



**Dorset councils** – working together

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# Dorset Leaders' Growth Board Governance Review

Undertaken in accordance with Part 6, Section 108 of the Local Democracy,  
Economic Development and Construction Act 2009

February 2015

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### 1. Introduction

On 7 April 2014 the leaders of Dorset's nine local authorities agreed to establish a Leaders' Growth Board as a vehicle to drive greater cross-authority collaboration on economic growth and prosperity. The leaders agreed to explore the potential advantages of one of the newer legal models available to local authorities, including Combined Authorities and Economic Prosperity Boards.

On 9 September 2014, the leaders agreed to undertake the Governance Review required under the Local Democracy, Economic Development and Construction Act 2009, to review the effectiveness and efficiency of transport and arrangements to promote economic development in the area. This would include testing whether a Combined Authority or Economic Prosperity Board would be likely to improve the overall economic conditions in Dorset.

The Government has made it clear that regional governance arrangements must change if they are to embrace new powers and responsibilities. Other councils and Combined Authorities have already stated their interest in new powers through devolution.<sup>1</sup> Given the current focus of much of government policy and attention on cities and in particular the metropolitan areas in the north of England, Dorset's councils recognise the need to explore new ways of increasing their collective ability to draw funding and greater autonomy into the area.

### 2. Executive Summary

The Dorset Growth Board, comprised of the leaders of the nine councils in Dorset (County Council, two Unitary councils and six borough/ district councils) have agreed to undertake a review of the governance arrangements for driving economic prosperity in Dorset. This document and the accompanying economic review document comprise the findings of the review.

The reviews have found that:

- Although Dorset's economy is diverse, it is a 'functional economic market area'
- There are organisations with overlapping mandates
- Partnership working is generally good and there is a mutual understanding of the issues involved
- Transport-based investments are urgently needed, and the integration of strategic transport could have clear benefits
- Sharing officer resources could achieve greater effectiveness, produce efficiencies and be more economic
- Nationally, major public investment is increasingly made through competitive processes

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<sup>1</sup> For example, the West London Alliance, Tees Valley, West Yorkshire, the Midlands and in recent papers such as the RSA City Growth Commission, *Powers to Grow: City Finance and Governance Report*, September 2014 and the IPPR North, *Decentralisation decade: A plan for economic prosperity, public service transformation and democratic renewal in England*, September 2014

- Government policy also increasingly requires authorities to bid as regions, rather than individual organisations
- The Growth Board has a number of limitations including no responsibility for strategic transport policies nor any institutional capacity
- There is ambiguity between the different local, sub-regional, regional and national bodies that carry responsibility for transport
- The Local Enterprise Partnership (LEP) has few staff, with most project delivery vested in the local authorities

As a result the review sets out some possible advantages and deficiencies of four options:

- Leaving existing governance unchanged (the status quo)
- Establishing a Supervisory Board (a Joint Committee)
- Establishing an Economic Prosperity Board
- Establishing a Combined Authority

The review concludes that the creation of a Dorset Combined Authority, with the alignment of accountability, governance and geographies for economic development, regeneration and transport would provide Dorset with the best possible chance of securing significant and lasting improvements in economic development, regeneration and transport.

However the review itself deliberately stops short of making firm recommendations for the future form of governance in Dorset. This is because the views of stakeholders are considered to be very important and councils want to obtain an understanding of those views before they decide on what is the most effective form of governance for Dorset.

### 3. Methodology for the Governance Review

There are a number of phases that make up the Dorset Review process:

- A Review of Economic Evidence (November 2014 - January 2015)
- Desk research on possible future governance structures and summary of advantages (November 2014 - January 2015)
- A local consultation and engagement programme with stakeholders (Early February to Early March 2015 with the ability to comment further until May)
- A fuller options appraisal and development of details of a draft Scheme for consideration by individual councils after May 2015 (From March to May 2015)

The draft Scheme for any new form of governance, views from stakeholders and recommendations will be presented to individual councils in the period June - September 2015.

## 4. Review of Economic Evidence

The full economic review document is available as a separate document.

### In summary the review shows:

The Dorset LEP area includes the County of Dorset and the conurbation based around the unitary council areas of Bournemouth and Poole. There is a strong track record of joint working and partnership working over many years in economic development, strategic and transport planning and in relation to the development of the Local Economic Partnership where the private and public sectors have played pivotal roles in developing future strategies and growth plans.

Compared with many other LEP areas, Dorset is a relatively compact area in terms of geography or population, which has positive benefits for close working, relations at both business and political levels, with common understandings of problems and policy objectives.

The authorities have worked in an integrated manner for many years, through their economic development teams, and in supporting the development of the Dorset LEP's Strategic Economic Plan '*Transforming Dorset*', in identifying priority economic sectors, as well as the preparation of the Dorset European Structural and Investment Funds Strategy 2014-2020.

A Combined Authority provides the vehicle by which the LEP and local authorities could work more closely, with authorities increasing their commitment and collaboration, whilst recognising and responding to the increased financial constraints that all of the individual authorities are currently subject to and will continue to face in the coming years.

The key economic sectors within Dorset have been identified as: Advanced Manufacturing; Adult Social Care; Construction; Environmental Goods & Services; Financial Services; Food & Drink; Retail; Tourism & Creative & Media. These economic sectors draw upon established strengths within the area and, whilst the concentration of population is within the conurbation area, with the exception of the financial services sector, businesses are very much spread throughout the Dorset area, confirming the need to examine and address the diversity of economic issues in a holistic Dorset-wide manner.

Employment projections indicate that the number of jobs across all sectors in the Dorset LEP area will grow by 23,000 or by 6.6% within the 2010-20 period, which is a faster rate of growth than that projected for the South West or England as a whole. However some sectors such as Construction, Adult Social Care, Environmental Services, and Creative and Media are predicted to grow at a much higher rate; up to 48% & 53% in some cases.

The Dorset LEP area has a high economic activity rate at 80% with only 1.1% unemployment but Gross Value Added is lower than the UK average. Other important characteristics of the business sectors are:

- The relatively large number of smaller companies of less than 10 employees; notably in the rural areas

- Recruitment difficulties in some sectors; notably for those with higher level qualifications and in some key sectors
- Skills shortages and training needs within existing workforces
- Lower than national average median wage levels

The above factors demonstrate that whilst the Dorset economy is doing reasonably well, it is performing below potential and not delivering the opportunities and rewards that it could.

Key opportunities in Dorset include capitalising on assets such as Bournemouth Airport, the major ports and two Universities. These investment areas offer the opportunity to strengthen the economies of the conurbation, coast, market towns and rural areas, building a competitive and talented Dorset.

Whilst being a functional economic area, Dorset consists of a range of distinct geographical areas, each of which has a key role in the economy: these include:

The **Conurbation** (Bournemouth, Poole, Christchurch and parts of East Dorset and Purbeck) containing the majority of Dorset's population and employment.

The **Central Area** based on the twin towns of Dorchester and Weymouth and their immediate hinterland, around which major employment sites, two ports and county wide services are based.

**Rural Dorset**, which is characterised by coastal and market towns, including Blandford, Shaftesbury, Gillingham, Wareham, Swanage, Portland, Bridport, Sherborne & Lyme Regis, as well as the wider countryside; all of which accommodate a diverse range of businesses in manufacturing, technology, tourism, retail, accommodation and food services.

**The 'Jurassic Coast'** between Swanage and Lyme Regis (and beyond into Devon) has World Heritage Status and serves as a major attractor of visitors to the area.

### Transport & Connectivity

There are three highway authorities delivering transportation services within the area: Dorset County Council and the two unitary authorities in Bournemouth and Poole. Transportation issues of all forms cross administrative boundaries or have cross boundary implications and are closely related to economic development requirements. The integration of strategic transportation issues within a Combined Authority would therefore have clear benefits as evidenced from elsewhere.

Transport based investments unlocking employment land and driving productivity across the region are fundamental and urgently needed. Major developments such as those at Poole Harbour and the Airport are dependent on growth funding to support the planned transport infrastructure improvements.

