

Local Government Association (LGA) Cities and Local Government Devolution Bill Committee Stage, House of Commons Tuesday 17 November 2015



Key messages

- The Government's Cities and Local Government Devolution Bill is a positive step as it will give areas the range of powers they need to create jobs, build homes, strengthen healthy communities and protect the vulnerable. The LGA welcomes the enabling approach the Government has taken with the Bill, whose passage is critical to enabling local leaders to start delivering on the devolution deals that can unlock growth and improve public services in their areas.
- Flexibility is needed for areas to be able to change their governance structures as the needs of their local area change. There is no one-size-fits-all solution to the stronger local governance arrangements that may be needed where significant new responsibilities are devolved. Historically a top-down approach has not worked. **The LGA urges the Government to support local areas to put in place governance arrangements that are most appropriate to their local circumstances.**
- The LGA supports calls for a constitutional convention to determine the political settlement of the UK. The convention's remit should include devolution of responsibility for public services and fiscal powers to local government. We do not believe this need delay progress of the legislation currently before Parliament. **For this reason, we support New Clause 19.**
- New Clause 34 brings in legal powers and duties to allow groups of councils, such as Transport for the North (TfN), to set up statutory Sub-National Transport Bodies (STBs) to advise transport ministers on investment priorities in their own areas and on strategic transport schemes to support growth. A number of councils have already established regional partnerships and for some formalising existing arrangements is expected to bring them greater control and influence over the development of transport infrastructure. **For this reason the LGA welcomes New Clause 34 but it is important that the Government is able to work with different regional partnerships on strategic transport infrastructure.**

Background

Devolution within England is the most effective way to create jobs, build homes, strengthen healthy communities and protect the vulnerable in all parts of the country. The LGA has long argued for powers to be devolved.

The Cities and Local Government Devolution Bill is a positive step as step in delivering devolution. The legislation is of an enabling and permissive nature, an approach the LGA has called for so that legislation does not have to repeatedly catch up to developments on the ground. It also responds positively to proposals we set out to give combined authorities greater ability to drive economic growth

Briefing

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and public service reform in their areas, including lifting restrictions on who can form a combined authority and expanding their functional scope. The main components of the Bill:

- Enable but do not require a combined authority to have a directly-elected mayor.
- Provide for the mayor of a combined authority to exercise the functions of the Police and Crime Commissioner for the area.
- Expand the potential remit of combined authorities from economic development and regeneration only to include any local government function.
- Provide for combined authorities to take on the functions of other public authorities, for example government departments, but not county or district councils.
- Establish a scrutiny function for combined authorities and provides for an overview and scrutiny function to cover the mayoral office.

The Government has received 34 different devolution bids from places in England.ⁱ It is important that this Bill provides the flexibility for each area to agree a devolution deal that meets the needs of their local area.

No ‘one-size-fits-all’ model of governance

The LGA welcomes the enabling approach the Government has taken with the Bill, which allows each area to determine a devolution deal to meet the need of their local area. However, the same flexibility is needed for areas to be able to change their governance structures as those needs change. This should include changes the composition of a combined authority and changes the governance model.

Historically a top-down approach has not worked. People should be free to choose the appropriate model of governance for their community. We recognise that the Bill itself does not make mayors mandatory. The LGA urges the Government to continue to work with areas through their negotiations to develop other strong models of governance that are appropriate to local circumstances. The LGA’s report, *English Devolution: local solutions for a successful nation*,ⁱⁱ sets out principles for strong governance and a number of models that could achieve this.

Constitutional Convention (New Clause 19)

The LGA is calling for a convention to debate and agree a constitutional settlement for England, Scotland, Wales and Northern Ireland. The convention’s remit should include devolution of responsibility for public services and fiscal powers to local government. We see no reason why this should delay the Cities and Local Government Devolution Bill, the Scotland Bill or the Wales Bill.

Sub-National Transport Bodies (New Clause 34)

This amendment will enable Transport for the North (TfN) to be given a statutory footing followed by other regional groupings of councils depending on local wishes. More generally, it is the Government’s aim to provide for the devolution of strategic transport responsibilities to Sub-National Transport Bodies (STBs), enabling strategic transport decisions and priorities to be better informed by local

input. STBs will be able to provide a coordinated view of needs for their area and support more effective economic development. It is expected that as a minimum a STB will produce a strategic transport plan. A STB may also be requested by the Secretary of State for Transport to provide advice to Government, to coordinate transport activities in the STB area and potentially to take on transport responsibilities operated by other authorities in the area.

The initial focus for having a STB is in the North of England, and the early use of this power is likely to be limited to Transport for the North. However, it is likely that the Government would wish to enable STBs to be set up in other areas, for example, a similar initiative is now underway in the Midlands ('Midlands Connect Partnership'), which could in time lead to the wish for an STB there. It will be an enabling power as it will be up to the constituent authorities to jointly make a proposal to the Secretary of State for there to be an STB for the area, and that those authorities consent to the making of the regulations.

The area of the STB needs to be covered by the whole of the area of at least two or more relevant authorities, where relevant authorities include: combined authorities, Integrated Transport Authorities (ITAs), county councils and unitary councils.

The LGA supports New Clause 34 as it enables those authorities who would like to work together to influence and control strategic transport services at a regional level. However, it is important that the Government also engages with groupings of other local authorities and sub-regional partnerships in shaping strategic transport and that STBs can devise their own constitutional arrangements without Government prescription.

ⁱ For further information please see the LGA's devolution hub at: www.local.gov.uk

ⁱⁱ To access the report please visit:

<http://www.local.gov.uk/documents/10180/6917361/L15-178+DevoNext+devolution+publication/7e036308-6ebc-4f20-8d26-d6e2cd7f6eb2>