

LEADER OF THE COUNCIL

20 OCTOBER TO 4 NOVEMBER 2016

COMMENTS FROM OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE ON DEVOLUTION – APPROVAL TO CREATION OF A GREATER LINCOLNSHIRE COMBINED AUTHORITY

On 29 September 2016, the Overview and Scrutiny Management Committee considered the report on Devolution – Approval to Creation of a Greater Lincolnshire Combined Authority.

Overall Conclusion of the Overview and Scrutiny Management Committee

The Overview and Scrutiny Management Committee agreed by a majority of 15 votes with two abstentions, that it was in favour of devolution but on the basis of what was being offered in the deal now, it was not in favour of a directly elected mayor, because the result of the consultation showed that more people disagreed with the proposition for a mayor.

Points of Clarification

The following points of clarification were made during the meeting: -

- The Government had made it clear that the Greater Lincolnshire Devolution Deal could only proceed with an elected mayor. If Lincolnshire wanted to have substantial devolution and favoured status, then it had to have an elected mayor. If there was no mayor, then there was the possibility of some devolution but not to the extent proposed in the Deal.
- The Government wanted an elected mayor for the Combined Authority so that there was a single point of accountability.
- All ten constituent councils had to agree to the devolution scheme for Lincolnshire for it to proceed.
- If there was no unanimous agreement, then there may be the option for re-consultation on a new scheme for those councils who wished to proceed. If any of the upper tier councils, namely North Lincolnshire Council, North East Lincolnshire Council or Lincolnshire County Council, were not in favour of a revised scheme then it was highly likely that it would not go ahead. However, if one or two of the district councils were not in favour of a revised scheme, then there could be the option to continue after re-consultation by those councils who wished to proceed.
- If any of the councils rejected the scheme, then there was a risk that there might be a reduction in the £15million offered in a new deal.
- Any district council which rejected the current scheme could potentially join a new devolution scheme in future.
- If there was a re-consultation on a new devolution scheme, this would not take place until June 2017 which would mean that the mayoral election would not take place until May 2018.

- The Combined Authority would be entitled to levy for costs and expenses against each of the councils. The Mayor would be entitled to issue a precept to cover expenses.
- The estimated cost of running the Combined Authority was £2.2million for 2017/18, some of which could come out of the £15million which Greater Lincolnshire would receive if devolution proceeded. This cost included the mayoral election. If the devolution deal was accepted, then the first £15million could be received before 31 March 2017 and the second £15million in the new financial year.
- A second devolution bid had been submitted for Greater Lincolnshire but would not proceed in the absence of a Combined Authority.
- There was no option for including a break clause as part of the scheme.
- Cornwall was the only area to proceed with devolution without an elected mayor. However, Cornwall's devolution deal was less than other areas in the country, and it was now looking at the possibility of having an elected mayor in order to secure a more substantial devolution deal.
- Home to school transport in Lincolnshire would remain the responsibility of Lincolnshire County Council.

Comments of Individual Members of the Committee

Individual members of the Committee also made the following comments, which the Committee agreed would be passed to the Leader of the Council: -

- The views of the people of Lincolnshire should be listened to. There was public support for devolution but not for an elected mayor. In response to the consultation, 46.7% of Greater Lincolnshire were in favour of a Mayoral Combined Authority, but 48.6% were against it. However, in Lincolnshire only 42% agreed with the Mayoral Combined Authority whereas 53% were against it.
- As turnout for the consultation was less than 1% of the Greater Lincolnshire population, the Government may not take enough notice of the consultation results.
- The £15million per year coming to Greater Lincolnshire was miniscule for the size of the area and would not enable a huge amount of economic growth. However, there could potentially be a substantial amount of money for Greater Lincolnshire through future devolution deals.
- If an enhanced devolution offer was made by the Government, then there would be a need to decide whether to go with the consultation results or with the enhanced offer.
- When the elected mayor was adopting a strategy or making a funding decision, they would only need three other councils to agree with them to push the decisions through.
- The Overview and Scrutiny Management Committee should have oversight of the Council's involvement in the Combined Authority.
- If one or two district councils dropped out, their areas would still potentially receive the benefits of devolution without being in the Combined Authority.
- Membership of the Overview and Scrutiny Committee for the Combined Authority would be a substantial commitment and workload, but there appeared to be no extra allowance payable by the Combined Authority.

- There was a risk that the money received by the Greater Lincolnshire Local Enterprise Partnership (GL LEP) for economic growth could be reduced which would result in little or no financial gain for the Greater Lincolnshire area.
- It was difficult to make a decision on whether to accept the devolution scheme without all the details, such as the outcome from the second devolution bid and how the devolution deal might proceed if some councils rejected the scheme. Urgent clarification was required from the Government on how the devolution deal might work if all the councils did not agree to the devolution scheme.