

Executive

14 February 2023

Report of the Chief Operating Officer
Portfolio of the Leader of the Council

York and North Yorkshire Devolution – Outcome of Consultation

Summary

1. Following approval from Executive and Full Council in October 2022, City of York Council and North Yorkshire County Council undertook statutory consultation on a Scheme related to the governance arrangements required to implement the proposed Devolution Deal, which was published on 1 August 2022.
2. The overall response to the consultation on the proposed areas of change was positive, with the majority of respondents (54%) supporting or strongly supporting the proposed governance arrangements in the scheme, including an elected Mayor and a Mayoral Combined Authority, to unlock the benefits of the devolution deal. Around a third (32%) of respondents opposed or strongly opposed the proposals.
3. This report summarises the outcome of the consultation, the comments and suggestions received, identifying possible amendments to the Scheme based on those suggestions. It recommends the submission of the consultation summary to Government, which, if approved, would allow Government to undertake the next stages of the statutory process.
4. North Yorkshire County Council is also considering the same issues. The approval of both Councils to submit the consultation summary and Scheme is required for the statutory process to progress.
5. Amendments to the York and North Yorkshire Joint Devolution Committee arrangements are also proposed and a recommendation for authority to be delegated to the Chief Operating Officer, in consultation with the Leader of the Council, to give consent to the draft Order resulting from the submission of the Scheme.

Recommendations

6. The Executive is asked to:

1) Approve :

- a. The submission of a Consultation Summary Report to Government.

Reason: to inform the Secretary of State of the consultation outcome, allowing him to consider the next stages of the statutory process facilitating the creation of a York and North Yorkshire Combined Authority.

- b. Amendments to the Scheme and proposals for the operating model of the Combined Authority outlined in paragraph 92, for submission to Government.

Reason: to utilise the information received during the consultation to improve the proposed governance arrangements.

- c. The delegation of authority to the Chief Operating Officer, in consultation with the Leader of the Council, to undertake any action necessary to submit the Consultation Summary Report and Scheme to Government, in line with recommendations 1a and 1b.

Reason: to facilitate the submission of the required documents to Government within the required timescales.

- d. Amendments to the Terms of Reference for the York and North Yorkshire Joint Devolution Committee outlined in paragraphs 103-107 and attached at Annex 2

Reason: to ensure appropriate, robust and transparent decision-making.

- e. The delegation of authority to the Chief Operating Officer, in consultation with the Leader of the Council, to undertake any action necessary to provide consent to the Order facilitating the creation of the Combined Authority in line with the scheme submitted to Government, as outlined in paragraph 115

Reason: to allow the progress of the statutory process facilitating the creation of the Combined Authority.

- 2) Refer the decisions required in recommendations 1a to 1e above to Full Council.

Reason: To ensure the views of all Members of the Council are taken into account on this matter.

Background

7. On 1 August 2022 the Secretary of State for Levelling Up, Housing and Communities announced that the Government was minded to enter into a Devolution Deal with York and North Yorkshire under which the region would benefit from £540 million of new Government investment to spend on local priorities to produce growth, together with a range of devolved powers. This Devolution Deal is dependent upon the York and North Yorkshire Authorities establishing a Combined Authority for the area with an elected Mayor. The full detail of the Deal can be found here: <https://www.gov.uk/government/publications/york-and-north-yorkshire-devolution-deal/york-and-north-yorkshire-devolution-deal#summary-of-the-devolution-deal-between-the-government-and-the-local-authorities-of-york-and-north-yorkshire-comprising-city-of-york-council-and-north-yorkshire-council>
8. In September and October 2022, the two Councils agreed to publish a Scheme to describe the governance of a new Combined Authority and to consult upon the Scheme. The consultation was held for 8 weeks from October to December.
9. The next step is to consider the consultation responses and determine if there needs to be any amendment of the Scheme. Agreement is then needed on whether to submit the Scheme and a consultation summary to Government to allow the Secretary of State to consider putting in place the legislation to facilitate the creation of the Combined Authority.

Consultation Methodology

10. The consultation was launched at the LEP Annual Conference event (York & North Yorkshire Business Summit) on 21st October 2022, attended by 235 people representing businesses, residents and

organisations across the region. The consultation ended on 16th December 2022.

11. The consultation process was designed to be as broad and accessible as possible, using multiple channels to gather information from different stakeholder groups. More information on the methodology is included in Annex 1.
12. The views of all interested parties were welcomed and, in addition, specific stakeholder groups were identified to ensure communications and events were arranged to provide all groups the opportunity to contribute. Alongside residents' views, the process sought responses from organisations working in areas related to the functions of the combined authority, including some who would be directly affected by the proposed changes. 300 information and advocacy sessions were hosted across a range of public meetings, partner meetings, networking, business and public engagement events. A list of 430 stakeholders received letters to highlight the consultation and to request their views.
13. An online survey was identified as the most efficient way of collecting views across the area. However, it was recognised that this would not be appropriate for all potential respondents. A demographic breakdown of the population across York & North Yorkshire was developed as part of an analysis of digitally excluded residents in the region. This information informed the communications methods employed to reach all groups in the population. The commissioned work also includes a summary presentation of data related to age, ethnicity, and long-term health problems/disability. Work with partners was undertaken to reach residents with protected characteristics. This information was also used to inform a series of focus groups targeted at "seldom heard" populations including those with protected characteristics.
14. A devolution branded website (www.ynydevolution.com) was launched as the proposed deal was announced in August 2022. The website invited visitors to take part in the consultation, providing an animation and an explainer video that detailed the contents of the consultation document. All FAQs and consultation events were also listed on the devolution website.
15. The primary route for feedback was via the Commonplace online platform, which provided a questionnaire and held background information including the Governance Review, Scheme and Frequently Asked Questions. For the questionnaire, each of the questions had a

