

Cabinet

3 March 2015

Report of the Director of Customer and Business Support Services (Portfolio of the Leader of the Council)

Leeds City Region Leaders' Board

1. Summary

- 1.1 The West Yorkshire Combined Authority is not currently represented on the Leeds City Region Leaders' Board, a joint committee appointed by authorities within the Leeds City Region to discharge economic development and regeneration functions. This will pose operational difficulties from 1 April 2015, when the Combined Authority will begin to act as the principal accountable body for funding relating to City Region economic development and regeneration activities.
- 1.2 The Leaders' Board at its meeting on 12 December 2014 considered a report setting out options relating to City Region governance arrangements, and endorsed a proposal to dissolve the Leaders' Board on 31 March 2015, and for the Combined Authority to establish an advisory Leeds City Region Partnership Committee.
- 1.3 The Combined Authority at its meeting on 29 January 2015 resolved to appoint a City Region Partnership Committee to be established from 1 April 2015, with the terms of reference set out in the attached Annex 1 to this report. Its functions include acting as a consultative forum and advising the Combined Authority on its role as accountable body for funding received for the Leeds City Region.
- 1.4 In view of the operational difficulties referred to above, and given that the Combined Authority have resolved to appoint a

Partnership Committee, this report proposes that the Cabinet resolves to dissolve the Leeds City Region Leaders' Board on 31 March 2015.

2. Recommendations

Cabinet is asked to:

- 2.1 Note that the Leeds City Region Leaders' Board endorsed the proposal to dissolve itself on 31 March 2015, and that the West Yorkshire Combined Authority has resolved to appoint a Leeds City Region Partnership Committee to be established on 1 April 2015
- 2.2 Agree to dissolve the CITY REGION Leaders' Board on 31 March 2015
- 2.3 Delegate authority to the Assistant Director of Governance and ICT to take all necessary steps to dissolve the Leeds City Region Leaders' Board

Reason: To enable revised governance arrangements to take effect for the Leeds City Region.

3. Background

- 3.1 The Leeds City Region Leaders' Board was established in 2007 as a joint committee to carry out economic development and regeneration wellbeing functions across the Leeds City Region.
- 3.2 Eleven authorities are represented on the Leaders' Board. These are Barnsley Metropolitan Borough Council, City of Bradford Metropolitan City Council, Borough Council of Calderdale, Craven District Council, Harrogate Borough Council, Kirklees Metropolitan Council, Leeds City Council, North Yorkshire County Council, Selby District Council, City of Wakefield Metropolitan District Council and City of York Council.

3.3 Leeds City Council is the support services authority for the Leaders' Board, and acts as the accountable body for grants and loans made through the Leaders' Board.

3.4 The West Yorkshire Combined Authority was established on 1 April 2014, with concurrent economic development and regeneration functions to those of the West Yorkshire authorities.

4. Main issues

4.1 The West Yorkshire Combined Authority is not represented on the Leeds City Region Leaders' Board. Therefore, there is no direct mechanism for the Leaders' Board to delegate to Combined Authority officers, nor for the Combined Authority to act as the support services authority for the Leaders' Board. This will present major operational difficulties from 1 April 2015 when

- officers currently employed by Leeds City Council and sitting within the City Region team will be transferring to the Combined Authority and
- the Combined Authority will become the principal accountable body for relevant City Region funding streams to be received from central government.

4.2 In addition, central government have issued consultation about a Legislative Reform Order, which, if it became law, would enable the City Region and Combined Authority geographies to be more closely aligned.

4.3 On 12 December 2014, the Leaders' Board received a report outlining the following options for developing Leeds City Region governance arrangements for the new financial year 2015/16:

Option 1: to expand the Leaders Board to include the Combined Authority represented by the Local Enterprise Partnership Chair.

Option 2: to dissolve the Leaders' Board, and for the Combined Authority to appoint a City Region Partnership Committee.

