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Report of: Chief Executive

Report to: Scrutiny Board (Strategy and Resources)

Date: 24 February 2020

Subject: Devolution update

Are specific electoral wards affected? If yes, name(s) of ward(s):	☐ Yes	⊠ No
Has consultation been carried out?	☐ Yes	⊠ No
Are there implications for equality and diversity and cohesion and integration?	☐ Yes	⊠ No
Will the decision be open for call-in?	☐ Yes	⊠ No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	Yes	⊠ No

Summary

1. Main issues

- This report is intended to update Scrutiny Board Members on matters related to Devolution.
- **2. Best Council Plan Implications** (click <u>here</u> for the latest version of the Best Council Plan)
 - The Best Council Plan priorities refer to aspects of the WYCA work and devolution and are undertaken in that context.

3. Resource Implications

• There are no specific implications as a result of this report.

Recommendations

 Members are asked to consider the content of this paper and note the progress made regarding Devolution.

1. Purpose of this report

1.1 This report is intended to update Scrutiny Board Members on matters related to the progress of Devolution.

2. Background/ Main Issues

- 2.1 Members have previously been updated on developments regarding Devolution including at the most recent Full Council meeting on 15 January 2020.
- 2.2 Following constructive discussions between West Yorkshire Leaders, West Yorkshire Chief Executives, MHCLG and HMT officials with the then HMT Minister, Robert Jenrick MP, One Yorkshire Leaders wrote to the Prime Minister at the end of July 2019, outlining new devolution proposals. On 29th July 2019, the proposals were published. These included that a series of interim devolution deals would be agreed across Yorkshire to run in parallel with the existing SCR agreement. Negotiations would continue with Government to have a One Yorkshire devolution agreement completed by 2022, the end of the current SCR Mayor's term. At this point, any SCR authorities wishing to be part of the wider Yorkshire deal would be allowed to do so. The proposals outline how a One Yorkshire devolution deal could deliver economic benefits worth £30bn a year, or £5,400 per person.
- 2.3 The letter further states that proposals also outline how devolution in Yorkshire is critical to delivering shared objectives, which cross political divides and are about growth in a post-Brexit world. It aligns to the Government's priorities of more investment in much needed transport and full fibre digital infrastructure; increased inward investment and help for companies to export; the delivery of more houses to meet the acute national shortage; speed up of the progress being made in sustainable energy generation and carbon capture; better address the skills shortages in workforce; and help tackle deprivation within communities.
- 2.4 At his speech at the Convention of the North in Rotherham on 13 September 2019, the Prime Minister made the following statement: "And I know there is real enthusiasm for devolution in Yorkshire and I welcome the establishment of a Yorkshire Committee as a practical step for facilitating greater collaboration on a Yorkshire-wide basis...In the meantime, we are committed to getting the Sheffield City Region done and I also want to open up negotiations with Leeds and West Yorkshire so we can make a mayor work there too, whatever the nature of any longer term arrangements in Yorkshire."
- 2.5 The Secretary of State, for Housing, Communities and Local Government, Robert Jenrick MP also committed to working with Leaders to bring forward plans for a devolution deal.
- 2.6 On 26 September 2019, West Yorkshire Leaders met with Government Ministers to discuss proposals for devolution.

- 2.7 On 19 December 2019, the Leaders of West Yorkshire and York councils and the Chair of the Leeds City Region Enterprise Partnership wrote to the Prime Minister highlighting the opportunities and challenges for the region across key areas with specific requests for Government support on devolution, skills, transport, tackling the climate emergency and development of mass transit proposals. (Letter attached at Appendix A).
- 2.8 The letter to the Prime Minister also identifies reaching a devolution settlement as an "urgent priority" and sets the goal of making significant progress, "with a view to agreeing a way forward" which can be announced in the Government's first budget. The letter states,

"Our urgent priority is to secure the benefits of devolution for all our communities. This is a vital part of completing the devolution map across the country and will enable us to drive economic growth, tackle the climate emergency and regenerate, strengthen and level up our towns.

"We seek to build on the progress made following your speech in Rotherham supporting Yorkshire-wide collaboration and opening up negotiations on a possible Leeds City Region agreement, alongside making progress towards devolution for all parts of Yorkshire. We ask that these productive discussions continue, with a view to agreeing a way forward that can be announced in your Government's first budget."

- 2.9 West Yorkshire Leaders met with the Exchequer Secretary, Simon Clarke MP and Northern Powerhouse Minister, Jake Berry MP on 29 January 2020, where it was agreed that formal negotiations would begin to create a devolution deal for the Leeds City region.
- 2.10 Discussions continue to progress with Ministers and officials to explore a potential devolution deal.

3. Corporate considerations

3.1 Consultation and engagement

3.1.1 As this report is specifically providing an update on matters related to Devolution, there hasn't been any specific consultation and engagement.

3.2 Equality and diversity / cohesion and integration

3.2.1 There are no specific implications as a result of this report

3.3 Council policies and the Best Council Plan

3.3.1 The Best Council Plan priorities refer to aspects of the WYCA work and devolution are undertaken in that context.

Climate Emergency

This paper refers to letter to the Prime Minister from the Leaders of West Yorkshire and York councils and the Chair of the Leeds City Region Enterprise Partnership on 19 December 2019 which highlights the opportunities and challenges for the region across key areas with specific requests for Government support on tackling the climate emergency.

Members have also previously been updated on the Combined Authority approach to tackle the climate emergency, in pursuit of the Leeds City Region becoming net zero-carbon.

3.4 Resources, procurement and value for money

3.4.1 There are no specific implications as a result of this report.

3.5 Legal implications, access to information, and call-in

3.5.1 There are no specific legal implications arising from this report.

3.6 **Risk management**

3.6.1 There is currently a risk identified regarding Devolution on the Corporate Risk Register. This takes account of the need to secure a deal and the opportunities this presents, and ensures that any deal to be considered is in the best interests of the people of Leeds.

4. Recommendations

4.1 Members are asked to consider the content of this paper and note the progress made regard Devolution.

5. Background documents¹

None

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.