

<b>SUBJECT:</b>	<b>DEVOLUTION FOR GREATER LINCOLNSHIRE</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE AND TOWN CLERK</b>
<b>REPORT AUTHOR:</b>	<b>ANGELA ANDREWS CPFA, CHIEF EXECUTIVE AND TOWN CLERK</b>

## **1. Purpose of Report**

- 1.1 A devolution agreement has been agreed for Greater Lincolnshire as part of the autumn statement presented to Parliament by the UK Government on 22 November 2023.
- 1.2 Following approval of the agreement at Council meetings for the County Council and the two Unitary Council partners North and North East Lincolnshire Councils, consultation will follow on the arrangements, through to the end of January 2024.
- 1.3 The purpose of the report is to brief Council on the devolution proposal, and to invite Council to engage with the consultation exercise and implementation process.

## **2. Background**

- 2.1 It is generally considered that devolution, or decentralisation, of decision making, policy development and resource allocation, brings benefits to local communities. By way of example, recent reports have indicated that empowering local government to lead on climate action would deliver more cost effectively and quicker than a centralised approach.
- 2.2 The UK is also a party to the Council of Europe Charter of Local Self Government, which advocates for legal and financial independence for local and regional government in Europe.
- 2.3 The 2022 Levelling Up White Paper established the UK Governments current approach to devolution in England, recognising that England is one of the more centralised nations in Europe. The 2023 Levelling Up and Regeneration Act provides the legislative framework for establishing devolution in England progressively through to 2030.
- 2.4 A devolution agreement for Greater Lincolnshire was announced by the UK Government on 22 November 2023. The agreement was agreed by Full Council meetings by the three constituent authorities by 4 December 2023. There is no provision in legislation for district councils, as non-constituent authorities, to approve or otherwise the devolution agreement. The devolution proposal is now subject to consultation, through to 29 January 2024.
- 2.5 The creation of a Mayoral Combined County Authority (MCCA) would not result in the merger or take over of councils in the area. They would continue to deliver valuable local services to Greater Lincolnshire residents with some powers used

concurrently by local councils and the proposed combined authority. Transport powers would be brought together with the proposed Combined County Authority becoming the Local Transport Authority for Greater Lincolnshire.

- 2.6 Under this proposal the three upper tier councils along with the City Council and district and borough councils in Greater Lincolnshire would continue to play an important role in relation to powers and funding devolved to the area. These authorities will have specific consenting rights in respect to some of the powers held by the CCA and/or Mayor, ensuring a strong local voice for decision making.
- 2.7 This report summarises: the devolution agreement; governance for devolution; the next steps; recommendations.

### **3. The Devolution Agreement**

- 3.1 The devolution agreement allocates an additional £24million per year to Greater Lincolnshire for 30 years, a total of £720million.
- 3.2 Additionally, £28.4million has been allocated to Greater Lincolnshire, to be allocated prior to the MCCA being established in 2025.
- 3.3 The agreement provides for the devolution of strategy and budgets related to skills, providing local partners with the opportunity to focus on skills development for key local economic sectors.
- 3.4 The agreement also provides for devolution of multi-year transport budgets, with flexibility to allocate funds to local priorities.

### **4. Governance for Devolution**

- 4.1 The agreement provides for the establishment of a Mayoral County Combined Authority, chaired by a directly elected mayor. The constituent authorities (Lincolnshire County, North and North East Lincolnshire Unitary Councils) will each have two seats on the MCCA. District Councils will be allocated 4 seats, via a joint committee of district council leaders.
- 4.2 District Councils will have voting rights other than in relation to transport and the mayor's administrative budget and will have specific consenting rights in relation to some of the powers held by the CCA.
- 4.3 District councils will be allocated seats on a scrutiny panel and several advisory boards.
- 4.4 The devolution agreement, which is the agreement between the Secretary of State DLUHC, and the Constituent Authorities can be found via the links that follow. The devolution proposal, which sets out the detailed proposals for consultation purposes, can also be found via the links below.
- 4.5 It is envisaged that a consultation response from the Council should focus on the following:

- To welcome the alignment of the devolution proposal with the Greater Lincolnshire Vision for 2050, a ‘flourishing future for all’;
- To welcome the focus on employment, skills, and economic development; the environment, homes, and communities; and transport.
- To welcome the establishment of partnership governance via the MCCA, recognising that it is the UK Government option for devolution of powers and resources to local areas.

## **5. Next Steps**

- 5.1 The consultation process will conclude on 29 January 2024. Links to the consultation survey and information are provided below.
- 5.2 Review of the proposals based on consultation responses will be completed by the end of February 2024, leading to a submission to the UK Government in spring 2024.
- 5.3 The UK Government is due to put in place an Establishment Order for the new arrangements by summer 2024.
- 5.4 The County Combined Authority is due to be established in late 2024, with the election of a Greater Lincolnshire Mayor in May 2025.

## **6. Consultation Response**

- 6.1 To submit a response to the consultation from the Council by 29 January, in line with paragraph 4.5 of this report, with delegation to the Chief Executive in consultation with the Leader
- 6.2 To engage proactively in the implementation of the new arrangements and the allocation of funds specified within the devolution agreement and proposal
- 6.3 To provide timely and positive public communication, enabling communities to engage in the devolution agenda for Greater Lincolnshire.
- 6.4 To request officers to prepare a report and recommendations on the establishment of a Joint Committee for district councils, for to a future to Full Council in 2024.

## **7. Strategic Priorities**

### **7.1 Let's Drive Inclusive Economic Growth**

The devolution proposal intends to secure long term funding for infrastructure that businesses need to grow and create jobs.