summary introduction and an opportunity for the participant to indicate the strength of their feeling from strongly support to strongly oppose. A comment box was available after each question to add the reasons for responses.

16. All consultation documents were hosted on the Commonplace platform with links from the devolution website. The documents were available to download. As well as the opportunity to complete the survey online, paper copies of the survey and documents were available in libraries and at public events. A prepaid envelope for consultees who wished to submit their responses by post was available. Respondents were able to hand in their response at local libraries, where it was scanned and forwarded to the consultation email address.
17. The consultation materials were produced in different accessible formats e.g., Braille to encourage participation. Available on request were translations in the following languages and a large print version:
 - a. Arabic
 - b. Kurdish
 - c. Pashto
 - d. Romanian
 - e. Polish
 - f. Dari
 - g. Ukrainian
 - h. Bengali
 - i. Farsi
18. Both the website and Commonplace platform and sign-posting on social media encouraged people to ask questions regarding the consultation (in addition to the questionnaire responses.) Questions and comments were invited via an email address and through social media. All questions and comments received were logged, and where appropriate responses were provided. Additional FAQs were developed against recurring themes and hosted on both the devolution website and the Commonplace platform.
19. A series of 10 focus groups were held to reach stakeholders identified as “seldom heard” and those with protected characteristics. These focus groups were facilitated by Westco Communications.
20. Across York and North Yorkshire a series of public events were held. In North Yorkshire, these public events and the wider devolution consultation were promoted to residents through the wider Let’s Talk consultation campaign. The events were shared on devolution channels

and partners were also encouraged to promote them. Conversations in these meetings were noted to inform the consultation, along with insights recorded from targeted engagement events with partners and their audiences.

21. Considerations were made for how to engage the 'silent majority'. A regionwide local media and radio broadcast campaign signposted towards the consultation. Devolution branded social media channels were launched to promote the consultation. These platforms shared content from the announcement of the proposed deal in August 2022. The consultation campaign prioritised Facebook, with additional content on Twitter and Linked In. The social media campaign that generated 1.6 million impressions and 10,000 link clicks throughout the consultation period, taking users directly to the survey and a devolution website. The campaign on the Devolution branded platforms was supported and supplemented by aligned campaigns on the CYC and NYCC social platforms
22. Information about the devolution consultation was shared via partner newsletters to a range of audiences reaching residents, businesses, and partner organisations. A devolution branded communications pack was developed and shared with partners to encourage their promotion of the consultation across their own social media platforms.

Consultation Results and Analysis

23. The full analysis of the responses, carried out by the Consultation Institute, across the different consultation channels, is included at Annex 1. The summary below of the responses is intended only to highlight some of the key themes, and full consideration should be given to the full analysis to provide the context of the comments received.
24. The consultation provided the following engagement:
 - a. 564 people through offline activities, including engagement sessions.
 - b. 20 emails via the dedicated enquiries mailbox
 - c. 1971 online survey responses
 - d. 83 residents and landowners across 10 focus groups
 - e. 23 letters received.
25. This response rate appears high in comparison to devolution consultation held elsewhere in the country.

26. Across all questions asked and all key themes within the consultation, there is overall support for the proposals set out in the Scheme, with the positive responses outweighing the negative.

Overall Governance

27. The question asked:

“Do you support or oppose our proposals for the governance arrangements in the scheme, including an elected Mayor and a Mayoral Combined Authority, to unlock the benefits of the devolution deal?”

28. The online survey produced the following results:

Response	No.	%
Oppose/Strongly Oppose	621	32%
Neither support nor oppose	238	12%
Support/Strongly Support	1,073	54%
Don't Know	39	2%
Grand Total	1,971	100%

29. For those who Supported or Strongly Supported (**54%**), reasons included:

- a. Increased democratic accountability
- b. The ability to magnify the voice of York and North Yorkshire
- c. The power of the Mayoral role, although some concerned by the role
- d. Increased accountability through local knowledge
- e. The additional funding available through the Deal
- f. Previous experience of the benefits of this model.

30. Some supporters had concerns about unintended additional bureaucracy.

31. For those who Opposed or Strongly Opposed (**32%**), reasons included:

- a. Concerns about increased bureaucracy
- b. A lack of democratic accountability
- c. Concern over the power concentrated in the Mayoral role.

- d. Potential for decrease in local accountability.
- e. That York and North Yorkshire is too large and diverse an area
- f. That the proposals don't go far enough
- g. Concern around additional private sector influence
- h. Concern that political tensions or alignment will influence priorities.