Large scale investment is being made in the roll out of Superfast broadband across the area. A single body is likely to better address strategic issues such as access to motorways and local public transport connectivity.

Dorset's economy operates like a large conurbation wrapped around by a diverse hinterland, comprised of market & coastal towns, as well as a more rural envelope, whilst also recognising the economic links outside the area, to for example: Southampton and Portsmouth to the east and Salisbury and Yeovil to the north.

### Other Issues

The Dorset housing market is subdivided into different areas, focused around; the Bournemouth/Poole Conurbation, the Central, Dorchester/Weymouth axis, as well as more localised markets based upon the other coastal and market towns and their rural hinterlands. However it is widely recognised that housing development and growth are integral to a successful economy. Affordable housing is a key issue for Dorset as the house price/wage level disparity is very significant.

Despite the integrated nature of the economic development, within Dorset, there is currently lack of clarity and ambiguity over decision making and there is no single democratically accountable body that oversees economic development and transportation, with too many bodies whose roles coincide.

There is potential for economies of scale to be achieved with improved strategic coordination of financial and staff resources as well as through joint work with the LEP. This would enable an agenda focused on shared growth, with enhanced collaborative working and maximisation of economic development opportunities, resulting in more efficient delivery of service to businesses and the community, as well as improved value for money for tax payers.

## 5. Current Strategic Governance Arrangements

Dorset contains two unitary authorities, six borough and district councils and a county council. The county council area contains 186 Parish and Town Councils.

Within these councils, decision-making processes differ from leader and cabinet to committee models and from overall majority to 'no overall control' councils. There are a number of Joint Committees in place where councils share services. These include Joint Committees for Dorset Learning and Skills, and the Dorset Local Transport Body. Dorset's Local Enterprise Partnership is coterminous with this geography.

### Overview of Current Arrangements

Dorset has long displayed examples of collaboration and cooperation in order to provide the best services to the people of Dorset, shown most clearly in the examples below. The nine authorities in Dorset are committed to working together and with other partners to tackle issues in a targeted and coordinated way. There are a number of current projects and combined services that provide examples of collaboration between Dorset local authorities. These include the Leaders' Growth Board itself, the Local Enterprise Partnership (Dorset LEP), the Dorset Waste Partnership, the development of a single Local Transport Plan,

Better Together Health services provision, Heathlands Development Plan, the Dorset Strategic Housing Development Group and the Dorset Local Transport Body.<sup>2</sup>

Whilst the existing governance arrangements have had some notable successes, most prominently with the Public Health Dorset, and Learning and Skills Bournemouth, Dorset and Poole, they are not without challenges. As the Strategic Economic Plan notes:

*The opportunity to make a greater collective contribution to economic growth through the LEP and local growth deal is fully recognised, and the local authorities intend to build on the history of collaboration between councils and between local government and the LEP.*

In the field of economic development there are a very wide range of groups and boards operating in Dorset. As an indication, the range of bodies involving councils or the Dorset LEP includes: Silicon South, Employment and Skills Board, Growing Places Group, Skills Hub, Superfast broadband, European Structural and Investment Fund Group, Connected Dorset Group, Strategic Housing Development Group, Creative Industries Sector Board, Economic Development Group, Environmental Planning group, Local Nature Partnership, Destination Management Organisation and the Inward Investment Group.

The most relevant of these groups for the purposes of this report are the Leaders' Growth Board, the Dorset LEP, the Employment and Skills Board, and the Dorset Local Transport Body.

## Governance Bodies

### Dorset Leaders' Growth Board

The Leaders' Growth Board has two main purposes (as stated in its terms of reference):

- To act as the main operational and delivery arm of the LEP Board on the growth agenda, ensuring that:
  - the Strategic Economic Plan and EU Structural and Investment Fund Strategy are effectively delivered;
  - national, European and local growth related funds are invested to maximum effect;
  - delivery capability is in line with strategic priorities;
  - emerging risks are mitigated or referred to the LEP Board for resolution.
- To explore the benefits of creating a Combined Authority or Economic Prosperity Board.

This new arrangement enhances collaboration between the authorities on the growth agenda. The membership consists of the nine Dorset Council leaders, with the Chairman of the Dorset LEP an invitee.

### Dorset Local Enterprise Partnership (LEP)

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<sup>2</sup> Transforming Dorset: Strategic Economic Plan, p.254

The Dorset LEP was formally launched in May 2012, following recruitment of the Board and formation of the initial business framework. The Board is led by business representatives, working with colleagues from higher and further education, the community/voluntary sector, and local authorities.<sup>3</sup>

The aims of the LEP are:

“...to deliver growth through business enterprise whilst safeguarding the environment  
[...] to improve the performance of existing businesses in Dorset, whilst also encouraging the creation and growth of new ones. [...]to support a strongly performing, productive and sustainable economy characterised by boosting higher paid and better skilled jobs.”

This will be achieved in three key ways:

1. Enhancing the skills of Dorset’s current and future workforce.
2. Improving digital and physical connectivity, primarily via high-speed broadband.
3. Creating the right conditions for enterprise, driving forward integrated spatial and infrastructure planning across the county, providing more affordable housing, and emphasising the need to be ‘Open for Business’ - especially in more rural areas”.<sup>4</sup>

Local authorities work with the LEP through the Leaders of the two unitary authorities, the Leader of the County Council and a single Leader representing the six district and borough councils. They are members of the LEP Board, and have worked with the LEP on developing Dorset’s Strategic Economic Plan and the delivery of projects funded under the Local Growth Deal.

### Education, Employment and Skills

The Employment and Skills Board provides the strategic oversight of the Skills Agenda in Dorset. A sub-group of the LEP, it consists of both private and public bodies with membership drawn from business communities across Dorset.

This membership includes representatives from Further Education, Higher Education and a number of key public sector organisations.

The structure of the Employment & Skills Board (ESB) consists of the Board itself and three sub groups established to take forward four priority areas identified as critical for the economic development of Dorset by the ESB and the Dorset LEP. The four priority areas are:

- Improving Dorset’s current and future workforce to meet the needs of employers and contribute to economic growth.

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<sup>3</sup> Transforming Dorset: Strategic Economic Plan, p.249ff.

<sup>4</sup> <http://www.dorsetlep.co.uk/about-the-dorset-lep/our-vision/>

- Raising the aspirations, employability and entrepreneurial capability of Dorset's young people.
- Supporting Welfare to Work Initiatives that aim to combat unemployment and poverty, and support families with complex issues to reduce the number of economically inactive people.
- Creating an environment that supports successful enterprise start-ups.

The three sub-groups and their purposes are:

- Young People's Forum - To raise the aspirations, employability and entrepreneurial abilities of Dorset's young people.
- Skills Forum - To increase the skills levels of the current and future workforce.
- Worklessness Forum - To support the welfare to work initiatives that will address worklessness, welfare and poverty across Dorset.

Dorset County Council, the Borough of Poole and Bournemouth Borough Council have also created a joint committee that works to provide adult education across the area.

## Strategic Transport Bodies

*“Good transport equals good economics. That's how you generate growth and put people back to work. That's how you make Britain's competitive edge razor sharp.” - The Rt. Hon. Justine Greening MP, Secretary of State for Transport, 18th January 2012*

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Responsibility for transport functions across Dorset is divided between a number of different bodies, locally and nationally.

Nationally, the Highways Agency is responsible for major/trunk roads and motorways. In Dorset, the Highways Agency is responsible for the A35, A31 and A303.

Locally, there are a number of formal and informal mechanisms whereby transport is considered at a strategic level across Dorset's local authority boundaries.

The Bournemouth, Poole and Dorset Local Transport Plan (LTP), published in 2011, sets out the objectives, policies and targets for improving transport up to 2026, working with businesses, voluntary bodies, local communities, and other authorities. The LTP was produced through a process of consultation and authored by a group comprising key officers of the three local transport authorities (LTAs) (those of Bournemouth Borough Council, Dorset County Council and the Borough of Poole). It covers all modes of transport, the management and maintenance of the network, and the relationships between transport and wider policy issues such as the economy, environment, health and social inclusion. The LTP is the subject of consultation with Dorset's district and borough authorities, and formally adopted by the LTAs. Implementation of LTP schemes is discussed with district and borough councils on an annual basis.

