

Guildhall Gainsborough
Lincolnshire DN21 2NA
Tel: 01427 676676 Fax: 01427 675170

This meeting will be webcast and published on the Council's website

AGENDA

Prayers will be conducted prior to the start of the meeting.
Members are welcome to attend.

Notice is hereby given that a meeting of the Council will be held in the The Council Chamber - The Guildhall, , on **Wednesday, 25th May, 2016 at 7.00 pm**, and your attendance at such meeting is hereby requested to transact the following business.

To: Members of West Lindsey District Council

1. APOLOGIES FOR ABSENCE

2. MEMBERS' DECLARATIONS OF INTEREST
Members may make any declarations of interest at this point and may also make them at any point during the meeting.

3. GREATER LINCOLNSHIRE DEVOLUTION PROPOSAL
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M Gill
Chief Executive
The Guildhall
Gainsborough

Tuesday, 17 May 2016

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Extraordinary Council

25 May 2016

Subject: Greater Lincolnshire Devolution Proposal

Report by:	Chief Executive
Contact Officer:	Manjeet Gill Chief Executive 01427 676501 Manjeet.gill@west-lindsey.gov.uk
Purpose/Summary:	<ul style="list-style-type: none"> • To update Council on the progress made in the Devolution proposals by the ten local authorities in the Greater Lincolnshire area and to detail the process for the next stages in the devolution programme. • To present to the Council the latest elements of the devolution proposal. • This report requires Council to consider and set direction for the next stages of the devolution process

RECOMMENDATION(S):

- 1) To note the progress to date of the Devolution programme
- 2) Agree the recommendations set out in in section 7 of this report

IMPLICATIONS

Legal: The Draft Scheme describes the legal framework within the devolution proposal and sets out the Governance for the proposed Combined Authority

Financial: [FIN/23/17](#) The devolution agreement includes a commitment from central Government to devolve funds to Greater Lincolnshire

Staffing: No specific impact from this report

Equality and Diversity including Human Rights: None

Risk Assessment: None

Climate Related Risks and Opportunities: None

Title and Location of any Background Papers used in the preparation of this report:

Appendix 1 attached to this report the Governance Review for Greater Lincolnshire

Appendix 2 attached to this report the draft Greater Lincolnshire Scheme

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

x

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

Y

No

1. BACKGROUND INFORMATION

- 1.1. Council received the Greater Lincolnshire Devolution Deal Interim Governance Proposal and the then latest version of the deal document at its meeting on 16 November 2015. Council approved that the Greater Lincolnshire devolution expression of interest, submitted to Government on the 4 September 2015, should be developed into a fit for purpose devolution deal document via continued formal engagement with Government and that authority was delegated to the Leader and Chief Executive to continue devolution discussions and negotiations with Government.
- 1.2. These discussions and extensive work culminated in the Devolution Agreement being signed by the ten Greater Lincolnshire Council leaders and Government ministers. This was formally announced by the Chancellor in the Budget on the 16 March.
- 1.3. There are clear statutory processes that need to be followed in accordance with the Cities and Local Devolution Act 2016 to establish a mayoral combined authority and devolving appropriate powers from central government for May 2017. The Greater Lincolnshire deal is one of the first to be progressed under this legislation.
- 1.4. The councils need to undertake a governance review, publish a scheme as to how a mayoral combined authority would work, undertake a statutory public consultation on the scheme and provide a summary of the consultation responses to the Secretary of State. The primary purpose of a governance review is to set out the rationale for creating a Greater Lincolnshire geographic/economic footprint and to propose options for governance. The governance review and the consultation on the draft scheme will enable the Secretary of State to decide whether the statutory tests on improving the exercise of functions are met and whether it is appropriate to make the order (if parliament approves) establishing the Mayoral Combined Authority. Before making such an order, consent needs to be sought from the constituent councils.
- 1.5. This report sets out the terms of the governance review and the scheme on which we will consult.
- 1.6. Each council is to receive the attachments for consideration by its Full Council and a report inviting the same recommendations at their next scheduled meeting.