32. For those unsure (Neither support nor oppose or Don't Know) (14%), reasons included:

- a. Lack of information provided or not well enough defined
- b. Increased levels of bureaucracy
- c. Concerns over the Mayoral role
- d. Democratic accountability
- e. Decrease in local accountability
- f. Proposals don't go far enough.

33. From stakeholders, the comments largely mirrored those of the online response, with letters giving broad support for strong local leadership through this model. There was a desire to retain the strengths of the PFCC model in its reach into operational services. There was some concern as to the scale of the MCA and a desire for representation to be proportionate to population. However, others welcomed the equal representation and the need for consensus. The challenges of dealing with such diversity across the sub-region were also raised.

34. From offline engagement (which includes focus groups, stakeholder letters, events, comments and enquires), there was a desire for an inclusive and equitable MCA, with economic development and investment opportunities spread evenly across the area. There was optimism that the role of the Mayor could speak up for the region, although concerns were expressed that there was too much power vested in one person.

35. In conclusion, there is overall support for the MCA model proposed within the scheme. Concerns about increased bureaucracy are mitigated by the LGR process in North Yorkshire, and the fact that the functions are already largely being delivered by other government agencies. The MCA therefore provides administrative functions at a more local level, rather than increasing the scope of those functions.

36. Whilst power is clearly concentrated in the Mayoral role, the Scheme sets parameters for the discharge of powers which, ultimately, requires a level of consensus for most decisions to be made.

Funding and Finance Functions

37. The question asked:

“Do you support or oppose the proposal for a York and North Yorkshire Mayor and Mayoral Combined Authority to have these finance functions?”

38. The online survey produced the following results:

Response	No.	%
Oppose/Strongly Oppose	576	36%
Neither support nor oppose	219	14%
Support/Strongly Support	770	49%
Don't Know	22	1%
Grand Total	1,587	100%

39. For those who Supported or Strongly Supported (**49%**), reasons included:

- a. Enhanced local accountability
- b. Access to additional funding
- c. Reduced political tensions
- d. Potential for equitable distribution of funds
- e. Provide a local voice on the national stage
- f. Potential for more strategic investment
- g. Essential strategic enabler for the Mayor.

40. Some supporters had concerns over the lack of detail and potential for increased bureaucracy.

41. For those who Opposed or Strongly Opposed (**36%**), reasons included:

- a. Concern over value for money
- b. Concern over Mayoral role
- c. Potential for a decrease in local accountability
- d. Potential for increased bureaucracy
- e. Potential for inequitable distribution of funds
- f. Concern that the area is too diverse for consistent approaches to precepts/levies
- g. Funding is not enough

h. Not convinced devolution is needed.

42. For those unsure (Neither support nor oppose or Don't Know) (15%), reasons included:
- a. Concerned about tax increases
 - b. Funding is not enough
 - c. Lack of information to make a decision
 - d. Potential for increased bureaucracy
 - e. Concerns over democratic accountability
 - f. Concerns over the Mayoral role
43. From stakeholders, there was a view that the organisations should be kept slim and overheads kept to minimum. The additional investment potential was welcomed, although some considered that it was not enough.
44. From offline engagement, there was support for increased investment, but concern about additional overheads and bureaucracy. The opportunity for longer term planning was noted, but with a desire that local issues are addressed and that the funding should be as flexible as possible.
45. In conclusion, there is a widespread desire for the MCA to keep overheads to a minimum and reduce any additional bureaucratic burden. In terms of the powers for additional precepts on Council Tax, it is worth noting that most MCAs have this power but do not currently do this. Only Greater Manchester Combined Authority and the Mayor of London raised a precept in 2022/23, whilst Liverpool City Region Combined Authority froze the precept. Whilst the funding on offer may be considered to be too small, the Deal represented a negotiation within the latter stages of a Spending Review period, and other Mayoral areas have benefitted from additional Government funding in subsequent years. In this sense, the Deal is only the day one offer, with the Mayoral model appearing to be the most effective set of arrangements for maximising the potential for future investment.

Net Zero, Climate Change and Natural Capital

46. The question asked:
“Do you support or oppose the proposal for a York and North Yorkshire Mayoral Combined Authority to work with Government on Net Zero, Climate Change and Natural Capital?”

47. The online survey produced the following results:

Response	No.	%
Oppose/Strongly Oppose	354	23%
Neither support nor oppose	205	13%
Support/Strongly Support	980	63%
Don't Know	14	1%
Grand Total	1,553	100%

48. For those who Supported or Strongly Supported (**63%**), reasons included:

- a. Climate action is a high priority
- b. Mayor has crucial role
- c. Investment in renewable energy and green engineering in YNY
- d. Improved quality of life.

49. For those who Opposed or Strongly Opposed (**23%**), reasons included:

- a. Concerns over the Mayoral role
- b. Proposed funding being too small
- c. Proposals don't go far enough
- d. Social inequity of net zero actions
- e. Disagree with principles of net zero

50. For those unsure (Neither support nor oppose or Don't Know) (**14%**), reasons included:

- a. Lack of information to make a decision
- b. Lack of faith in national commitment to this agenda
- c. Should be a national, not regional issue
- d. Diversity of need across the area

51. From stakeholders, there was significant support for the proposals. The opportunity to work with government was welcomed, although some organisations felt the proposals didn't go far enough or the funding was too little.

