

Joint Committee

16th January 2015

Introduction

1. Set out below is a possible draft response by the Joint Committee to the DCLG's consultation: Legislative Reform Order to give local authorities greater flexibility in forming a combined authority or economic prosperity board, dated December 2014, which has a closing date for responses of 26th January 2015.
2. The Joint Committee is requested to consider whether it wishes to make a response to DCLG and if it does a suggested response is set out below.

Draft Response

3. Draft response by members of the [Coventry and Warwickshire economic prosperity joint committee] to the Government's December 2014 consultation:
Proposal to use a Legislative Reform Order to give local authorities greater flexibility in forming a combined authority or economic prosperity board

Question 1: do you agree that the proposal to enable local authorities that do not have contiguous boundaries to form combined authorities and economic prosperity boards will reduce a burden to collaboration? Why?

This is agreed, subject to the safeguards described in Q2 below. Functional economic areas may not necessarily be co-terminus with existing local government areas and so the new flexibilities will enable local authorities to establish the arrangements which are most suited to promoting economic growth. The assessment of what is the most suitable arrangement to promote economic growth still needs to be capable of objective determination, as set out in Q 2 below.

Question 2: do you agree that the proposed safeguards are necessary and sufficient? Why?

While the participation of any local authority in a combined authority or EPB is voluntary, as the Government has noted in its consultation, there need to remain some safeguards to ensure that any new arrangements put in place will not disadvantage any particular communities within the immediate and surrounding local government areas.

The safeguards should help ensure that the conditions for establishment of a combined authority or EPB are determined objectively and fairly through (a) the assessment by both the applicant local authorities and then the Secretary of State as to whether the proposed area for a combined authority or EPB does indeed reflect a functional economic area and (b)

the requirement for the Secretary of State to have regard to the potential for adverse effects on surrounding areas. It is essential that the Secretary of State retains the duty to consult on any proposed combined authority or EPB in order to ensure that all interested parties' views are taken into account.

Question 3: do you agree that the proposal to enable a county council to delegate its function to a combined authority for part of the county council's area will reduce a burden to collaboration? Why?

We welcome the confirmation that it is for each authority to determine how it discharges its functions.

Question 4: do you agree that the proposal to remove the review and scheme requirements for changes to a combined authority's or economic prosperity board's constitution, functions or funding will reduce a burden to collaboration?

The proposed amendments are consistent with localism principles, requiring the Secretary of State to adopt changes to a combined authority or EPB which have the unanimous support of the member local authorities, save for the most fundamental decisions (dissolution or exit of a member) which warrant a governance review, consultation and Secretary of State approval to determine whether the existing statutory conditions for a combined authority or EPB are still satisfied.

Question 5: Do you agree that the three proposed changes meet the preconditions for use of a Legislative Reform Order as set out above, in particular:

- Do you have views regarding the expected benefits of the proposals as identified in Chapter 3 of this consultation?
- Is there any empirical evidence that you are aware of that supports the need for these reforms?, please provide details
- Are there any non-legislative means that would satisfactorily remedy the difficulty which the proposals intend to address?
- Are the proposals put proportionate to the policy objective?
- Do the proposals taken as a whole strike a fair balance between the public interest and any person adversely affected by it?
- Do the proposals remove any necessary protection?
- Do the proposals prevent any person from continuing to exercise any right or freedom which he might reasonably expect to continue to exercise? If so, please provide details.

No specific comments.