2. OPTIONS FOR CONSIDERATION

- 2.1. That council supports the recommendations in the report and approves continued working towards the implementation of the Greater Lincolnshire Devolution Agreement.
- 2.2. That council does not agree to the development proposed and work ceases.

3. ANALYSIS OF OPTIONS

- 3.1. The council is intensively involved in developing the devolution agreement. The details are subject to continuing refinement as detailed discussions are ongoing with civil servants about all 71 paragraphs in the Devolution Agreement document. This document is being turned into a detailed implementation plan. The council will need to assess whether the opportunities and freedoms that devolution can bring will be delivered by the final negotiated agreement.
- 3.2. The council is asked to support the governance review process. This will allow the council to report to the Secretary of State such views to inform his decision on the Devolution Deal and the Scheme for the Mayoral Combined Authority.
- 3.3. If the council withdraws at this stage it will lose the opportunity to develop the benefits of the devolution process and may lose access to future government resources and the local determination of policy and spending priorities.

4. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

- 4.1. The resource implications are dependent on the next stages of the development of the devolution process. Most will involve the use of existing officer time and resources. Any financial or other resource requirements will be met from within existing budgets.

5. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

- 5.1. Not applicable

6. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

- 6.1. The draft scheme will be the subject of a statutory consultation exercise which will commence by 4 July 2016. The results of the consultation exercise will be reported back to council and the Secretary of State.
- 6.2. No conflicts of interest have been identified.

7. RECOMMENDATIONS

- 7.1. That council endorses the signing of the Greater Lincolnshire Devolution Agreement by the Leader and delegates further authority to the Leader and Chief Executive to engage in negotiations with Government regarding the potential devolution of further powers, responsibilities and resources.

- 7.2. That the contents of the Greater Lincolnshire Governance Review, as attached to this report are noted.
- 7.3. That, on the basis of the Governance Review, the council concludes that the establishment of a Mayoral Combined Authority for the Greater Lincolnshire area would be likely to improve the exercise of statutory functions in relation to the area.
- 7.4. That, accordingly, the council supports the preparation and publication of a Scheme for the establishment of a Mayoral Combined Authority for the Greater Lincolnshire area under section 109 of the Local Democracy, Economic Development and Construction Act 2009
- 7.5. That the council supports the publication of the draft Scheme for a Greater Lincolnshire Mayoral Combined Authority as attached to this report for consultation purposes, subject to such final revisions as may be approved by the Chief Executive, in consultation with the Leader, prior to commencement of the consultation exercise.
- 7.6. That the outcome of the consultation exercise is reported to the next meeting of the council.
- 7.7. That council meets by 20 October 2016 to consider giving consent to an Order establishing a Mayoral Combined Authority for Greater Lincolnshire.
- 7.8. Insofar as any of the matters referred to in this report concern the discharge of non-executive functions, authority is delegated to the Chief Executive, in consultation with the Leader, to take all necessary steps and actions to progress the recommendations detailed in this report.
- 7.9. That further reports are presented to council and cabinet as appropriate as the Devolution process develops.

Governance Review for Greater Lincolnshire

Introduction

1. In 2015 the Councils in the Greater Lincolnshire area (Boston Borough Council, City of Lincoln Council, East Lindsey District Council, Lincolnshire County Council, North East Lincolnshire, North Kesteven District Council, North Lincolnshire Council, South Holland District Council, South Kesteven District Council and West Lindsey District Council) agreed proposals to review their governance arrangements in order to deliver their ambitious plans for economic growth in Greater Lincolnshire (GL).
2. This document has been prepared by the Greater Lincolnshire Leadership Board, a joint committee of the Greater Lincolnshire Councils or their executives. It details the findings of a governance review that has been undertaken under Section 108 of the Local Democracy, Economic Development and Construction Act 2009 (LDEDCA)¹ as amended by the Cities and Local Government Devolution Act 2016 (CLGDA)² to review the exercise of statutory functions in relation to the combined areas of the Councils (“the review area”) with a view to deciding whether to prepare and publish a scheme for a combined authority under section 109.
3. The Councils may publish such a scheme if they conclude on the basis of this review that the establishment of a combined authority would be likely to improve the exercise of statutory functions in relation to the review area.
4. The issues set out in this document are to be the subject of consultation with all stakeholders.
5. The findings of this governance review will be considered by each of the constituent councils who will consider whether to propose a ‘scheme’ for a Greater Lincolnshire Combined Authority. If they do the draft scheme will be the subject of a public consultation exercise before a final decision is reached whether to publish a scheme.