52. From offline engagement, there was broad agreement to include this area, but concerns about whether it could be achieved with the resources on offer.

53. In conclusion, there was a very positive response to this proposal, with concerns around the scale, funding and potential for equitable distribution of activities. The Deal itself outlines a commitment for Government to work with the MCA on these areas, giving the potential for greater impact (through funding or policy) in the future. Conversely, without progressing the deal, there would be no new funding and no commitment for more collaborative working from Government.

Transport

54. The question asked:

“Do you support or oppose the proposal that a York and North Yorkshire Mayoral Combined Authority and Mayor takes on these Transport functions?”

55. The online survey produced the following results:

Response	No.	%
Oppose/Strongly Oppose	364	24%
Neither support nor oppose	219	14%
Support/Strongly Support	942	61%
Don't Know	13	1%
Grand Total	1,538	100%

56. For those who Supported or Strongly Supported (**61%**), reasons included:

- a. Need for change in the current transport system
- b. Essential in achieving net zero goals
- c. A local focus is required
- d. Specific road improvements are required
- e. Potential for partnership working
- f. Potential for reorganisation of bus network
- g. Potential for bus and rail integration
- h. Experience from elsewhere
- i. Geography makes strategic planning essential
- j. Potential for active travel to be prioritised
- k. Support effective economic links.

57. For those who Opposed or Strongly Opposed (**24%**), reasons included:
- Bus franchising doesn't work
 - Too big an area to reflect diversity
 - Don't agree with Mayoral model
 - Funding not enough to address challenges
 - Potential decrease in local accountability
58. For those unsure (Neither support nor oppose or Don't Know) (**15%**), reasons included:
- Too big an area to reflect diversity
 - Lack of information to inform decision
 - Concerns over Mayoral role
 - Insufficient funding to deliver the proposal
59. From stakeholders, the potential for strategic transport planning at a YNY level was broadly welcomed. The need to reflect climate action in planning was referenced, alongside the need to better connect rural communities. The introduction of a Key Route Network was welcomed by one respondent, whilst also suggesting that Enhanced Bus Partnership working was preferable to the use of the bus franchising powers.
60. From offline engagement, there was a clear recognition that transport improvements are needed to advance education and employment opportunity. Public transport in rural areas was seen as key to this.
61. In conclusion, there was strong support for Transport being included as proposed. It is recognised that the MCA needs to operate in a way which balances local and strategic need. This needs to reflect the diversity of transport needs across the sub-region. Similar to previous questions, the perceived lack of funding is mitigated by the opportunity presented to make the case for additional funding in future spending rounds.

Housing and Regeneration

62. The question asked:
"Do you support or oppose the proposal that a York and North Yorkshire Mayoral Combined Authority and Mayor takes on these housing and regeneration functions?"
63. The online survey produced the following results:

Response	No.	%
Oppose/Strongly Oppose	406	27%
Neither support nor oppose	248	16%
Support/Strongly Support	850	56%
Don't Know	20	1%
Grand Total	1,524	100%

64. For those who Supported or Strongly Supported (**56%**), reasons included:
- Welcomed brownfield development as opposed to greenbelt sites
 - Hoped for improved social housing conditions
 - Need for energy efficient homes
 - Need for affordable and adequate housing in rural areas
 - Potential to regulate the second/holiday home market
 - Ensure housing built with adequate local facilities
 - Use local experience
 - Refresh the approach to housing and regeneration
65. For those who Opposed or Strongly Opposed (**27%**), reasons included:
- Don't see need for Mayor in these functions
 - Concern over democratic accountability
 - Concerns over environmental and infrastructure damage
 - Loss of greenbelt land
 - Failure to prioritise climate change mitigation
 - Need to increase local involvement in planning
 - Concerns over Mayoral role
 - Not enough funding
 - Concerns over increased bureaucracy
 - Decrease in local accountability
 - Lack of information to inform decision
66. For those unsure (Neither support nor oppose or Don't Know) (**17%**), reasons included:
- Lack of information to enable decision making
 - Potential for decrease in local accountability
 - Doubts over ability to address second home ownership
 - Concerns over ability to address affordable housing challenges

- e. Need to concentrate on environmentally friendly homes
- f. Need to increase local involvement in planning

67. From stakeholders, the priority of low carbon affordable homes was noted by all respondents. There was a strong desire to work in partnership to deliver affordable, efficient homes across all areas of York and North Yorkshire. North Yorkshire Moors National Park Authority appreciated the requirement for their statutory planning and place making powers, in particular the need for consent to Mayoral Development Areas within their boundaries. They asked that the clear wording within one part of the Scheme be duplicated in another section for clarity on this point.
68. From offline engagement, affordable housing was highlighted as a priority, recognising that this enabled local people to stay in the area. There was consensus that development must be accompanied by additional infrastructure and facilities.
69. In conclusion, there is support for these powers to be transferred to the MCA and Mayor. Many of the concerns raised relate to the way in which the powers might be used or the impacts that might have. As Local Plans will be retained at a local authority level, land use concerns are largely not related to the specific powers discussed. Local consent would be required for Mayoral Development Areas within each council or National Park Authority area.
70. The suggestion of North Yorkshire Moors National Park Authority to align wording in different parts of the Scheme to ensure clarity on the need for local consent is recommended.
71. Local authorities will retain existing planning functions, so it is expected that there will be the same approach to local input and accountability for most planning decisions.