Officers of Dorset County Council work with district and borough councils to ensure that local plans contain policies and proposals that which support and are complementary to the

LTP. Outputs are subject to the formal local plan consultation and examination process leading to adoption. County Council officers also work closely with district colleagues on town centre master-planning and development briefs and provide advice and recommendations on the highways implications of development, including transport specific Section 106 contributions and the Community Infrastructure Levy (CIL).

### **Dorset's Local Transport Body**

Dorset's Local Transport Body (DLTB) was created at the request of the Department for Transport in 2013 to manage devolved major scheme funding and to decide on priority schemes for implementation. DLTB covers an area coterminous with the Local Enterprise Partnership and comprises elected members of the local transport authorities as voting members. There are a range of non-voting members including the LEP, a single representative of Dorset's district councils and key providers of transport services. A single pot of £12.2m was devolved to DLTB for prioritisation. No further devolved funding for prioritisation by the DLTB is expected as this funding is now subsumed into the Growth Deal as match funding from the LTAs.

### **Connected Dorset**

Each of Dorset's LTAs is represented on 'Connected Dorset', a theme group reporting to the LEP. Connected Dorset is chaired by the LEP Board's transportation champion and provides advice to the LEP Board. Its most important role to date has been to author the transport content of the Strategic Economic Plan (SEP). Dorset's LTAs have worked in partnership on a range of high value projects, including the South East Dorset Multi Modal Study, which delivered a transportation model and strategy for the South East Dorset conurbation at a cost of £2m, and the Three Towns Travel Local Sustainable Transport Fund, which has provided £12.1m in transport improvements across the conurbation.

## **Strategic Planning and Housing**

There are a number of cross authority officer groups operating in this area. These groups have no formal or legal status and their membership extends beyond local authority officers.

The Strategic Housing Development Group is focused on the development of new housing and is currently commissioning a Dorset Strategic Housing Market Assessment to inform future housing development. It is chaired by a senior employee of a housing association and includes Board members from the Local Enterprise Partnership. The Dorset Housing Services Group is focused on housing allocation, homelessness, and housing management type issues. A Planning Policy Managers Group meets to discuss issues of shared concern such as the joint strategic housing market area assessments that authorities use to inform local plans.

## 6. Limitations of the Current Arrangements

Dorset has developed some excellent partnerships from across the spectrum of available models, from formal Joint Committees at one end to informal arrangements at the other. The Dorset Local Enterprise Partnership has attracted over £100million of funding, and through both the LEP Board and Growth Board, local councils and the LEP are working closely together.

However, the review points to a number of limitations of partnership arrangements as a whole, and in relation to co-ordinated attempts to promote economic growth. These limitations exist in the policy domain, and in respect to delivery.

The Growth Board, for example:

- has no functions in its own right and those which it has are dependent on specific individual delegations from or agreements by its constituent authorities
- is an informal body and has no binding force
- has no official voting mechanism or constitution
- is dependent on the existing local government legal framework
- is not responsible for major and strategic transport policies or the local transport plan (LTP)
- has no jointly owned strategy or performance measures.

The current Growth Board also has no institutional capacity in its own right and may struggle to effect change as a result. It employs no staff, has no delegated authority from member councils to develop an integrated economic strategy and would have no resource to implement one. Without this authority and resource it may struggle to foster a shared understanding about the economy of Dorset as an economic area, or make collective decisions on its behalf.

Individual councils operating in their own capacity, and even all nine councils operating through the existing Growth Board, have limited control or influence over the key drivers of economic growth, such as strategic transport, strategic planning, economic development and the skills agenda. Furthermore, with nine sovereign councils, one LEP, a number of LEP sub-groups and several joint committees operating in the area, there is potential for confusion and duplication, both at local authority level and between the local authorities and the LEP.

Some of the strongest deficiencies are due to ambiguity between different local, sub-regional and regional bodies. Transport functions are spread between at least six bodies for example: the Highways Agency, three local transport authorities, the Dorset Local Transport Body (DLTB), Connected Dorset and the LEP Board. As things stand:

- Responsibility for transport functions is fragmented between various unconnected bodies (the DLTB does not link to the Growth Board, for example, and does not often meet.)
- Within the Dorset County Council area responsibility for transport policies and the Local Transport Plan is vested in a different authority from those authorities responsible

for economic development, regeneration and strategic housing and planning policies (the six district councils are represented by one district on the DLTB) and their impact is difficult to discern.

- Despite a number of agencies involved in transport issues, they have not collectively enabled the local transport authorities to better coordinate public transport services for the benefit of passengers.

Similar issues can be seen in the LEP. The LEP like the Growth Board is informal, in that it is not legally constituted (the accountable body for the funding that flows through the LEP is Dorset County Council). Responsibility for economic growth remains fragmented between numerous bodies that have not yet formed a cohesive whole under the banner of the LEP. The LEP employs a small team, so the delivery of projects is undertaken by other organisations, many of which aren't directly involved in the LEP, or receiving any funding from it (including the district councils and Superfast Dorset project).

The OECD stresses the importance of strategy integration across key policy domains, emphasising the importance of institutional capacity at the right level to co-ordinate across key factors, capable of recognising and responding to the distinctive economic circumstances of an area.<sup>5</sup>

If the OECD analysis is correct, there is a key role for transport to play within a wider integrated approach to economic development, regeneration, employment and skills and strategic housing and ensuring that these decisions are taken in full accordance with their transport implications, and equally, ensuring that transport fully supports wider policy objectives.

In other areas it appears that there may be an omission of governance at the strategic level. The LEP Board and Growth Board are both unincorporated and have no corporate legal status. The DLTB, though a formal joint committee, does not link to the Growth Board and meets rarely. Dorset, like other areas, has experienced challenges deriving a clear benefit from the Duty to Cooperate, and at present there is no forum or place where councils discuss the Duty to Co-operate on a Dorset level.<sup>6</sup> Discharging the Duty to Cooperate happens within sovereign councils as the need arises, and there is no overarching body with the mandate or resources to review issues of larger than local significance. This issue is replicated across the country, as a recent District Councils' Network report notes, it is a duty which has proved 'cumbersome, challenging and resource intensive' for many authorities.

Despite the progress that has been made in the last two years, it appears that the current arrangements in Dorset are not optimal for economic development and regeneration, primarily because current arrangements do not allow for the identification of economic opportunity at the Dorset level and exploiting that potential at a more local level.

The information above suggests that Dorset may be able to do more to integrate the key policy domains – economic development, skills and transport – to promote growth.

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<sup>5</sup> OECD 2009, How Regions Grow

## 7. A Case for Change?

The local authorities share an overarching ambition to deliver growth across the area. Although the long tradition of co-operation between authorities has brought positive results, the informal structures that support it have developed into a web of groups. It could be argued that this has significantly reduced the capacity for effective decision-making and resulted in a lack of clarity about roles and responsibilities.

As well as enhancing relationships between the local authorities, the strengthening of current arrangements for collaboration might provide an opportunity to clarify partner roles and functions within the existing architecture of organisations focused on growth in Dorset as a whole. Increased institutional capacity across the county should increase the visibility of the area to governments in the UK and EU as well as potential inward investors. A smaller number of priorities designed to have the greatest transformative economic impact could be presented with greater effect.

Similarly, a combined voice should be more effective in presenting Dorset's case in discussions with bodies such as the Highways Agency, the Homes and Communities Agency, the Skills Funding Agency, Department for Transport and other Whitehall departments. Furthermore, change in governance arrangements will provide the opportunity to enhance democratic accountability and co-ordination of efforts in the work with the Dorset LEP.

The award of Transformation Challenge Funding (see below) to assist in creating a Dorset Growth Unit was achieved because of the persuasive case that was promoted. It set out the opportunities for achieving greater effectiveness whilst also promoting increased efficiency and economy. Dorset now has the resources to implement not only changes to governance arrangements, but crucially can also improve the support given to those charged with governance.