¹ The Act can be found at <http://www.legislation.gov.uk/ukpga/2009/20/contents>

² The Act can be found at <http://www.legislation.gov.uk/ukpga/2016/1/contents>

Executive Summary

6. In accordance with the statutory framework the purpose of this Governance Review has been to:
 - review the exercise of statutory functions in relation to the review area with a view to deciding whether to prepare and publish a scheme under section 109;
 - consider the options available for making changes to existing governance structures and arrangements with a view to improving the exercise of statutory functions;
 - determine which option is likely to be most beneficial to the Greater Lincolnshire area and strengthen the overall governance arrangements and exercise of statutory functions .
7. The Governance Review has found that Greater Lincolnshire functions as an integrated economic area. There are significant interdependencies between the Councils in the area. There are strong relationships with neighbouring areas. Partnership working on initiatives such as the Growth Deal and Enterprise Zones has further strengthened Greater Lincolnshire as a functional economic area. Our partnership working has a strong track record that can be built on.
8. However, the case for change is compelling on two grounds.
9. The review has operated on the principle that devolution is not about taking away powers from constituent councils, but about drawing down powers from central government or government agencies. At the level of the exercise of functions themselves, the ability of Greater Lincolnshire to drive economic growth is hampered by a lack of control over key elements of the growth agenda, including such matters as skills and strategic planning. In particular the distinction between functions exercised locally and those exercised by central government introduces a lack of coherence which undermines a strategic approach. To overcome these issues,, whether through full devolution of functions from central government to the local area's governance arrangements or through closer working between central and local government , calls for the creation of single corporate entity to take devolved functions or to lead in collaboration. To pursue devolution or increased collaboration through ten individual I councils as opposed to a single entity in the form of a Mayoral Combined Authority is unsustainable and a recipe for greater fragmentation and complexity
10. At the level of governance and decision-making there are a number of limitations within the current arrangements, largely relating to the lack of a single, formally constituted body responsible for taking strategic decisions about economic growth across the review area. This gives rise to potential problems such as lack of clarity, duplication and inefficiency of decision making. The Review also concluded that the

current arrangements inhibited long term strategic decision making and that they were not sufficient to support the ambitions of the area. A less cumbersome governance arrangement is needed to address the challenges that Greater Lincolnshire will face in the future, as well as providing greater transparency and accountability.

11. The financial position facing local authorities should not be overlooked. Over the last four years, there have been significant reductions in the Government's funding of local authorities. Reductions in local government funding have been higher than in other parts of the public sector. It is therefore imperative that all future governance models are efficient and reduce duplication and waste wherever possible.
12. The Review finds that a Mayoral Combined Authority is the option which most fully permits the effective discharge of the functions that Government is prepared to devolve to the Greater Lincolnshire area.

Methodology for the Governance Review

13. The governance review has comprised the following:-
 - A review of the economic evidence in order to assess the effectiveness of current arrangements;
 - Desk research of possible future governance structures and an analysis of their advantages;
 - Final version submitted to the constituent councils for approval