Skills and Employment

72. The question asked:
“Do you support or oppose the proposal to move these skills and employment functions to a York and North Yorkshire Mayoral Combined Authority?”
73. The online survey produced the following results:

Response	No.	%
Oppose/Strongly Oppose	336	22%
Neither support nor oppose	253	17%
Support/Strongly Support	919	60%
Don't Know	23	2%
Grand Total	1,531	100%

74. For those who Supported or Strongly Supported (60%), reasons included:

- a. Education is viewed as central to the region's economic performance and individual employability
- b. A focus on the green economy
- c. Adult education tailored to local need
- d. Opportunity to foster skills of young people
- e. Potential for vocational route to employment
- f. Importance of local knowledge
- g. Benefit seen elsewhere
- h. Provides a structured and strategic response to skills and employment needs.
- i. Needs to be equitably applied across the area.

75. For those who Opposed or Strongly Opposed (22%), reasons included:

- a. Opposition to the Mayoral model
- b. Potential for increased bureaucracy
- c. The scale of the problem needs a national solution
- d. Lack of information to make a decision
- e. Best handled at a local authority level
- f. Too big to address the diversity of the area
- g. Concerns over the Mayoral role.

76. For those unsure (Neither support nor oppose or Don't Know) (19%), reasons included:

- a. Lack of information to make a decision
- b. Too big to address the diversity of the area
- c. Potential for increased bureaucracy
- d. Need for local input to planning.

77. From stakeholders, there was broad support for the proposals, highlighting the benefits of skills provision aligned to local need. There was a consistent view that green skills should be prioritised and that there should be opportunities spread evenly across the region.
78. From offline engagement, similar comments were made.
79. In conclusion, there was broad support for the proposals, particularly to support the alignment of the skills agenda within local need. Specific concerns related to the ability of the MCA to reflect and response to the diverse needs across the large geography. However, in this case, the Adult Education Budget is currently administered by the Education and Skills Funding Agency, which is a national body. The MCA is, therefore, closer to whole of York and North Yorkshire. Consideration should be given to how the discharge of these functions can take into account more local variation in need.

Police, Fire and Crime Commissioner Functions

80. The question asked:
“Do you support or oppose the proposal to move Police, Fire and Crime Commissioner functions to a York and North Yorkshire Mayor?”

81. From the online survey produced the following results:

Response	No.	%
Oppose/Strongly Oppose	447	29%
Neither support nor oppose	243	16%
Support/Strongly Support	826	54%
Don't Know	18	1%
Grand Total	1,534	100%

82. For those who Supported or Strongly Supported (**54%**), reasons included:
- Provides a holistic overview of services
 - Will ensure a broad alignment with other strategic action
 - It improves on the existing model
 - Allows rationalisation and reduced costs
 - Enhances local accountability

83. For those who Opposed or Strongly Opposed (**29%**), reasons included:
- a. Opposition to the Mayoral Model
 - b. Potential for increased bureaucracy
 - c. Current arrangements are working
 - d. Loss of democratic accountability
 - e. Concern over Mayoral role
 - f. Too big to address the diversity of the area
 - g. Doesn't go far enough in delivering devolution
 - h. Lack of information to make a decision
 - i. Concerns over politicising the role.
84. For those unsure (Neither support nor oppose or Don't Know) (**17%**), reasons included:
- a. Concerns over funding
 - b. Not seeing significant difference from existing model
 - c. Lack of information to make a decision.
85. From stakeholders, there were relatively few responses to this question, but support from those that did. The North Yorkshire Police, Fire and Crime Commissioner fully supported the proposals, on the basis of continuity of existing arrangements, retaining existing governance, structures and collaborations.
86. From offline engagement, there was a desire for greater visibility of the work on Police, Fire and Crime. Some comments questioned who the Mayor would be accountable to and how they would have the expertise in such a specialist area.
87. In conclusion, there was support for the proposals. The Mayor would replace another elected position in terms of the Police, Fire and Crime Commissioner, and would be supported by an appointed Deputy Mayor. This appears to strike a balance between democratic accountability and specialisms. It is clear that there is a need for continuity of the governance and structural arrangements in place, which is allowed for in the scheme.

