

Hambleton District Council

Report To: Cabinet

Date: 6 September 2022

Subject: **York & North Yorkshire Devolution Deal**

Portfolio Holder: Leader of the Council
Councillor M S Robson

Wards Affected: All Wards

1.0 Purpose and Background

- 1.1 To advise Cabinet of the proposed devolution deal to:
- allow Members to review the deal;
 - note the outcome of the Governance Review; and
 - approve the move to public consultation on the Scheme during Autumn 2022.
- 1.2 A summary of the devolution deal is included as Annex 1 to the report outlining all the key points of the draft deal including the additional funding that would become available.
- 1.3 An integral part of the deal is moving to new governance arrangements which requires the establishment of a Combined Authority and directly elected Mayor for the York and North Yorkshire geography. This body and the Mayor will provide strategic leadership across the region, seek the best value for taxpayers' money, will be directly accountable to the region's electorate and receive new and devolved powers relating to transport, housing and skills.
- 1.4 In accordance with the Local Democracy, Economic Development and Construction Act 2009 a governance review has been undertaken for the Combined Authority area. The Governance Review concluded that the current governance arrangements do not represent the best model for the ambitions of the constituent authorities in terms of delivering their long-term ambitions for economic growth. The Governance Review accepted that the statutory criteria in the 2009 Act are met in creating a Mayoral Combined Authority for York and North Yorkshire as it will improve the exercise of statutory functions in the area.
- 1.5 The next stage of the process is for the constituent authorities to publish and consult on a Scheme setting out the proposals for the creation, governance and functions of the Combined Authority. At the end of that consultation period a summary of the responses received will be submitted to the Secretary of State. The Secretary of State will then decide whether they are satisfied that the statutory criteria are met to allow the making of the necessary orders and whether the authorities have provided their consent to the making of the Order. It is anticipated that at the time of the decision the relevant authorities will be North Yorkshire Council and the City of York Council.

1.6 The devolution process seeks Council feedback on the deal and the new governance arrangements. It also invites the Council to agree to move to the public consultation on the proposals through the publication of the Scheme identified above. The timetable for the deal seeks Council feedback and approval to proceed to consultation on the Scheme in Autumn 2022.

2.0 Link to Council Priorities

2.1 The devolution deal contains measures and investment that will deliver against the majority of the Council's priorities. The Council Plan priorities supported by the associated devolution deal measures are:

- **Driving Economic Vitality**

- £18 million per year allocation of investment funding over 30 years to be invested in York and North Yorkshire to drive growth and take forward its priorities over the longer term.
- Broadband and mobile infrastructure rollout to ensure 100% coverage in York and North Yorkshire.
- New powers to better shape local skills provision to meet the needs of the local economy, including devolution of the core Adult Education Budget, as well as input into the new Local Skills Improvement Plans

- **Caring for the Environment**

- £7 million investment to enable York and North Yorkshire to drive green economic growth towards their ambitions to be a carbon negative region. This investment is subject to agreement of a submitted business case.
- Support to develop a Natural Capital Investment Plan for York and North Yorkshire.

- **Providing a Special Place to Live**

- New powers to drive the regeneration of the area and to build more affordable homes including compulsory purchase powers and the ability to establish a Mayoral Development Corporation.
- Over £13 million for the building of new homes on brownfield land across 2023/24 and 2024/25, subject to sufficient eligible projects for funding being identified.
- Investment of up to £2.65 million on projects that support York and North Yorkshire's priority to deliver affordable, low carbon homes across the area, subject to a final business case.

- **Enhancing Health and Well being**

- Many of the above measure including better housing, natural capital improvements and improved services will contribute to the Councils Enhancing Health and Well Being priority.

3.0 Risk Assessment

3.1 Risk in approving the recommendations - given the devolution deal will only come into force post Local Government Reorganisation there are no risks to the Council associated with approving the recommendation.

3.2 The key risk is in not approving the recommendations as shown below:-

Risk	Implication	Gross Prob	Gross Imp	Gross Total	Preventative action	Net Prob	Net Imp	Net Total
Reputational risk to the Council	Not agreeing to the requests to approve the governance review and public consultation could delay or derail the process and cast the Council as a barrier to development and investment.	3	4	12	Approve governance review and the move to public consultation on the deal	1	4	4

Overall the risk of agreeing with the recommendations outweighs the risks of not agreeing them and is considered acceptable.

4.0 Financial Implications

4.1 There are no financial implications for the Council associated with the report.

5.0 Legal Implications

5.1 Legislation provides that the constituent authorities of the proposed Combined Authority (York City Council and the new North Yorkshire Council) must carry out a governance review of the area and, dependent on the result of the review, prepare and consult with the public on a Scheme to implement the proposals to create the Combined Authority. The constituent authorities must consent to the creation of the Combined Authority. Although Hambleton District Council is not a constituent authority of the proposed Combined Authority due to its abolition on 31 March 2023, members are asked to note and support the steps being taken by City of York Council and North Yorkshire County Council to support its creation.

6.0 Equality/Diversity Issues

6.1 Equality and Diversity Issues have been considered however there are no issues associated with this report.

7.0 Recommendations

7.1 That Cabinet approves and recommends to Council:

- (1) the proposed Devolution Deal;
- (2) the proposed Governance Review for the devolution deal and the establishment of a Combined Mayoral Authority for York and North Yorkshire; and

(3) a public consultation on the Scheme during Autumn 2022.

Mick Jewitt
Deputy Chief Executive

Background papers: None

Author ref: MH

Contact: Mark Haynes
Business & Economy Project Manager
Tel: 767056