- 4.4 The Leaders' Board endorsed option 2, and (subject to each authority resolving to dissolve the Leaders' Board), delegated authority for approving the joint committee's accounts for 2014/5 to Leeds City Council, as its support services authority.

The Leeds City Region Partnership Committee

- 4.5 The Combined Authority at its meeting on 29 January 2015, resolved to appoint a City Region Partnership Committee to be established from 1 April 2015. The City Region Partnership Committee is an advisory committee to the Combined Authority, not a joint committee with decision making powers. The Partnership Committee will provide a forum for bringing together representatives from City Region authorities, and facilitate direct collective engagement with the Combined Authority.
- 4.6 The governance arrangements for the new committee are set out in the report considered by the Combined Authority. The terms of reference for this committee are attached for information to this report as Annex 1.
- 4.7 The Leader, Councillor Williams has been appointed to the Committee (in his capacity as Combined Authority Member).
- 4.8 Recommendations made by the Partnership Committee (for example, to approve funding for specific projects) may be referred to the Combined Authority, or implemented under Combined Authority officer delegated authority. Such decisions of the Combined Authority will not generally need to be subsequently endorsed by each Council individually, since the decisions will be made by the Combined Authority in its capacity as accountable body for the City Region Local Enterprise Partnership.

Transfer of Leaders' Board assets/accountable body responsibilities

- 4.9 The current Leaders' Board agreement may be brought to an end or varied on 31 March in any year. Any agreement to do so must set how its assets, liabilities and obligations will be dealt with.
- 4.10 Leeds City Council, is currently the accountable body for City Region funding, both in terms of grant agreements received from central government, and delivery, grant or loan agreements entered into behalf of City Region authorities with third parties. Some of these agreements will run beyond 31 March 2015.
- 4.11 If the Leaders' Board is dissolved, it is proposed that most of these agreements (and the assets to which they relate, such as loans) should be transferred to the Combined Authority. Some assets held by the Leaders' Board at 31 March 2015 will need to be allocated to Leeds City Council to support City Region commitments for which it retains responsibility.

5. Conclusions and analysis

- 5.1 For the reasons set out above, it is not tenable to retain current Leaders' Board arrangements as they are.
- 5.2 It is important that there is a framework for decision making across the City Region. However, resources invested in re-establishing joint committee arrangements may be disproportionate to the length of time such arrangements may be in place, given the likelihood of legislative changes in the near future.
- 5.3 Dissolving the Leaders' Board would streamline City Region decision making, and the proposal to do so should be considered in the context of the new Partnership Committee which brings together representatives from City Region authorities, and will facilitate direct collective engagement with City Region issues.

6. Consultation

- 6.1 The Leaders' Board have endorsed the proposal for the Board to be dissolved.

7. Options

- 7.1 Cabinet may accept or reject the proposal. If the proposal is rejected it will create operational difficulties and urgent consultation would be required with the other partner authorities.

8. Council Plan

- 8.1 The report has no specific implications for Council plan priorities

9. Implications

- 9.1. The implications are:

Financial – none.

Equalities - none

Legal - Each authority represented on the Leaders' Board must resolve to dissolve the current arrangements. If the Leaders' Board is dissolved the current Business Rates sub-committee of the Leaders' Board would have to be re-appointed as a joint committee by the authorities in the business rates pool, including City of York Council. Details of the proposed arrangements are contained in a separate report on the agenda.

Similarly, the partnership agreement relating to the Revolving Investment Fund currently requires the Leaders' Board to authorise applications to proceed to the detailed due diligence stage. If the Leaders' Board is dissolved, the partners to the agreement would need to amend the agreement to provide for alternate provisions. This aspect of the Funds' arrangements is currently subject to review.

10. Risk Management

- 10.1. There are no specific risk implications.

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Report
Approved



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Wards Affected:

All



For further information please contact the author of the report

Background Papers: None

Annexes

Annex 1 – Terms of Reference for Partnership Committee