General Comments

88. A wide range of views were expressed across all areas of the consultation. There were, however, some recurring concerns which were expressed in each section above. The most frequent were:

- a. Lack of information to make a decision – the consultation specifically related to the Scheme, as is required by the statutory process. Inevitably, it is not possible to provide all the detail of the workings an MCA which requires nine further months of development to become operational. Similarly, it is not possible to predict the decisions taken by the future MCA to give an indication of distribution of resources. For that reason, the consultation asked about the governance principles rather than the specific future outcomes of the Deal.
- b. Loss of democratic accountability – There was a concern about concentrating power within the Mayoral role and whether this reduced democratic accountability. The functions of the MCA are currently administered across a range of accountable bodies, which are not necessarily locally democratically accountable. The Mayor will be locally elected, as will the other voting members of the MCA. For this reason, in relation to the functions to be transferred, there is no significant loss of local accountability.
- c. Too big to address the diversity of the area – there was some concern about the scale of the MCA and its ability to represent all areas. The emphasis of the scheme, including voting arrangements seeks to prioritise collaborative working for the whole of York and North Yorkshire, rather than focussing on separate areas. This means all members will work on behalf of the whole area. The principles of the levelling up agenda, under which the Deal was agreed, support the notion of equality of access and opportunity.
- d. Potential for increased/additional layer of bureaucracy – Whilst the MCA would constitute a new organisation, its functions are limited to very specific areas, which include a number of powers that are currently generally administered from Whitehall. The concern to ensure there is no additional financial burden on the area is understood and the structural design of the MCA will have to take into account the ongoing funding available. The Local Government Reorganisation process has already removed a tier of government in North Yorkshire. Whilst some decisions would be considered at the MCA level, a number of decisions that currently are made at Whitehall would be made more locally at a regional basis through the MCA. For this reason, it is considered that the risk of additional bureaucracy is minimal and is worth the reward of additional funding/powers.

Overall Consultation Conclusions

89. The consultation represents a broad and thorough gathering of views in respect of the proposed governance arrangements. The quality assurance given to date by the Consultation Institute provides confidence that the results are reflective of public opinion.
90. Overall, in each aspect of the deal, the sentiment was more positive than negative. This suggests that, in broad terms, the proposed Scheme reflects a set of arrangements which are acceptable to the majority of interested residents and stakeholders.
91. However, to optimise the governance arrangements, proposals might be adjusted in some specific ways to take on board the comments received, and address concerns expressed. It is recommended that the following amendment is made to the scheme, as a result of the consideration of consultation responses:
 - a. That the Scheme be updated to harmonise the wording of the multiple references to the need for consent of the National Parks Authorities for a Mayoral Development Area within their boundaries.
92. Additionally, the following more general points were picked up which should be considered in the design of the Combined Authority, or recommended to the Combined Authority once established:
 - a. Ensuring that meetings are accessible, digitally and physically to allow engagement from across the whole sub-region.
 - b. Consideration of how local knowledge can be utilised by the MCA to ensure that proposals reflect and address local need in an equitable way.
 - c. Similarly, consideration should be given to the ways in which the MCA can balance local and broader strategic need, in areas such as transport and regeneration.
 - d. Given the view that funding is not sufficient to address all challenges, the design of the MCA should seek to support the development of strong cases for additional investment in the sub-region.

Options

93. There are three options in terms of the response to the consultation, as follows:

- a. Option 1 – Submit the consultation summary and Scheme to Government without amendment.
- b. Option 2 – Decide not to submit the consultation summary and scheme to Government.
- c. Option 3 - Amend the Scheme based on the information received and submit it to Government alongside the consultation summary.

Analysis

94. **Option 1** – This option would be appropriate if it is considered that the consultation has not shown any amendments to be necessary to the Scheme and there is confidence that the governance arrangements described by the Scheme are appropriate to support the effective discharge of public functions.
95. Whilst no issues raised by the consultation suggest that the process should not proceed, the suggestions raised in paragraphs 92 and 93 above are helpful in improving the model of Governance proposed. It is, therefore, **not recommended** that they be excluded from the Scheme to be submitted.
96. **Option 2** – It would be appropriate to decide not to submit the Scheme and Consultation Summary if it was felt that the consultation process has not been robust or that issues raised cannot be addressed satisfactorily at this point. The implications of that would be that the process would halt. The Deal would not be completed, the Combined Authority could not be created and no powers of funding would be conferred.
97. The quality assurance provided by the Consultation Institute to date suggests that the consultation process has been robust.
98. There are no issues raised which appear to be of a severity to suggest that they cannot be addressed or that the process should not proceed. The option not to submit is, therefore, **not recommended**.
99. **Option 3** – It would be appropriate to amend the Scheme if information received has identified changes that are likely to improve the Governance arrangements. The Scheme could only be amended within parameters of the proposed Devolution Deal.

100. The possible amendment outlined in paragraph 92a above is a simple change for clarity, within the existing scope of the Devolution Deal. It does not impact on the agreed parameters and ambition within the Deal so, whilst it must be acceptable to Government, it is unlikely to require renegotiation of any element previously agreed.

101. To capitalise on the information gained from the consultation, and the ambitions of both City of York Council and North Yorkshire County Council, this option is **recommended**.

Joint Committee

102. City of York Council and North Yorkshire County Council's Executive approved the creation of a Joint Devolution Committee in order to allow decisions to be taken jointly and transparently in respect of the creation of a new Combined Authority.