### Creating the Right Governance for Growth

One of the drivers for reviewing Dorset's governance arrangements is to secure greater influence over key levers and resources affecting local growth, including freedoms, flexibilities and funding which would otherwise remain under the control of Whitehall. These include powers over transport, tax exempt status for certain organisations and new strategic coordination and flexibility in regard to growth.

Financial pressures look likely to continue after May 2015, whatever the outcome of the general election, and Dorset needs to be in the best possible position to gain maximum funding in future funding arrangements.

On 28 November 2014 Dorset councils were awarded £755,000 from the Department for Communities and Local Government from the Transformation Challenge Award Fund to explore the benefits of creating a Combined Authority or Economic Prosperity Board (i.e. this review) and of creating shared officer teams on growth-related disciplines.

For a number of years the county has successfully aligned central Government funding, European Regional and Development Fund (ERDF) money and private sector investment to support strategic priorities within the wider economy. The development of Bournemouth Airport is a prime example of this approach. Working with the LEP, a pipeline of projects spanning investment in infrastructure, business growth, housing, transport and regeneration is in place together with an agreed approach to the joint investment of ERDF, Regional Growth Fund and Growing Places funds. With the new Government funding opportunities and policies, including the Single Local Growth Fund and EU Structural and Investment Funds 2014 – 2020 there is now an added impetus to ensure Dorset has the most appropriate strategic governance arrangements in place to deliver agreed priority investments and in doing so to maximise the use of these funds alongside existing resources.

Similarly, whilst the establishment of the Growth Board has been seen as a positive step, it is potentially a stage in a journey, rather than a destination. The current Growth Board model does not enjoy the legal transport powers or funding regimes that are currently vested with the County Council and with Poole and Bournemouth Borough Councils. The Department for Communities and Local Government and the Department for Transport have consistently emphasised the importance of developing effective governance arrangements that facilitate, for example; links to other policy areas, strong leadership, streamlined structures and the ability to make difficult decisions, linked to clear priorities and a long-term investment programme. In addition Government officials have emphasised that future devolution powers will be dependent on Dorset being able to demonstrate achievement through effective leadership and governance.

In commissioning the governance review, the Growth Board was seeking to explore efficiencies in the way strategic decisions are made and implemented. Currently, the lack of a formal link between decision making in relation to economic development, regeneration and transport makes it more challenging for decisions to be co-ordinated in a way that secures maximum economic and social benefit. Removing this fragmentation would logically result in a more transparent and swift decision making process, allowing all partners to make joint decisions in a more effective and efficient way. Such governance across the Dorset region would enable the LEP to bid effectively and efficiently; for example it would enable a number of pre-agreed projects to be prepared in sufficient detail so bids can be made as soon as opportunities arise.

Finally, whilst it's not the case that 'if others are doing it, it must be right', it is worth noting that the Review authors are aware of fifteen potential Combined Authorities in development, in addition to the existing five, and two Economic Prosperity Boards. These authorities cover administrations led by all the major political parties, including some with no overall political control.

## 8. Options for Change

To ensure compliance with the relevant legislation (the Local Democracy, Economic Development and Construction Act 2009), the Governance Review must establish if a Combined Authority or Economic Prosperity Board would be likely to bring about an improvement in Dorset regarding:

- The exercise of statutory functions relating to economic development, regeneration, and transport in the area;
- The effectiveness and efficiency of transport; and
- The economic conditions in the area.

Between them, the county, unitary and district councils in Dorset have a responsibility for the economic, social and environmental well-being of their area, a duty to produce a local transport plan and prepare local land use plans.

In terms of transport, the Department for Transport have noted that partners should address the following major issues when formulating governance arrangements:

- Political leadership for transport at the most senior level;
- Ability to take difficult decisions;
- A long term (ten year) investment programme, focusing on the top priorities for the functional economic area as a whole;
- A local investment budget combining local resource in addition to Departmental resource;
- Evident links to strategies and decision making processes on economic growth, housing and planning; and
- Efficient use of transport resource across the Dorset Region (e.g. joint procurement, maintenance contracts, rationalisation of highway functions).

In line with other Governance Reviews, Dorset's Review explores the following options:

- Option 1 - Leaving existing governance unchanged (the status quo);
- Option 2 - Establishing a Joint Committee;
- Option 3 - Establishing an Economic Prosperity Board; and
- Option 4 - Establishing a Combined Authority.

For each option a number of hypotheses are set out. They are designed to stimulate and highlight issues on which stakeholders and councils will want to express their own views.

## Option 1 - Status quo

### Background Information

- From the Government guidance for LEPs on Growth Deals is clear that local authorities will require greater collaboration, commitment and strengthened governance arrangements to seize any devolution opportunities.<sup>7</sup>
- Demonstrating commitment to the growth agenda and the clear expectation that Local Authorities will put economic development at the heart of all that they do and work collaboratively across the functional economic area is part of the Government's response to Lord Heseltine's review.
- There is no formal link between decision making in relation to economic development (including inward investment, employment, skills and housing), regeneration and transport.
- The framework within which local authorities now operate has changed fundamentally since 2010, as have the funding mechanisms. The abolition of regional bodies and the regional planning framework has been replaced with Local Enterprise Partnerships and an emphasis on City Regions and government funding is increasingly devolved to these structures rather than to individual councils (Local Growth Funding, for example).
- Indications are that both the Conservative and Labour Parties intend to retain this sort of approach post May 2015.<sup>8</sup>

### Hypotheses

- Maintaining the status quo means existing fragmented decision making processes would continue and set Dorset aside from those other parts of the country that are in the process of strengthening and aligning decision making.
- Dorset's current non-statutory arrangements leave the space for ambiguity and overlap between the roles and functions of various sub-regional bodies and are dependent on agreements by constituent authorities. It is, therefore, more challenging for decisions to be aligned in a way that secures maximum economic and social benefit.
- Strengthening and clarifying these relationships would also increase transparency, accountability and the certainty of local decision making.
- Whilst the current arrangements may have served Dorset sufficiently well in the past, the changes in the national framework coupled with the current economic conditions suggest that Dorset's needs are unlikely to be met by its existing governance structures. The voluntary partnership between local authorities is no longer sufficient to underpin authorities' ambitions, and does not meet the expectations of government. It is in danger of selling Dorset short.
- Dorset would benefit from a single democratic and financially accountable model, a legal entity in its own right, to provide the necessary certainty, stability and democratic accountability to allow for long-term strategic economic decisions to be made.
- No change would mean that Dorset is disadvantaged both economically and politically. The challenge however is to ensure any new arrangement also enhances democratically elected councillors ability to influence the Dorset wide agenda, without undermining discretion on matters of more local significance.
- Overall, keeping the status quo would mean accessing new funding and powers that would contribute to economic growth would be more difficult. It is likely to deprive the Dorset region of a stronger voice both nationally and internationally and would continue the current fragmented, overlapping and democratically deficient Dorset governance arrangements.

<sup>7</sup> HM Government, Growth Deals: Initial Guidance for Local Enterprise Partnerships, July 2013

<sup>8</sup> By the time this review is considered by councils the General Election will have been held and the new Government's policies set out.

## Option 2 - Establishing a Joint Committee

### Background Information

- In this model two or more local authorities agree that a certain function or range of activities will be carried out by those authorities jointly and therefore on a collaborative basis. Such arrangements can, if properly managed, result in a reduction in duplication, and in the case of more specialised services, (where each authority may have small numbers of staff seeking to cover a wide range of activities), the creation of a critical mass resulting in improvements in service.
- The joint committee has no separate legal identity and no corporate status and so cannot own property or enter into contracts in its own right. Therefore it is usual for any agreement referred to above to also address such issues (e.g. with one authority
- acting as a "lead" or for the responsibilities being shared between participating authorities, following agreed principles, dependent upon the nature of the issue arising).
- The Joint Committee model allows an area to demonstrate effective decision making and political oversight for the management of funding that is allocated to the LEP.

