

BARNESLEY METROPOLITAN BOROUGH COUNCIL

This matter is not a Key Decision within the Council's definition and has not been included in the relevant Forward Plan

REPORT OF THE EXECUTIVE DIRECTOR CORE SERVICES TO CABINET

IMPLEMENTING THE SOUTH YORKSHIRE DEVOLUTION DEAL

1. PURPOSE OF REPORT

- 1.1 This paper seeks approval to delegate the authority to consent to the parliamentary order required to implement the 2017 South Yorkshire Devolution Deal (Devolution Deal).

2. RECOMMENDATIONS

- 2.1 **To recommend to delegate to the Chief Executive, in consultation with the Leader of the Council and the Monitoring Officer authority to take forward and conclude the legal steps necessary to implement the Devolution Deal including consenting on behalf of the Authority to the enabling Powers Order, provided that such Order corresponds to the proposals contained in the Governance Review and Scheme**

3. INTRODUCTION

- 3.1 On the 27th January 2020 the Sheffield City Region Mayoral Combined Authority (MCA) agreed to launch a public consultation on the powers needed to implement the South Yorkshire Devolution Deal. The specific powers that the Authority requires are set out in detail in the Governance Review and Scheme which are included at Annex A. In summary, these include:-

- **Housing and regeneration** – functions to be exercised concurrently with Homes England to improve the supply and quality of housing;
- **Spatial planning** – the power to establish mayoral development corporations and create a non-statutory spatial framework for South Yorkshire;
- **Skills** – conferring central government training and skills functions to the MCA, and also being given the same powers in relation to training and skills as the local authorities. These powers are needed to enable the MCA to spend the 19+ Adult Education budget which it is acquiring from central government. This does not affect the ability of the local authorities to continue to exercise those powers;
- **Transport** – the central government power to provide grants to highways authorities, power to reach agreements with other bodies about the management of the strategic highway network, and bus operating powers;

- **Decision making** - the Order will determine a number of constitutional and governance issues e.g. relating to mayoral and non-mayoral functions and voting rights and majorities; and
- **Finance** – the ability, subject to approval of the MCA, to precept for mayoral functions and wider borrowing powers that go beyond the Authority’s current ability to only borrow for transport purposes.

3.2 The six-week public consultation on these proposals is now underway, launching on the 3rd February 2020 and concluding on the 15th March 2020. The consultation is being conducted primarily through digital channels with consultation feedback gathered via the SCR website. However, people are also able to submit responses by letter or email should they wish to do so. Consultation documents and publicity materials have also been made available in key local authority buildings and in transport interchanges. In addition, the consultation is being publicised through a variety of mechanisms including:-

- pro-active media releases and pro-active engagement of regional and local media throughout the consultation, including advertisements;
- web content for the SCR website, including a feedback form;
- similar, but locally adapted content for local authority and partner websites;
- social media using local authority and SCR MCA and LEP family channels; and
- staff messaging.

4. PROPOSAL AND JUSTIFICATION

4.1 Whilst the progression of the public consultation on the proposals in the Scheme represents an important step in the process to devolve powers to the region, it is not the final step. The legislative process to secure the Devolution Deal comprises a number of stages that culminate in Parliament passing a statutory order (setting out the additional functions that will be devolved to the MCA) (Powers Order) into law. The next steps, following the completion of the consultation, including indicative milestones, are as follows: -

- A summary of the consultation responses received, which is then considered by the MCA, who then take a decision to submit this to the Secretary of State (SoS), with any accompanying representations. No later than week commencing the 13th April 2020.
- The SoS considers the material submitted and produces a draft Powers Order setting out the powers needed to implement the Deal, subject to the statutory tests being met. Mid-April to mid/end May 2020.
- The constituent councils, the Mayor and the Mayoral Combined Authority consent to the draft Powers Order. By 8th June 2020.
- The Powers Order is laid in parliament – following the provision of the necessary consents and passes into law. Before summer recess.

- 4.2 By meeting the above timetable, South Yorkshire has the potential to gain access to the benefits of the Devolution Deal (including release of the gainshare funding) by the summer. Should there be any delays in this process, the legislative process is unlikely to conclude until October, given parliamentary recess periods.
- 4.3 In order to maximise the region's ability to complete this process by the summer, it is proposed to delegate to the Chief Executive, in consultation with the Leader of the Council and the Monitoring Officer, authority to progress and conclude the legal steps required of the Authority necessary to implement the Devolution Deal. This includes consenting on behalf of the Authority to the enabling Powers Order, provided this corresponds with the proposals set out in the SCR MCA's Governance Review and Scheme. In determining whether to consent to the draft Powers Order the results of the consultation exercise will be taken into consideration.
- 4.4 Consent to the Order does not prejudice Barnsley's preferred position that it wishes to take advantage of future options to move to a wider Yorkshire Devolution arrangement as such opportunities emerge neither does such consent preclude it from exercising such options.

5. CONSIDERATION OF ALTERNATIVE APPROACHES

- 5.1 **Do nothing** – if these delegations are not put in place it is extremely likely that the parliamentary process will not be completed prior by the summer. This would mean a delay in the benefits of the Deal being secured for the people and communities of South Yorkshire.

6. FINANCIAL IMPLICATIONS

- 6.1 Initially by implementing the Devolution Deal South Yorkshire will secure an additional £30m per annum of funding for economic development for 30 years. It will also mean that the MCA could benefit from wider borrowing powers for more than just for transport schemes as currently; representing a significant opportunity to successfully manage the area's investment profile. In addition, subject to meeting certain criteria the area will gain control over the 19+ adult education budget, equating to c.£35m per annum.
- 6.2 Having in place these wider powers will be likely to secure further devolved funds and flexibilities for South Yorkshire from Government. Government has agreed additional funds and powers for other MCAs on a range of issues including housing, homelessness, responding to economic shocks, and employment support.

7. LEGAL IMPLICATIONS

- 7.1 Following the completion of the consultation process a summary of the responses received will be prepared and presented for the Authority's approval for submission to the Secretary of State (SofS). If the SofS is satisfied that this meets the requisite statutory tests they can prepare a draft Powers Order for the consent of each constituent council, the Mayor and the MCA. When these consents have been provided the legislation can then progress through parliament.

8. COMMUNICATIONS IMPLICATIONS

- 8.1 Building on the work undertaken around the public consultation it will be important to continue to set out the benefits that devolution can bring to people, communities and businesses across South Yorkshire. This includes providing a clear overview of the progress being made in progressing the Order and thus when the benefits will be unlocked.

9. PROMOTING EQUALITY, DIVERSITY AND SOCIAL INCLUSION

- 9.1 An equalities impact assessment will be produced to sit alongside the summary of the consultation responses. In addition, individual impact assessments will be produced in the progression of individual elements of the Deal, for example, the devolution of the adult education budget.

10. RISK MANAGEMENT ISSUES

- 10.1 By continuing to progress the Devolution Deal the MCA has the opportunity to unlock additional powers and resources in the region to deliver local priorities and the outcomes identified in the Strategic Economic Plan (SEP). As such, this seeks to mitigate the risk of SCR's economic performance falling relatively further behind those areas that do have access to these additional resources.

11. APPENDICES

Annex A – Governance and Scheme

12. BACKGROUND PAPERS

If you would like to inspect background papers for this report, please email governance@barnsley.gov.uk so that appropriate arrangements can be made

Report author: Andrew Frosdick, Executive Director Core Services