103. Membership of the committee includes two members from each council, with the Police, Fire and Crime Commissioner and Chair of the LEP attending as non-voting members. Both City of York Council's and North Yorkshire County Council's Executives agreed their members as follows:

- a. City of York Council – Cllr. Keith Aspden and Cllr. Paula Widdowson
- b. North Yorkshire County Council – Cllr. Carl Les and Cllr. Gareth Dadd

104. This was notified to each Monitoring Officer and this information uploaded to the website for the meeting, hosted by North Yorkshire County Council.

105. The first meeting of the Joint Committee was held on 30 November 2022. At the meeting, it was agreed to amend the Terms of Reference in relation to two aspects as follows:

- a. It was agreed that instead of electing a Chair and Vice Chair, Cllr Aspden and Cllr Les would be joint chairs, alternating between meetings.
- b. It was agreed that the Committee's remit should be widened to include non-Executive members to act as substitutes and therefore to amend the Committee from being a purely joint executive committee to a committee that can exercise council and executive functions.

106. The Terms of Reference have been updated to reflect these changes, attached as Annex 2. Executive is recommended to approve the revised Terms of Reference.

Broader Devolution Workstreams

107. As part of the Devolution Deal, funding was identified across several areas which required proposals to be developed prior to the establishment of the proposed Mayoral Combined Authority.

108. £2.65m for Affordable Low Carbon Housing in 2022/23 was included in the Deal. Businesses cases from York, Scarborough and Craven were submitted before Christmas. York's business case has been approved with Scarborough and Craven's expected shortly.

109. Funding programmes for Brownfield and Net Zero were open for expressions of interest between New Year and 6 February. These will be shortlisted for agreement at the Joint Committee on 13 March, after which Full Business Cases will be required. It is anticipated that successful projects will be identified in August 2023, with funding awarded at the point the MCA is established.

110. The business case for additional support for York Central was also submitted before Christmas. All information requests from Government have been satisfied and officers are awaiting confirmation of the approval timeline.

111. Within the devolution deal it stated York and North Yorkshire is seeking to become a trailblazer in natural capital investment, which will be core to delivering economically whilst also realising its ambition to become England's first carbon negative region. Government, which is committed to increasing private investment in nature's recovery across England, will support York and North Yorkshire in the development of a Natural Capital Investment Plan. In late December 2022, York and North Yorkshire were invited to submit a proposal to DEFRA to progress this investment plan and explore investment models. This was submitted in early February 2023.

Next Steps

112. If Executive and Full Council of both North Yorkshire County Council and City of York Council approve the submission of the Scheme and

Consultation Summary, the Chief Operating Officer will oversee any necessary amendments to the documents requested by Executive. Both reports will then be submitted to Government as soon as is practicable. This will be communicated to residents and stakeholders, including a “You said, We did” summary to explain how the feedback has been used.

113. Following this, the Secretary of State will need to decide whether to make the Order and as part of this process must consider whether the Order is likely to improve the exercise of the statutory functions in York and North Yorkshire. The Secretary of State must also have regard to the need to reflect the identities and interests of local communities, and secure effective and convenient local government. Subject to the Secretary of State being so satisfied, details of the Scheme will then be embodied in the draft statutory Order to establish a Mayoral Combined Authority.

114. At this point the formal consent to the making of the Order will be required from each of the Constituent Councils. It is likely that these consents will be sought in July 2023 to allow the Order to be laid prior to the summer recess. This is necessary to enable a mayoral election to take place in May 2024 and further to enable the first gainshare payment to be received during this financial year.

115. Given the required timescales, delegated authority is requested to allow the Chief Operating Officer to take necessary actions to provide consent to the Order on the basis that it is in line with the agreed Scheme.

116. A part of the parliamentary process, and potentially in parallel with the request for consent set out in paragraph 115 above, the draft Order will also be considered by Parliament’s Joint Committee on Statutory Instruments (JCSI). Their role is to focus on the technical quality of the draft Order as opposed to the policy content and amendments at this point would be those required to ensure that the Order is well drafted.

Council Plan

117. The proposals within this report relate to significant changes which would have major impacts on governance and levels of investment across York and North Yorkshire. There is significant potential for additional investment and more local decision making in areas which support all strands of the Council Plan.

Implications

118. **Financial** – Subject to the approval of the Secretary of State, the implications of the recommendations are that the funding agreed within the Devolution Deal would be received by the Combined Authority.
119. The previous Executive Report (linked in Background Papers) outlined the financial elements of the deal, in addition to the arrangements for the cash flow of transitional costs prior to Mayoral and the risk share if the Devolution Deal did not proceed.
120. **Human Resources (HR)** - Subject to the approval of the Secretary of State, the implications of the recommendations are that a new organisation, the MCA, would be created. This would involve the transfer of staff from YNYLEP, OFPCC and potential both councils. The development of a possible staffing structure is currently being considered as part of the considerations of the potential to create a combined authority should the Councils agree to submit the consultation responses and the Scheme and government agree to create a MCA.
121. For roles which would not be filled through staff transfer, recruitment would be undertaken to provide the required skills and capacity within the MCA, including within the statutory roles.
122. It is intended that the transfer of staff would take place at the inception of the MCA, apart from OFPCC staff who would transfer after the election of a Mayor in May 2024, when the MCA would receive PFCC powers.
123. **One Planet Council / Equalities** – As outlined above in paragraphs 10-22, the consultation was designed to be as inclusive as possible, to capture the views of people representing all protected characteristics. The results of the consultation have been analysed and any possible impacts related to a particular group have been sought. It had been hoped that comments received from the online questionnaire could be filtered to allow the identification of feedback from people with specific Protected Characteristics. However, due to constraints of GDPR and concerns about the identifiability of individuals, it was not possible to isolate these responses. All responses received are therefore contained within the overall analysis. A full EIA is attached at Annex 3. At this stage, no specific detrimental impacts have been identified. There is a strong possibility that greater local decision making, and investment could have positive impacts for people with protected characteristics, although this will be determined by the decisions taken by the Combined