### Hypotheses

- However, a Joint Committee model may not address the current fragmented and separate decision making processes in place; especially in relation to transport and its integration with economic regeneration.
- A Joint Committee does not have a statutory remit and is not a formal legal entity. Each constituent authority will have to authorise and delegate functions to the Joint Committee. Councils are also able to withdraw the delegation in the future.
- Non-local authority members are able to be co-opted but cannot vote.
- Joint Committees cannot be accountable bodies for funding purposes, nor employ staff, due to their lack of legal status. Ultimate responsibility for finances remains with the constituent councils.
- A Joint Committee may represent only a minor improvement on current arrangements at best. Overall, it would be generally more of an oversight body whose powers are only exercised with the consent of the LEP and whose function appears to primarily consist of agreeing, noting and endorsing the actions of the LEP.

## Option 3 - Establishing an Economic Prosperity Board

### Background Information

- Economic Prosperity Boards share many of the features of a Combined Authority in that they have legal personalities and would provide a strong basis for taking on devolved powers and funding relating to economic development and regeneration, for example Accountable Body status for government and EU funding.
- Economic Prosperity Boards cannot levy or borrow money.
- Economic Prosperity Boards do not include transport functions.
- No Economic Prosperity Boards have been created yet. Three are known to be in development. One in Cheshire and Warrington, one in Coventry and Warwickshire and one in Leicester and Leicestershire.

### Hypotheses

- Transport is an essential component to achieving growth.
- An EPB could lead to some efficiencies and improvements around economic development, housing, employment and skills, but it would miss out the opportunity for integration with transport on a single Dorset footprint: this would leave this model of governance with some inherent inefficiencies.
- An EPB would not address the issues around strategic transport at the pan-Dorset level.
- There is a key role for transport to play within a wider integrated approach to economic development, regeneration, employment and skills and strategic housing and ensuring that these decisions are taken in full accordance with their transport implications, and equally, ensuring that transport fully supports wider policy objectives.

## Option 4 - Creating a Combined Authority

### Background Information

- A Combined Authority is not a merger of existing Local Authorities and would take over some functions with a very specific remit.
- Combined Authorities are corporate bodies with their own legal identity which are able to take on the functions and responsibilities of sustainable economic development and regeneration and in addition transport functions available to Integrated Transport Authorities. Like EPBs, they can act as the Accountable Body for government and EU funds.
- A Combined Authority can be set up by two or more contiguous local authorities. They must cover an area's natural economic footprint and want to collaborate, on a voluntary basis, more closely together to improve economic outcomes. However, one local authority may only be part of one Combined Authority.
- A Combined Authority can have statutory powers and duties conferred on it that it can exercise in its own right.
- The legislation allows for considerable discrepancy in establishing Combined Authorities - none of the five in existence are the same.

### Hypotheses

- A Combined Authority would be able to bring together strategic decision making powers into a single body, so improving the alignment, coordination and delivery of economic development and transport related initiatives.
- It would provide a visible, stable and streamlined body corporate that Government would be more confident in devolving powers and funding to.
- The maximum benefit would be gained by integrating and bringing together at a strategic level those functions across the Dorset Region that enhance economic prosperity. These are likely to include economic development, transport, housing, strategic land use, employment and skills. The extent of the decision making powers that are given to the Combined Authority is a crucial detail in the scheme that is developed. Full powers could be given for some functions (e.g. transport) whilst for other functions, the powers could be limited to co-ordination and recommendation (e.g. strategic land use).
- It is the enhancement of decisions and information at a strategic level and those decisions best taken across a functional economic area that are most frequently cited as the advantages of a Combined Authority.

## 9. Summary of Preliminary Findings

A summary of the information above is shown below:

Option	Commentary
<b>Status quo</b>	Maintaining the status quo may not make sufficient improvements in the economic conditions of the area. The existing and fragmented decision making process would continue and without a formal link between economic development, regeneration and transport functions it is more challenging for decisions to be co-ordinated in a way that secure maximum economic and social benefit.
<b>Establishing a Joint Committee</b>	A Joint Committee would address some of the governance and accountability issues around economic development and regeneration but would not dramatically improve the effectiveness and efficiency of transport in Dorset. Due to a lack of new powers the existing and fragmented decision making structures would remain.
<b>Establishing an Economic Prosperity Board</b>	An Economic Prosperity Board would address some of the governance and accountability issues around economic development and regeneration but, as above, would still leave the issues around transport outside the formal joint arrangements, limiting the scope for increased effectiveness and efficiency.
<b>Creating a Combined Authority</b>	Building on existing arrangements and supporting the LEP, the creation of a Dorset Region Combined Authority, with the alignment of accountability, governance and geographies for economic development, regeneration and transport would provide the Dorset Region with the best possible chance of securing significant and lasting improvements in economic development, regeneration and transport. Acting across the administrative boundaries of the Dorset Region in pursuit of common interests would enhance the area's economic growth potential. This model would further strengthen democratic and financial accountability and lead to improvements and efficiency in transport by replacing the existing and fragmented arrangements.

## Appendix I

### Background and Legal Context

In accordance with Section 108 of the Local Democracy, Economic Development and Construction Act 2009 (LDEDC / the 2009 Act) a governance review ('the Review') in relation to a potential combined authority must address the effectiveness and efficiency of: (a) transport within the area covered by the review and (b) arrangements to promote economic development and regeneration within the review area.

The Review essentially seeks to test the proposition that a Joint Committee, Economic Prosperity Board (EPB) or Combined Authority (CA) is the best governance option against the statutory test under Part 6 of the Local Democracy, Economic Development and Construction Act, 2009 and Section 82 of the Local Transport Act 2008 being likely to improve:

- the exercise of statutory functions relating to transport, economic development and regeneration;
- the effectiveness and efficiency of transport; and
- the economic conditions of the area.

In addition to the Review required under the LDEDC Act 2009, a further review is required under the Local Transport Act 2008 (the LT Act). The LTA review is required to look specifically at benefits of the transfer of the current functions of a Local Transport Authority or an Integrated Transport Authority (ITA) to a CA and the abolition of the ITA thereafter.<sup>9</sup>

In the case of the Dorset Review, the Review first seeks to answer the following specific questions:

1. Whether the area covered by the local authorities of Bournemouth, Christchurch, East Dorset, North Dorset, Poole, Purbeck, Christchurch, West Dorset and Weymouth and Portland (the Area) can properly be seen as constituting a functional economic area for the purposes under consideration in the review.
2. Whether the existing governance arrangements for economic development, regeneration and transport in the area are effective or would benefit from changes.
3. To examine the options available and in relation to each option to evaluate the likely improvement in:
  - a) the exercise of statutory functions relating to economic development, regeneration and transport in the area;
  - b) the effectiveness and efficiency of transport in the area; and
  - c) the economic conditions of the area.

The Localism Act 2011 (the 2011 Act) also provides for the Secretary of State to transfer powers between authorities and Combined Authorities and to transfer ministerial powers

<sup>9</sup> The Local Transport Act 2008, Section 82 – Authorities' review of arrangements

to authorities.<sup>10</sup> This includes property, assets and liabilities that relate to those functions.<sup>11</sup> These transfers can be made at any time and independently of the procedure to create a Combined Authority.

A Combined Authority is differentiated from an Economic Prosperity Board by the inclusion of transport functions. There are intended similarities between Part 6 of the 2009 Act and Part 5 of the LT Act which provides for Integrated Transport Authorities (ITAs).

Whilst there are differences, the process for review is broadly similar under both Acts. In preparing a scheme under the 2009 Act, regard must be had to the provisions of the LT Act as well as any guidance published by the Government relating to both pieces of legislation.

From these pieces of legislation, a three-stage process can be identified:

- First, a review of existing governance arrangements for the delivery of economic development, strategic governance and transport. This must lead to a conclusion that there is a case for changing these arrangements based on real improvements;
- Secondly, presenting the findings from their review to stakeholders and engaging widely to seek common support amongst stakeholders. All constituent councils are required to approve the scheme for submission to the Secretary of State for Communities and Local Government;
- Finally, the Secretary of State will consider the scheme and undertake a formal consultation. If he is satisfied with the proposals a draft order will be laid before both Houses of Parliament for adoption by affirmative resolution.

