

Executive Committee

9 August 2016

Proposals for a Combined Authority for Dorset

For Recommendation To Council

Portfolio Holder

Cllr P Barrowcliff, Corporate

Senior Leadership Team Contact:

S Hill, Strategic Director

Report Author:

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Statutory Authority

City and Local Government Devolution Bill

Purpose of Report

- 1 To update members on the progress of establishing a Dorset Combined Authority (DCA), to outline the next steps and to agree the approach for the final approval process.

Officer Recommendations

- 2
 - a) To recommend to Full Council that the council formally joins a Combined Authority (CA) for Dorset once it is established
 - b) To agree delegated authority for the Chief Executive in consultation with the Leader to take a decision on final consent before the final draft Order is laid before Parliament
 - c) To note that no decisions are currently required on the formation of a Growth Unit or any operational support structure for the CA

Reason for Decision

- 3 To agree a decision on the councils membership within a Combined Authority and agree the approach for the final approval process and maintain momentum with the proposed timetable set out in this report.

Background and Reason Decision Needed

- 4 Between October and December last year all nine councils considered a standard report as to whether to support the formation of a Combined Authority for Dorset. All 9 councils agreed to submit a case to government

which includes evidence for the statutory tests (governance and economic reviews, stakeholder consultation, draft scheme – which have been presented previously to each Council and are provided as background papers). Bournemouth Borough Council, Christchurch Borough Council, Dorset County Council, East Dorset District Council, Poole Borough Council and Purbeck District Council also agreed to formally join the Combined Authority once established and agreed delegated authority to the Leader and Chief Executive for approving the final submission. The Dorset Councils Partnership chose not to take these decisions at that time awaiting further information in relation to the scheme and process.

- 5 Since then the draft scheme has been developed further and a draft constitution developed. The functions requested, although reduced from the original TCA vision, will provide Dorset a strong basis on which to pursue any future devolution deals and will also address issues identified in the governance review. For example:
 - Government policy increasingly requires authorities to bid as sub-regions, rather than individual organisations;
 - There are organisations with overlapping mandates;
 - The Growth Board has a number of limitations including no responsibility for strategic transport policies nor any institutional capacity;
 - Despite the integrated nature of 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 transport, with too many bodies whose roles coincide.
- 6 The establishment of a Dorset Combined Authority will address these in that it will provide a legal identity for the Growth Board and will strengthen the collective position by creating a single legal entity and a single voice presenting a shared strategic economic plan and a shared local transport plan for Dorset. Consequently, the DCA would be more effective in presenting the collective case for Dorset in discussions with bodies such as Highways England, the Skills Funding Agency and other Government departments.
- 7 In terms of the decision making process of the DCA, decisions shall be made by a simple majority except on those issues that are considered a 'Reserved Matter' for example, the budget, any changes to the constitution or any changes to the scheme. This ensures that all councils are protected and promotes an environment of consensus building in line with the ethos of a combined authority.
- 8 A consultation on the draft scheme was also carried out during May and June 2016, seeking feedback from a range of stakeholders. 1238 responses to the consultation were received with the vast majority of these from residents (986). In general, the responses showed support for the establishment of a combined authority for Dorset, and support for the proposals within the draft scheme. Although businesses were a small percentage of the overall respondents, those that did respond consistently gave an above average level of support to all questions asked.

- 9 To summarise the results of the consultation:
- The majority of respondents (53%) thought it was likely or highly likely that establishing a Combined Authority would secure more effective and convenient government, improve the provision of transport (48%) and economic development and regeneration in the area (54%)
 - However, (49%) thought it unlikely to improve economic conditions but against the backdrop of the EU referendum, this may have been perceived as outside of Dorset's control
 - There was some concern expressed (44%) that it may have a negative impact upon local identities and communities, however 21% thought it would have no impact and 31% believed it would be positive
 - Over 50% of respondents were in support of the proposed membership and the proposed partnership between councils and the LEP as a representative of the business sector
 - There was highest support (66%) for the proposed objectives of the DCA
 - The majority of respondents (46%) were in support with the proposals set out in the scheme
 - 715 free text comments received
- 10 As well as progressing with the CA, there has been much progress in relation to the unitary debate and devolution. DCLG has been very supportive of the work in Dorset and believe that this combination of two unitaries and a combined authority represents an attractive package with a strong governance model for any future devolution and are keen to support us through this process.
- 11 In terms of next steps the evidence has been submitted to Government and discussions are taking place with DCLG officials to ensure that the Secretary of State has all the information that he requires to make the Order to create the Dorset CA. There are risks even at this stage that might cause the Dorset CA to be delayed or not to come into existence – a requirement for further consultation (unlikely, but still a risk until the draft Order has been issued); one or more councils may object to the terms of the draft Order; or Parliament may reject the Order as not satisfying the statutory tests. However, it is important to maintain momentum in line with the timetable suggested by DCLG on the following page.