Review of Economic Evidence

14. The full economic review is available as part of the Strategic Economic Plan and can be accessed via <http://www.greaterlincolnshirelep.co.uk/documents-and-resources>
15. Greater Lincolnshire already contributes over £18 billion to the national economy each year. As an economic geography, our area makes a positive net contribution to UK Gross Domestic Product, earning more money per capita for HM Treasury than is spent on the delivery of local services.
16. Some of the most significant energy, food, manufacturing and chemical industries in England are located here. We have the largest UK port by tonnage and the area's ports and logistics companies serve the whole of the UK and beyond. Tourist visitors to the area generate almost £2bn a year in local expenditure.
17. Greater Lincolnshire believes that this area has real potential to deliver sustainable growth. New investment that has been secured through the Greater Lincolnshire LEP towards local economic growth activity will directly accelerate the delivery of:
 - 13,000 new jobs
 - support to 22,000 businesses
 - up to 100,000 new homes
 - an increase the value of the Greater Lincolnshire economy by £3.2 billion
18. We are helping businesses across Greater Lincolnshire to increase productivity and create new commercial and employment opportunities whilst working to increase skill levels allowing local businesses to recruit and train the talented employees they need to succeed.
19. We recognise that the labour market for businesses and residents in Greater Lincolnshire extends beyond administrative boundaries. This is demonstrated by the 8 Travel to Work Areas within Greater Lincolnshire, which extend into parts of Nottinghamshire and Leicestershire to the West and are influenced by Peterborough to the South.



Travel to Work Area (TTWA's) in Greater Lincolnshire
Source: ONS

20. We recognise that our housing market also plays an important role in supporting the local economy and with 100,000 new houses planned over the next 15 years, will contribute to the provision of major growth opportunities along nationally important investment corridors.
21. Working with our lead partners across Greater Lincolnshire, we have identified a range of specific additional powers that will enable us to accelerate delivery of our ambitions and achieve growth more quickly than anywhere else in the UK. Through Government's backing, we can deliver a strong, viable and transformational plan for Greater Lincolnshire based around the following key areas:-
 - accelerated growth
 - transport
 - skills
 - housing
 - water management
 - health
 - public protection
 - leadership
22. We believe that local control of powers devolved from central government in these critical areas and associated funding, will deliver a real step change in our skills base, place us at the forefront of new technologies, improve health and wellbeing outcomes and deliver radical public service reform for the benefit of our economy and citizens.

Greater Lincolnshire

23. Greater Lincolnshire has a population of 1,060,000. This unique area makes a distinctive contribution to national GVA and offers an attractive option for investment and development. We offer a range of important social and economic factors which make this a great place to live and work. We:-
- Serve over 75% of the UK population within a four-hour drive time from a central UK location
 - Offer a diverse base of almost 44,000 VAT/PAYE-registered businesses, offering massive supply chain opportunities across a range of sectors
 - Have an international airport serving the business community
 - Boast the largest UK port by tonnage
 - Are part of the largest Enterprise Zone in the UK and are developing 3 Food Enterprise Zones
 - Provide two universities, two new University Technical Colleges and seven colleges of further education
 - Benefit from low housing costs and low crime rates
 - Enjoy historic sites, beautiful countryside and miles of sandy beaches, vibrant market towns and urban centres
24. Greater Lincolnshire makes an important net contribution to the national economy, directly enhancing:-
- National food security
 - Access to key European markets
 - Domestic renewable energy output
 - Manufacturing output
 - UK visitor economy
 - The country's housing needs

Economic Context

25. Our economic strategy has a critical focus on growing our contribution to the economy of UK plc. We will do this by concentrating the activities and investment in those sectors and areas where we can have the greatest impact
26. Greater Lincolnshire's economic output (GVA) was over £18.3bn in 2013, having grown by 7.3% since the onset of the recession in 2008. This is a positive sign of the area's economic resilience and emergence from recession, albeit GVA growth lagged behind that of the East Midlands (11.1%) and England as a whole (11.4%) over this period.
27. Workplace-based GVA per head in Greater Lincolnshire was just 76% of the UK average in 2013 – reflecting our particular mix of sectors and low economic participation rates in some parts of the Greater Lincolnshire area. This, along with

levels of multiple deprivation, has resulted in Greater Lincolnshire's status as a 'Transition Region' for the purposes of the European Union Structural and Investment Funds programme for the period 2014-2020.