To approve the scheme, the Secretary of State must be satisfied (in accordance with Section 110 (1) of the 2009 Act) that improvements are 'likely' if the scheme proposed is adopted.

Section 90 of the 2009 Act specifies that an Economic Prosperity Board or a Combined Authority must be controlled by its members, a majority of whom must be elected members.

Detailed governance arrangements will be contained in a comprehensive set of standing orders which can only be changed with the consent of all members. In accordance with the standing orders the powers held by an Economic Prosperity Board or a Combined Authority may be exercised only on the recommendation or with the consent of various bodies.

The detail of the integrated governance model can be agreed between the authorities after the submission of the scheme to government in line with a high level set of principles agreed before submission.

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<sup>10</sup> The Localism Act 2011, Chapter 4, Section 15; *ibid.*, Section 20; *ibid.*, Section 16.

<sup>11</sup> *ibid.*, Section 18

## Appendix 2

### Legal Powers referred to by the existing five Combined Authorities

This appendix lists in detail all the statutory powers, statutory obligations, policy functions and discretionary functions of the five Combined Authorities (CA) that have been set up to date (Manchester, Liverpool, the North East, Sheffield and West Yorkshire). The first table lists the statutory powers and obligations that are common to all of the CAs.

#### A Note on 'Types':

For the purposes of this document the term 'Statutory Obligation' and 'Statutory Power' is defined as: 'A power or obligation that is non-discretionary and is created by law, rather than contract', 'Policy Function' is defined as 'A Function that is created by Local Authorities to determine the scope of the CAs role regardless of statutory powers', and 'Discretionary Function' is defined as 'A Function that can be exercised legally by a CA (by Statute) but that is only applicable in certain circumstances' (i.e. running a ferry service).

#### General Statutory Powers and Obligations

Power/Obligation	Class	Notes	Type
Can request that the CA is designated a local authority for the purposes of the Apprenticeships, Skills, Children and Learning Act 2009 so that the Chief Executive of Skills Funding has a duty to cooperate with local authorities in relation to apprenticeship training.	Economic Development	Section 84 (2) of The Apprenticeships, Skills, Children and Learning Act 2009 (ASCLA 2009).	Potential Power
The duty to prepare an assessment of economic conditions.	Economic Development	Section 69 of the Local Democracy, Economic Development and Construction Act 2009	Statutory Obligation
Can request that the Secretary of State designate the CA as a 'Specified Body' pursuant to Section 33 (3) (k) of the Value Added Tax Act 1994 to allow VAT to be	Finance	Section 33 (k) of the Value Added Tax Act 1994	Potential Power

refunded.			
Can request that the Secretary of State explore the possibility of delegating to the CA the General Power of Competence under Section 1 of the Localism Act 2011.	Governance	Section 1 of the Localism Act 2011	Potential Power
Power to promote well-being. A CA has the power to take action if it is determined that doing so would improve the economic, social or environmental well-being of its area.	Governance	Section 113 of the of the Local Democracy, Economic Development and Construction Act 2009 by virtue of Sections 99 and 102A of the Local Transport Act 2008	Statutory Power
Power to change the name of the CA, subject to conditions laid out in Section 97 of the Local Transport Act 2008	Governance	Section 97 of the Local Transport Act 2008	Statutory Power
Establishment of a joint Overview and Scrutiny Committee to exercise scrutiny functions over the CA and where appropriate its boards and sub-boards.	Governance	Section 89 Subsection 4 (d) of the Local Democracy, Economic Development and Construction Act 2009	Statutory Power
CA Overview and Scrutiny Committee may appoint sub-committees to deal with matters within its remit and can co-opt additional representatives for specific scrutiny tasks.	Governance	Section 89 Subsection 4 (d) of the Local Democracy, Economic Development and Construction Act 2009	Statutory Power
A CA must perform the functions that are exercisable by the CA by virtue of Section 105 Subsection 2 of the LDEDC with a view to promoting the economic development and	Economic Development	Section 105 Subsection 2 of the Local Democracy, Economic Development and Construction Act 2009	Statutory Obligation

regeneration of its area.			
Issue a levy to its Constituent Authorities in respect of the expenses and liabilities of the CA which are reasonably attributable to the exercise of its functions relating to transport.*	Finance	As a levying body under Section 74 of the Local Government Finance Act 1988.  See point below.	Statutory Power
Issue a differential levy to any of its Constituent Authorities who are not contributing to the levy in respect of the expenses and liabilities of the CA which are reasonably attributable to the exercise, on behalf of such Constituent Authorities, of its functions relating to transport.*	Finance	The core principle of the levy or the differential levy is that the total contribution from each constituent authority for funding transport services for the year does not exceed the equivalent cost for the year as it would have been calculated under previous arrangements.	Statutory Power
Exercise any function of the Secretary of State delegated to the CA by order of the Secretary of State.	Transport	Pursuant to Section 86 of the Local Transport Act 2008 and Section 104 (1) (b) of the Local Democracy, Economic Development and Construction Act 2009. Such functions will be exercised subject to any condition imposed by the order.	Potential Statutory Power
The power to act as a traffic authority.	Transport	As defined by Section 121A of the Road Traffic Regulation Act 1984 for the carrying out of such functions pursuant to the Traffic Management Act 2004 as may be	Statutory Power

		agreed.	
The power to enter into agreements with local highway authorities and to be designated as a local highway authority, as a traffic authority and as a street authority pursuant to the relevant acts.	Transport	Pursuant to Section 8 of the Highways Act 2008, Section 121A of the Road Traffic Regulation Act 1984 and Section 49 of the New Roads and Street Works Act 1991 respectively.	Statutory Power
The powers and duties of a Local Transport Authority pursuant to the Local Transport Act 2008	Transport	Local Transport Act 2008	Statutory power and obligation
The duty for traffic conditions in the area of the CA.	Transport	Section 2 of the Road Traffic Reduction Act 1997	Statutory Obligation
Act as the accountable body for Transport Schemes.	Transport	From the Liverpool City Region Governance Review, Section 2, Subsection 12.3	Statutory Obligation
Assume the role of Local Transport Body in respect of major transport schemes.	Transport	From the Liverpool City Region Governance Review, Section 2, Subsection 12.3	Statutory Power
The power under Section 144 of the Local Government Act 1972 to encourage visitors and provide conference and other facilities.	Economic Development	Section 144 of the Local Government Act 1972	Statutory Power
The duty to have a strategy for improving the economic, social and environmental well-being of the area.	Economic Development	Section 4 (1) of the Local Government Act 2000	Statutory Obligation
The duties related to Sections 17, 18 and 152 and the powers under Sections 514 and 560 related to the provision of education and training for persons over	Economic Development	Sections 152A, 152B, 152C, 17A, 18A (1) (b), 514A and 560A of the Education Act 1996	Statutory Obligation and Power

compulsory school age.			
The power to borrow pursuant to Section 1 of the Local Government Act 2003	Finance	Section 1 of the Local Government Act 2003	Statutory Power
The duty under Section 12 of the Education and Skills Act 2008 to have arrangements to identify persons not fulfilling their duty under Section 2 of the Act.	Economic Development	Sections 2 and 12 of the Education and Skills Act 2008.	Statutory Obligation
The duty to consider housing conditions in the area and the needs of the area with respect to the provision of further housing accommodation.	Economic Development	Section 8 (1) of the Housing Act 1985	Statutory Obligation

\* Subject to the above powers, the levy and differential levy shall be apportioned between the Constituent Authorities in accordance with population. The costs of administering the CA, that are reasonably attributable to the exercise of its functions relating to economic development, housing and regeneration, shall be met by the Constituent Authorities on a population basis. Any cost incurred by the CA that is not in relation to the administration of the CA or subject to the Levy and Differential Levy shall be met by the Constituent Authorities on a suitable apportionment basis.