| Dorset Combined Authority | | | | | | | | | | | | | | | |
|--|------------|-------|-----|------|------|--------|------|-----|-----|-----|----|------|----|----|--|
| | | 2016 | | | | | | | | | | 2017 | | | |
| Task | End Date | April | May | June | July | August | Sept | Oct | Nov | Dec | Q1 | Q2 | Q3 | Q4 | |
| Scheme published and consultation open | 17/06/2016 | | █ | █ | | | | | | | | | | | |
| Parliamentary recess (Whitsun/EU Referendum) | 27/06/2016 | | █ | █ | | | | | | | | | | | |
| Produce summary and submit evidence | 29/07/2016 | | | █ | █ | █ | | | | | | | | | |
| Agree Statutory Officers | 25/07/2016 | | | █ | █ | | | | | | | | | | |
| Advice to HA | 11/07/2016 | | | █ | █ | | | | | | | | | | |
| Parliamentary recess (Summer) | 05/09/2016 | | | | █ | █ | █ | █ | | | | | | | |
| Draft Order to JCSI | 14/10/2016 | | | | | | █ | █ | █ | | | | | | |
| Parliamentary recess (Party Conferences) | 10/10/2016 | | | | | | █ | █ | █ | | | | | | |
| Advice to Ministers to lay draft Order | 30/10/2016 | | | | | | | █ | █ | | | | | | |
| DCLG seek consent from Constituent Councils | 30/10/2016 | | | | | | | █ | █ | | | | | | |
| Lay draft Order | 14/11/2016 | | | | | | | █ | █ | | | | | | |
| Parliamentary recess (Autumn) | 08/11/2016 | | | | | | | █ | █ | █ | | | | | |
| Draft Order debated in both houses | 19/12/2016 | | | | | | | | | █ | | | | | |
| DCA established | late Dec | | | | | | | | | █ | | | | | |

12. The key milestone for councils within this process is the week commencing 24 October when DCLG will seek consent from all constituent councils to lay the draft Order. We have been advised that the process for doing this will be a written request to those with delegated authority, in the case of the six other constituent councils – the Leader and Chief Executive. In order to progress in a timely manner it is important for the Dorset Councils Partnership to be in the same position.
13. DCLG has been very supportive of the work in Dorset and believe that this combination of two unitaries and a combined authority represents an attractive package with a strong governance model for any future devolution and are keen to support us through this process. For the tri-councils to agree to their formal membership within the DCA once established will send a clear message to Government and the Secretary of State of Dorset's continued strong partnership approach and our ambitions for delivering Dorset's economic potential.

Implications

Corporate Plan

14. The proposed Dorset Combined Authority is intended to positively impact on all of the Council's corporate plan priorities but perhaps most of all, the priority Build / Contribute to a Stronger Local Economy.

Financial

15. None at this stage. Costs are being met by TCA funding. The draft scheme refers to future cost sharing, for West Dorset District Council the contribution according to the formula recommended by Dorset Finance Officers Group is £19,890. Developing the budget timetable for the CA is a task for the finance officer lead and further information will be provided as soon as available.

Equalities

16. None at this stage. The establishment of a CA is proposed on the basis that it will offer the best possible chance of securing significant and lasting improvements in economic development, regeneration and transport for the benefit of all Dorset residents.

Environmental

17. None at this stage. As the draft scheme sets out Members will act in the best interests of the DCA Area taking into account all relevant matters and advice.

Economic Development

18. The governance 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.

Risk Management (including Health & Safety)

19. If councils decide not to join the Combined Authority there is a risk of losing out on future funding opportunities through devolution and the opportunity to influence at a regional and national level.
20. Although the Secretary of State advocates for the membership of a Combined Authority to be agreed by consensus there is the potential for membership to be imposed regardless of individual council's opinion.

Human Resources

21. None at this stage. Any future proposals that may affect staff will be subject to consultation at an appropriate time.

Consultation and Engagement

22. Stakeholders have been consulted on two occasions during this process (Feb / May 2015 and May / June 2016) and expressed support for the establishment of a CA.

Appendices

23. None.

Background Papers

24. Dorset Leaders' Growth Board: Review of Economic Evidence
Dorset Leaders' Growth Board: Governance Review
Draft Scheme for a Dorset Combined Authority
Schedule 1: Scheme of Delegation

Footnote

25. Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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