### **7.2 Let's Reduce all kinds of Inequality**

The devolution proposal intends to direct funding for adult education to prioritise spending on the needs of people and business rather than on national priorities and

invest in courses that help people to achieve a fulfilling future and provide help to those young people that need it most.

### **7.3 Let's Deliver Quality Housing**

The devolution proposal intends to unlock housing through enhanced infrastructure and supporting regeneration of areas, providing sustainable and affordable housing solutions.

### **7.4 Let's Enhance our Remarkable Place**

The devolution proposal will attract £24 million per annum for 30 years – the City will have the opportunity to bid for funds to be invested in the City.

### **7.5 Let's Address the Challenge of Climate Change**

The Devolution Proposal intends to build upon the success of Greater Lincolnshire's role in energy, decarbonisation and net zero as the low carbon economy and green energy production across Greater Lincolnshire are pivotal to the UK achieving net zero.

## **8. Organisational Impacts**

### **8.1 Finance (including whole life costs where applicable)**

There are no specific financial implications arising from this report. Devolution will bring the opportunity to make the case for additional funding for projects within the City, to accelerate delivery of the council's vision and priorities for the City Council. The devolution agreement does not commit the Council to financial liabilities, and the agreement creates an objection for the Mayoral Combined Authority to secure Council approval before it implements projects in the district which could create ongoing financial commitments. The devolution proposal does not introduce risk to delivery of the City of Lincoln's services or priorities, and not does introduce legislative, regulatory or reporting requirements that impact delivery of council services.

### **8.2 Legal Implications including Procurement Rules**

The devolution proposal will create a Mayoral County Combined Authority (MCCA) as included in the Levelling Up and Regeneration Act 2023. MCCAs are a new model of devolution introduced through this Act to reflect specific governance arrangements of areas with two-tier government. District and Borough Councils do not sign off the MCCA as that is the responsibility of the three Constituent Councils (upper tier). A level three devolution deal does not change the current structure of local government in Lincolnshire. It is proposed that District Councils will create a Joint Committee, to appoint four district leaders to the MCCA, and to act as a forum for district councils to consider matters connected to the functional competence of the MCCA. All authorities will have specific consenting rights in respect to some of the powers held by the CCA and/or Mayor, ensuring a strong local voice for decision making. There will be opportunities for district councils to appoint members to serve on a scrutiny panel, and several advisory boards establish to further partnership governance in areas linked to the functional competence of the MCCA.

### **8.3 Equality, Diversity and Human Rights**

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

Lincolnshire County Council, North Lincolnshire Council and North East Lincolnshire Council has completed an Equality Impact assessment which was submitted to each of their Council meetings – which considers all of the above – this is attached as an Appendix.

### **8.4 Human Resources**

The devolution proposal has no human resource implications for the City of Lincoln Council. Officers linked to priorities for economic development, development management, housing strategy, and services linked to environment, climate action, health and wellbeing may be involved in partnership groups and project collaboration, as they currently are.

### **8.5 Land, Property and Accommodation**

The Devolution Proposal includes powers to acquire compulsorily land in the area to facilitate re development but this will require concurrent consent with the upper tier and City/District where the acquisition is located.

### **8.6 Significant Community Impact &/or Environmental Impact**

The main policy impact arising from the devolution proposal is linked to the Greater Lincolnshire Vision for 2050, centred on a vision of 'a flourishing future for all'. The GL Vision for 2050 is aligned to the Council's Vision 2025, with priorities for climate action, economic development, housing, health, and wellbeing. The focus on the GL Vision creates opportunities for the council to make the case for additional resources for projects linked to Vision 2025 and Vision 2030 and beyond. Specific impacts will be assessed in relation to project and investment proposals, to ensure Council policies linked to equality diversity and inclusion, climate action and sustainability, health, safety and risk, and finance, are fully considered and addressed.

The devolution proposal is open to consultation from 4 December 2023 to 29 January 2024. This report includes proposals for the City of Lincoln response to the consultation.

## **9. Risk Implications**

### **9.1 (i) Options Explored**

There are inevitably a range of options that could be envisaged for devolution. Nevertheless, devolution based on a Mayoral County Combined Authority is the preferred UK Government option and the only route available for devolution at the current time.

The proposal funds into Greater Lincolnshire, and the agreement compares favourably in comparison with similar agreements elsewhere, both in terms of the level of funding available and the increased representation envisaged for district councils compared to other areas.

The agreement creates a platform for further negotiation with the UK Government leading to greater devolution of powers and resources. Council of Europe Charter of Local Self Government.

### **9.2 (ii) Other Options Considered**

Other options that could be considered involve alternatives models for devolution, and a 'do nothing' option at this stage.

The 'do nothing' option has not been considered. The current proposal brings additional investment into Greater Lincolnshire, inevitably the option not to proceed means that further investment will not be available.

Given the framing of the Act, and the White Paper which preceded it, the only alternative option on offer is a 'level 2' agreement, without a model of governance based on the MCCA. This option has the same effect as the 'do nothing' option, in that no significant investment would be available.

The question of alternative options is somewhat academic, given that district councils are not being requested to approve the proposals, as they are not formally constituent authorities.

## **10. Recommendations**

- 10.1 Council are asked to debate the contents of this devolution report and to provide comments to submit as a Council response to the consultation by 29<sup>th</sup> January in line with para 4.5 of this report, with delegation to the Chief Executive in consultation with the Leader.

**Is this a key decision?** Yes

**Do the exempt information categories apply?** No

**Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?** No

**How many appendices does the report contain?** 5

**List of Background Papers:** None

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