### Liverpool/Merseyside CA

Scope/Power	Class	Notes	Type
The power to issue fixed penalty notices in respect of offences in breach of the Mersey Tunnels Byelaws 2003 or any revision thereof.	Transport	Pursuant to Section 237A of the Local Government Act 1972	Statutory Power
Setting the strategic economic vision, outcomes and aligning strategic priorities.	Economic Development	From the Liverpool City Region Governance Review, Section 2, Subsection 11.2	Policy Function
Ensuring that there is a single evidence base to support strategic decision making.	Economic Development	From the Liverpool City Region Governance Review, Section 2, Subsection 11.2	Policy Function
Agreeing an integrated growth plan and investment strategy.	Economic Development	From the Liverpool City Region Governance Review, Section 2, Subsection	Policy Function

		11.2	
Co-ordinating the international economic strategy to cover inward investment trade and export.	Economic Development	From the Liverpool City Region Governance Review, Section 2, Subsection 11.2	Policy Function
Co-ordinating the strategy and activity for place based marketing across the region.	Economic Development	From the Liverpool City Region Governance Review, Section 2, Subsection 11.2	Policy Function
Developing a strategic pipeline of priorities to attract financial and wider support.	Economic Development	From the Liverpool City Region Governance Review, Section 2, Subsection 11.2	Policy Function
Securing funding to support growth.	Economic Development	From the Liverpool City Region Governance Review, Section 2, Subsection 11.2	Policy Function
Making decisions with regard to the Liverpool City Region Investment Framework to include the Single Local Growth Fund, European funding and Growing Places Fund.	Economic Development	From the Liverpool City Region Governance Review, Section 2, Subsection 11.2	Policy Function
Setting the long-term Employment and Skills Strategy and priorities for the labour market, embedding the Skills for Growth agreements within economic strategies.	Economic Development	From the Liverpool City Region Governance Review, Section 2, Subsection 11.2	Policy Function
Setting the long-term strategic vision for housing and regeneration investment to support economic growth.	Economic Development	From the Liverpool City Region Governance Review, Section 2, Subsection 11.2	Policy Function
Agreeing a housing spatial plan and long-term investment strategy as part of the Single Local Growth Plan.	Economic Development	From the Liverpool City Region Governance Review, Section 2, Subsection 11.2	Policy Function
Ensure strategic traffic and highway management co-ordination across the City	Transport	From the Liverpool City Region Governance Review,	Policy Function

Region.		Section 2, Subsection 12.3	
Make strategic decisions relating to the Integrated Transport Block and Highway Maintenance funds across all networks.	Transport	From the Liverpool City Region Governance Review, Section 2, Subsection 12.3	Policy Function
Align transport investment with inward investment activity.	Transport	From the Liverpool City Region Governance Review, Section 2, Subsection 12.3	Policy Function
Agree to a long-term transport investment strategy as part of the Single Local Growth Plan	Transport	From the Liverpool City Region Governance Review, Section 2, Subsection 12.3	Policy Function
Set the long-term strategic transport vision and outcomes for the Liverpool City Region.	Transport	From the Liverpool City Region Governance Review, Section 2, Subsection 12.3	Policy Function
Agree the development and approval of a single, city region Local Transport Plan (or its equivalent) which includes high level policy responsibility for major investments.	Transport	From the Liverpool City Region Governance Review, Section 2, Subsection 12.3	Policy Function
Provision and operation of bus stations, interchanges, bus stops and shelters and other customer facilities.	Transport	Former MPTE power.*	Policy Function
Any additional functions necessary for the transport executive (Merseytravel) to act as the CAs executive body in relation to transport functions.	Transport	Former MPTE power.	Policy Function
Production of timetable and route information on all services.	Transport	Former MPTE power.	Policy Function
Administration of the local rail network through an electric concession and rail franchise.	Transport	Former MPTE power.	Policy Function
Provision of supported bus	Transport	Former MPTE	Policy Function

services that cover gaps in service provision not undertaken as part of the commercial network.		power.	
Provision and operation of local national concessionary travel schemes.	Transport	Former MPTE power.	Policy Function
Provision and operation of a commuter and leisure ferry service along with various other leisure attractions.	Transport	Former MPTE power.	Discretionary Function
Information provision	Transport	Delegated to Halton BC to enable local delivery arrangements to continue during a transition period.	Policy Function
Infrastructure delivery	Transport	Delegated to Halton BC.	Policy Function
Commissioning/procurement of subsidised bus services.	Transport	Delegated to Halton BC.	Policy Function
Concessionary travel	Transport	Delegated to Halton BC.	Policy Function

\* This is was a power of the Merseyside Passenger Transport Executive (MPTE) which was subsumed and made the executive transport body for the CA and renamed Merseytravel.

### Greater Manchester CA

Scope/Power	Class	Notes	Type
Arrange for the publication within the area of information relating to the CA's functions.	Economic Development	Greater Manchester Governance Review, Section 86	Policy Function
Secure that enough education and training is provided to meet the reasonable needs of all 16 to 19 year olds, those 19 to 25 year olds who are subject to learning difficulty assessment and persons who are subject to youth detention.	Economic Development	Greater Manchester Governance Review, Section 86	Policy Function
Encourage visitors and inward tourism	Economic Development	From the Greater Manchester Governance Review, Section 86	Policy Function
Co-ordinating the strategy	Economic	From the Greater	Policy Function

and activity for place based marketing across the region. Economic Development	Development	Manchester Governance Review, Section 86	
Provision of supported bus services that cover gaps in service provision not undertaken as part of the commercial network.	Transport	Former GITMA power.*	Policy Function
Production of timetable and route information on all services.	Transport	Former GITMA power.	Policy Function
Concessionary travel.	Transport	Former GITMA power.	Policy Function
Carrying out the policies of an elected authority to ensure that local rail services meet local travel needs.	Transport	Former GITMA power.	Policy Function
Owning Metrolink	Transport	Former GITMA power.	Policy Function
Campaigning to promote public transport in Greater Manchester, to improve the environment and cut congestion.	Transport	Former GITMA power.	Policy Function
The installation, maintenance and management of traffic signals	Transport		Policy Function
Maintaining highway databases, surveys, modelling, analysis, appraisals and advice	Transport		Policy Function
Highway route performance, incident response and event management via a traffic control centre	Transport		Policy Function
Partnership working to provide a shared strategic road safety analysis and recommendations on interventions	Transport		Policy Function

\* This is was a power of the Greater Manchester Integrated Transport Authority (GITMA) which was subsumed and a new executive transport body under the CA was created as a Joint Committee.

### North East CA

Scope/Power	Class	Notes	Type
Setting the growth plan and investment strategy for the	Economic Development	From the North East Governance Review,	Policy Function

North East.		Section 22	
Collecting economic intelligence and analysis as a basis for strategic planning and coordination.	Economic Development	From the North East Governance Review, Section 22	Policy Function
Acting as the accountable body for a range of devolved funding.	Economic Development	From the North East Governance Review, Section 22  Said schemes may include the Single Local Growth Fund, EU Structural & Investment Funds, and Skills Funding Agency Funding.	Policy Function
Strategy and decision-making on the skills agenda across the North East	Economic Development	From the North East Governance Review, Section 22	Policy Function
Coordinating inward investment activity through an 'Investment Gateway' working with local authority economic development teams.	Economic Development	From the North East Governance Review, Section 22	Policy Function
Have a seamless relationship with the LEP and give the Chair of the LEP observer status on the CA.	Economic Development	From the North East Governance Review, Sections 35-41.	Policy Function
Develop a shared economic strategy based on the Independent Economic Review.	Economic Development	From the North East Governance Review, Section 22	Policy Function
Make sure that investment decisions taken by the combined authority reflect business views.	Economic Development	From the North East Governance Review, Section 22	Policy Function
Ensure that executive and staff resources of the CA and the LEP are used in the most effective way to deliver the shared economic strategy.	Economic Development	From the North East Governance Review, Section 22	Policy Function
Act as the Accountable Body for the LEP.	Economic Development	From the North East Governance Review, Section 22	Policy Function
Information provision	Transport	Delegated to Northumberland	Policy Function

		and Durham to enable local delivery arrangements to continue during a transition period.	
Infrastructure delivery	Transport	Delegated to Northumberland and Durham.	Policy Function
Commissioning/procurement of subsidised bus services.	Transport	Delegated to Northumberland and Durham.	Policy Function
Concessionary travel	Transport	Delegated to Northumberland and Durham.	Policy Function
Promoting the overall use of transport and sustainable travel.	Transport	Former TWITA power.*	Policy Function
Provision of supported bus services that cover gaps in service provision not undertaken as part of the commercial network.	Transport	Former TWITA power.	Policy Function
Production of timetable and route information on all services.	Transport	Former TWITA power.	Policy Function
Concessionary travel.	Transport	Former TWITA power.	Policy Function
Overseeing the Metro, Tyne Ferry service, Tyne Tunnels, and Newcastle/Sunderland Heavy Rail Services	Transport	Former TWITA power.	Policy Function

\* This is was a power of the Tyne and Wear Integrated Transport Authority (TWITA) which was dissolved and had its powers taken on by the CA.