Authority in the future. It has been recognised that York and North Yorkshire is a large spatial area, and it will be important to ensure that meetings are accessible, both physically and digitally, to ensure people are able to participate. Whilst not reflecting a specific detrimental impact, this is seen as supporting best practice to ensure inclusion.

124. **Legal** - Section 110 of the Local Democracy, Economic Development and Construction Act 2009 (the 2009 Act) provides that the Secretary of State may make an order establishing a combined authority only if: (a) He considers that to do so is likely to improve the exercise of statutory functions in the area or areas to which the order relates; (b) The constituent councils' (which at the time of making the order will be North Yorkshire Council and the City of York Council) consent; and (c) Consultation has been carried out, either by the Secretary of State or the constituent councils.

125. Section 110 also provides that the Secretary of State, in making the order, must have regard to the need:

(a) To reflect the identities and interests of local communities

(b) To secure effective and convenient local government.

126. This report seeks approval to submit a summary of the consultation responses to the Secretary of State, to demonstrate the consultation required by section 110 of the 2009 Act, has been undertaken. It will then be a matter for the Secretary of State to consider whether further consultation is necessary or whether to proceed with making of the order subject to the consent of the constituent Councils. In light of the timescales required to ensure that the creation of the Combined Authority proceeds in a timely manner to allow the region to obtain maximum benefit from the proposed Deal, it is intended that the Chief Executive/Chief Operating Officer (in consultation with the Leader of the Council) is provided with the requisite delegation to allow decision making in relation to the Order in line with the proposed Scheme.

127. Section 107A to 107K of the 2009 Act provides that the Secretary of State may make an order to provide that there will be a directly elected Mayor for the area of the combined authority where the constituent councils submit a request for the creation of a Mayor under the Scheme. Further it provides that the Mayor will be a member of, and chair, the combined authority.

128. Those provisions, together with Schedule 5C, also provide that the Secretary of State must, by order, make provision authorising any future Mayor to appoint a Deputy Mayor in respect of policing, fire and crime.

129. It is also worth noting that Government is currently considering the Levelling Up and Regeneration Bill which, if enacted, would make some changes to the creation of combined authorities. Those changes will be kept under review as the Bill passes through the House of Commons and the House of Lords, and a further report to Council will be submitted if necessary. The Bill looks at making it easier for areas to invoke the relevant governance arrangements necessary for devolution deals. At the time of drafting the report, the bill suggests a new statutory test to create a combined authority, which is that “the Secretary of State considers that to do so is likely to improve the economic, social and environmental well-being of some or all of the people who live or work in the area”. At the time of writing, the Bill is at the Lords committee stage and has not passed into statute. For this reason, the current legislation sets the requirements for the submission of the consultation summary and scheme.

130. **Crime and Disorder** – no identified impacts

131. **Information Technology (IT)** – no identified impacts

132. **Property**– no identified impacts

Risk Management

133. As a significant governance change, there are a range of risks associated with the proposal. In general, this relates to operational risks of setting up a new organisation, and ensuring the detailed governance arrangements facilitate effective working. This risk is being mitigated by close joint working between NYCC, CYC, OPFCC and the LEP and the definition of the Scheme setting out the principles of strong governance.

134. There is a risk that if the Deal does not proceed, the funding and powers identified within it would not be received by the sub-region.

Contact Details

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Report **Date** 06/02/23
Approved

Specialist Implications Officer(s) List information for all

Financial:-
Debbie Mitchel
Chief Finance Officer

Legal:-
Bryn Roberts
Director of Governance

Wards Affected: [List wards or tick box to indicate all] **All**

For further information please contact the author of the report

Background Papers:

Executive Report – 6 October – Agree the Devolution Deal and commence consultation

<https://democracy.york.gov.uk/mgAi.aspx?ID=63594#mgDocuments>

Annexes

Annex 1 – Consultation Summary Report

Annex 2 – York and North Yorkshire Joint Devolution Committee Terms of Reference

Annex 3 – Equalities Impact Assessment

List of Abbreviations Used in this Report

CYC – City of York Council

DEFRA – Department of the Environment, Farming and Rural Affairs

EIA – Equalities Impact Assessment

FAQs – Frequently Asked Questions

GDPR – General Data Protection Regulation

MCA – Mayoral Combined Authority

NYCC – North Yorkshire County Council

OPFCC – Office of the Police, Fire and Crime Commissioner

PFCC – Police, Fire and Crime Commissioner