# Briefing

# **Local Government Association (LGA)** Cities and Local Government Devolution Bill Third Reading, House of Lords

Tuesday 21 July 2015

## **Key messages**

- For central and local government to meet our shared agenda to deliver growth and better outcomes through devolution, decisions must be made transparently and in consultation with local areas. Individual reports for each order and overall annual reports will help advance the progress of devolution for all areas of the country.
- Statements requiring ministers in other departments to demonstrate that new legislation is compatible with the principles of devolution will make sure the Government's ambitions for devolution are embedded across Whitehall. These additions have strengthened the Bill.
- There is no "one-size-fits-all" solution to the stronger local governance arrangements that may be needed where significant new responsibilities are devolved. The LGA wants to work with the Government to identify alternatives to elected mayors where mayors may not be the appropriate solution.

### **Transparent decision-making (clause 1)**

Clause 1 places a duty on the Secretary of State to report annually to Parliament on the progress of devolution for all areas - city regions, smaller towns and cities, and rural and coastal communities - in England and Wales. Annual reports will provide an opportunity to benchmark and celebrate the ongoing progress, beyond the restricted oversight through the affirmative process for the relevant orders.

Clauses 105A (2) and Clause 15 (6) introduce new reporting requirements to accompany each subsequent order put before Parliament. This is a welcome strengthening of the Bill by the Government in response to the concerns raised by the LGA and councils. However, on its own it falls short of providing a picture of devolution across the country as it progresses. This is why the LGA supported the new clause 1 requirements on annual reporting.

### **Breaking down barriers to devolution (clause 2)**

We welcome the strong signals from HM Treasury and DCLG that wide-ranging powers will be devolved to local areas. For sustainable reform to happen in practice this commitment must be shared by all government departments. A 'devolution test' would ensure all departments are considering new legislation with devolution principles in mind.

The LGA rejects the Government's assertion that this would simply be a tick-box process. The test is similar to the Government's own 'families test' and would only become a tick-box process if minsters do not send positive signals to their departments on devolution.



### No 'one-size-fits-all' model of governance (clause 3)

Historically a top-down approach to local governance has not worked and several cities have already rejected elected mayors during referenda that let people decide. People should be free to choose the appropriate model of governance for their community.

The LGA's report, <u>English Devolution: local solutions for a successful nation</u>, sets out principles for strong governance and a number of models that could achieve this.

The LGA urges the Government to reconsider its policy on elected mayors as a condition for devolution of major powers, in order that local and central government can work together to meet our shared ambitions for the people we are here to serve.