### Sheffield CA

Scope/Power	Class	Notes	Type
Setting City Region Economic Strategies.	Economic Development	From the Sheffield City Region Governance Review, Part 2, Section 10.2	Policy Function
Setting the investment strategy for the Sheffield City Region Investment Fund	Economic Development	From the Sheffield City Region Governance Review, Part 2, Section 10.2	Policy Function

Make decisions with regard to the Sheffield City Region Investment Fund.	Economic Development	From the Sheffield City Region Governance Review, Part 2, Section 10.2	Policy Function
Make decisions in relation to the uplift from Enterprise Zones business rates.	Economic Development	From the Sheffield City Region Governance Review, Part 2, Section 10.2	Policy Function
Setting the SCR for Growth Strategy	Economic Development	From the Sheffield City Region Governance Review, Part 2, Section 10.2	Policy Function
Coordinating inward investment activity.	Economic Development	From the Sheffield City Region Governance Review, Part 2, Section 10.2	Policy Function
Promoting the overall use of transport and sustainable travel.	Transport	Former SYITA power.*	Policy Function
Provision of supported bus services that cover gaps in service provision not undertaken as part of the commercial network.	Transport	Former SYITA power. Delegated to SYPTE. **	Policy Function
Production of timetable and route information on all services.	Transport	Former SYITA power. Delegated to SYPTE.	Policy Function
Concessionary travel.	Transport	Former SYITA power. Delegated to SYPTE.	Policy Function
Providing policy advice to the CA and other bodies.	Transport	Delegated to SYPTE.	Policy Function
Selling tickets, including Travelmaster.	Transport	Delegated to SYPTE.	Policy Function
Contributing to the management of local rail services through co-signatory status on the franchise agreement.	Transport	Delegated to SYPTE.	Policy Function
Managing the Supertram Concession Agreement to maintain and improve growth and customer care.	Transport	Delegated to SYPTE.	Policy Function
Securing additional Government and European Union funding to enable	Transport	Delegated to SYPTE.	Policy Function

investment.			
Planning for South Yorkshire's future transport needs.	Transport	Delegated to SYPTE.	Policy Function

It should be noted that the SCR Authority does not have any specific planning power. However, using general economic development powers, the SCR Authority may agree a SCR spatial strategy – which may be relevant to local planning frameworks.

\* This is was a power of the South Yorkshire Integrated Transport Authority (SYITA) which was dissolved and had its powers taken on by the CA.

\*\* The functions that were conferred or imposed on SYITA by enactment relating to the functions of the South Yorkshire Public Transport Executive (SYPTE) are exercisable by the SCR Authority in relation to its executive body Transport for the Sheffield City Region (TfSCR). SYPTE is accountable to the CA and does not run services directly, but purchases rail and some bus services from private operators. It also provides region-wide information, manages the funding and administration of concessionary fares, provides bus stops and shelters, and operates interchanges and information centres throughout the region.

### West Yorkshire CA

Scope/Power	Class	Notes	Type
Any transport functions (aside from ITA or PTE functions) delegated to the CA from time to time by constituent councils shall be functions of the CA.	Transport	Section 101 of the Local Government Act 1972	Statutory Power
Ancillary powers pursuant to Section 113A of the LDEDC 2009 (as amended by the Localism Act 2011).	Economic Development/ Transport	Section 113A of the Local Democracy, Economic Development and Construction Act 2009, Localism Act 2011.	Statutory Power
Co-design the LCR Plan with the LEP.	Economic Development	From the West Yorkshire Draft Final Scheme, Section 29.	Policy Function
Setting and reviewing the objectives for strategic investment.	Economic Development	From the West Yorkshire Draft Final Scheme, Section 29.  Such as the £1 billion West Yorkshire Plus Transport Fund and £400 million LCR Economic Investment Fund.	Policy Function

Making decisions with regard to the WYTF and EIF.	Economic Development	From the West Yorkshire Draft Final Scheme, Section 29.	Policy Function
Acting as the accountable body for devolved major transport scheme funding and the single pot for economic development.	Economic Development	From the West Yorkshire Draft Final Scheme, Section 29.  Including EU funds and the Single Local Growth Fund.	Policy Function
Concessionary Travel.		Former WYITA power.	Policy Function (based on a Statutory Power)
Make a road user charging scheme within the area of the ITA with eligible traffic authorities.	Transport	Former WYITA power.	Discretionary Power
Make grants for the provision of vehicles, facilities and transport services.	Transport	Former WYITA power.	Discretionary Power
To make Quality Partnership Schemes and Quality Contract Schemes.	Transport	Former WYITA power. In accordance with the Transport Act 2000 and the Local Transport Act 2008.	Discretionary Power
Approve any change to the basic level of charging for transport services or to the terms of any concessionary travel scheme.	Transport	Former WYITA power.	Policy Function
Approve any capital expenditure by the PTE.	Transport	Former WYITA power.	Policy Function
Approve any substantial amendment to rail franchise agreements.	Transport	Former WYITA power.	Policy Function
Direct the PTE to take appropriate steps to reorganise its functions be most efficient or approve any such proposal.	Transport	Former WYITA power.	Policy Function
Appoint directors of the PTE	Transport	Former WYITA power.	Policy Function
Approve the carrying out of	Transport	Former WYITA	Policy Function

most significant functions by the PTE.		power.	
Approve borrowing by the PTE.	Transport	Former WYITA power.	Policy Function
Carrying passengers.	Transport	WYPTE power set out in Section 10 of the Local Transport Act 1968.	Discretionary Power
Letting passenger vehicles and rolling stock.	Transport	WYPTE power set out in Section 10 of the Local Transport Act 1968.	Discretionary Power
Provision of amenities for the travelling public.	Transport	WYPTE power set out in Section 10 of the Local Transport Act 1968.	Discretionary Power
Acquiring land and developing it for the business of the Authority.	Transport	WYPTE power set out in Section 10 of the Local Transport Act 1968.	Discretionary Power
Lending money to third parties for the Business of the Authority.	Transport	WYPTE power set out in Section 10 of the Local Transport Act 1968.	Discretionary Power
Laying or opposing a Bill before Parliament.	Transport	WYPTE power set out in Section 10 of the Local Transport Act 1968.	Discretionary Power
Making anything required for the purposes of its business.	Transport	WYPTE power set out in Section 10 of the Local Transport Act 1968.	Discretionary Power
Operate ferries under the Ferries Act.	Transport	WYPTE power set out in Section 10 of the Local Transport Act 1968.	Discretionary Power
Borrow monies with the approval of the ITA.	Transport	WYPTE power set out in Section 10 of the Local Transport Act 1968.	Discretionary Power
Acquire interests in land via compulsory purchase.	Transport	WYPTE power set out in Section 10 of the Local Transport Act 1968.	Discretionary Power

NB in Scheme:

“For the avoidance of doubt, where, in any legislation the functions and powers of an ITA or PTE are expressed to be subject to or dependent upon the prior approval of or a duty to consider the advice of the other, those legislative provisions shall not apply to those functions and powers of the CA.”

\* This is was a power of the West Yorkshire Integrated Transport Authority (WYITA) which was dissolved and had its powers taken on by the CA. The Scheme for the West Yorkshire Combined Authority goes into more detail about the specific powers that their ITA has, but they are essentially the same as all ITAs.