be given to newly forming combined authorities.



### Questions:

- What else do combined authorities appear to want by way of further devolved powers and what are their prospects?
- Could further devolution add greater coherence to the story of combined authority devolution thus far?
- How might combined authorities work more effectively together to share good practice and make a strong case to government?





# Part 4: Conclusions

**The combined authorities initiative in England will continue to be a work in progress shaped by the ability of combined authority mayors and local authorities to make use of the powers and resources that are available. Strong and effective leadership will be required to convince partners of the value of collaboration and make meaningful strategic choices.**

Experience so far reveals some of the challenges in asking local authorities to look beyond their immediate interests and spend valuable time and resources on collaboration. That has not been helped by uncertainty over government commitment to combined authorities, the relatively limited levels of funding and powers actually being devolved, and the role of mayors.

However, there is now much greater certainty about continued and extended support for combined authorities underpinned by their potential role in delivering key aspects of the Industrial Strategy. For all the uncertainty, mayors are a potential force for galvanising combined authorities working with the grain but extending existing strategy.

Mapping the progress of combined authorities highlights the varied experience to date across combined authorities. But there are also emerging examples of innovation, creativity and beneficial outcomes that demonstrate what can be achieved by working together through the combined authority framework. That experience should provide encouragement to those thinking of setting up combined authorities and to those involved in taking forward existing combined authorities to the benefit of citizens and communities.

The pressing challenge, for all combined authorities, will be the shift from prioritisation to execution and delivery in order to demonstrate their real added value.



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# Statistical notes on key indicators

Topic	Indicator	Source	Publisher	Date	Definition	Notes
Economy	Productivity	Regional GVA by local authority in the UK; Business Register and Employment Survey	Office for National Statistics (ONS); Nomis	2015	This measures the value added by production activity in a region to the employees of that region. It is calculated by dividing total GVA in the area by the number of employees.	Data is not released at CA level so we have taken the GVA data and employee data at local authority and aggregated up, using total employees to apply a weighting.
	Workplace earnings	Annual Survey of Hours and Earnings	Nomis	2016	This measures the workplace-based mean annual earnings in pounds.	Data is not released at CA level so we have taken the local authority figures and aggregated up using population weightings
	Business formation rates	Business Demography	Office for National Statistics (ONS)	2015	The proportion of all active businesses that were formed during the last year.	Data is not released at CA level so we have taken the GVA data and employee data at local authority and aggregated up.
	R&D employment	Business Register and Employment Survey	Nomis	2016	The proportion of all workplace employees employed in Research and Development.	Data released at CA level.
Society	Working age	Mid-year population estimates	Nomis	2016	The proportion of the resident population that are aged 16-64 year olds	Data released at CA level.
	Skill levels	Annual Population Survey	Nomis	Jan 2016-Dec 2016	The proportion of 16-64 year olds who are qualified to NVQ 4 and over (degree level and above)	Data released at CA level.
	Employment	Annual Population Survey	Nomis	Jan 2016-Dec 2016	The proportion 16-64 year olds who are in employment.	Data released at CA level.
	Health	Life Expectancy at Birth and at Age 65 by Local Areas in England and Wales : 2012 to 2014	ONS	2014	This measures the average life expectancy (in years) at birth of males and females. Life expectancy is based on a three year average produced by aggregating deaths and population data. It provides an estimate of how long a new born baby could live within the same environment-specific conditions as those from the sample period.	Data is not released at CA level so we have taken local authority figures and aggregated up using male/female ratios to provide the overall CA figures.

Topic	Indicator	Source	Publisher	Date	Definition	Notes
Housing and Transport	Housing affordability	Price Paid Data; Annual Survey of Hours and Earnings	Land Registry; Nomis	2016	Ratio of house prices to residence-based mean annual earnings. Property prices are an overall average of property prices covering detached, semi-detached, terraced and flats/maisonettes. A high affordability ratio indicates higher house prices relative to earnings and therefore lower affordability.	Data is not released at CA level so we have used local authority data on house prices and earnings and aggregated up to create the CA figure. This figure is population weighted to take into account the varying size of local authorities within the CA area. For consistency, the data has been inversed in the profile charts so that a large shape indicates higher affordability.
	Congestion	DfT Travel Time Data	Department For Transport (DfT)	2016	Average delay on local authority managed 'A' roads is measured using speed per vehicle per mile (spvpm) compared to free-flow. Delay (or 'time lost') is calculated by subtracting derived 'free flow' travel times from observed travel times for individual road sections.	Data is not released at CA level so we have taken local authority statistics and aggregated up using a KM of road as a weighting to obtain the final estimate for each CA area. For consistency, the data has been inversed in the profile charts so that a large shape indicates lower congestion levels.
	Travel to work	Census 2011	ONS	2011	The proportion of employed residents who travel to work by public transport (Underground, train, bus, mini-bus or coach).	Data is not released at CA level so we have taken local authority figures and aggregated up using the numerator (travel by public transport) and denominator (residents in employment).
	Commuter origin	Census 2011	ONS	2011	The proportion of the workplace population who have originated from within the CA area.	Data is not released at CA level so we have taken local authority figures and aggregated up to CA level.

# About us: Grant Thornton & Bond Dickinson



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