28. Greater Lincolnshire's businesses are made up of an astonishing 99% of SMEs. We are resilient, pro-active, and buck trends.

Economic Sectors

29. Greater Lincolnshire has identified and prioritised four core sectors where we can truly grow UK plc and add real value to the Government's Industrial Strategy. Alongside our focus on these local sectors which will make the most significant contribution to growing and rebalancing the UK economy, we are also championing the development of two further key sectors with significant growth potential.

Core

- **Agri-food;** Greater Lincolnshire has more grade 1 agricultural land than any other area in England, producing/processing over 12% of the UK's food supply including more than 70% of its seafood and 25% of its vegetables. The sector employs around 75,000 people across the supply chain with a diverse mix of businesses including Cranswick Plc, Greencore, Moy Park, 2 Sisters, Walkers and Young's Seafood alongside a wide range of primary producers
 - **Manufacturing and engineering;** this sector contributes over £1.9 billion (11%) of Greater Lincolnshire's output, and employs around 41,000 people. Our manufacturing/ engineering strengths encompass power engineering, petrochemicals/chemicals, steel manufacture and motorsport engineering with global businesses including Siemens, Total, Phillips 66, Tata Steel, Novartis, Cristal and Pilbeam Racing Designs.
 - **Visitor economy;** worth over £1.9billion per annum to the Greater Lincolnshire economy, it supports over 39,000 jobs and has long-term growth potential. More than 31 million people visited Greater Lincolnshire's world class visitor attractions in 2014 including Lincoln Castle and Cathedral, the Lincolnshire Wolds and the vibrant coastal resorts of Cleethorpes, Mablethorpe and Skegness – the UK's fourth most popular holiday resort.
 - **Low carbon economy;** already worth £1.2billion per annum to Greater Lincolnshire and employing over 12,000 people, and with the potential for up to £60billion of private investment over the next fifteen years, this sector offers major opportunities for growth in offshore wind (linked to manufacturing/installation of turbines and in operations and maintenance activity) as well as in biomass, biofuels, energy from waste and the development of other low carbon or environmental goods and services.
30. The importance of the contribution made by our agri-food, manufacturing and visitor economy sectors to the UK economy is highlighted in the table below. This shows

that Greater Lincolnshire’s contribution to GVA from agri-food is equal to four times the UK average and over one and a half times the UK average for manufacturing GVA. Both the agri-food and manufacturing sectors are over represented in employment terms compared to the UK average. The visitor economy performs near the UK average in terms of employment and output and, but once consideration is given to GVA and employment in the retail sector that supports and is supported by, the visitor economy, its importance is clear.

Sector	Employment		Economic Value (GVA)	
	%	UK	%	UK=100
Retail/Wholesale	18	114	13	112
Financial & Business Services	14	60	14	46
Health & Care	14	107	11	120
Public Admin, Education & Defence	13	90	13	99
Agri-food	10	318	11	407
Manufacturing	9	127	13	151
Visitor Economy	8	86	5	96
Ports & Logistics	5	120	5	103
Construction	5	107	9	127
Other Services	2	93	2	84
Energy, Water & Waste	1	118	4	120
Communications	1	38	1<	27

Local Economy Forecasting Model, Cambridge Econometrics 2013

Source: Business & Employment Register Survey 2012, Office for National Statistics

Emerging

- **Ports and logistics;** Greater Lincolnshire’s central location ensures that we can serve over 75% of the UK population within a four-hour drive time. The Port of Immingham - the largest UK port by tonnage – is a key gateway to Europe and plays a vital role in supporting the UK energy sector through imports of oil, coal and biomass. The Ports of Grimsby (automotive import/export) and Boston (grain) and Humberside Airport (perishables) are also key assets alongside a diverse logistics sector which employs 18,000 people.
- **Health and care;** our growing and ageing population and dispersed settlement pattern are driving opportunities for economic growth in Greater Lincolnshire’s health and care sector, which currently employs 56,000 people and is worth £1.2billion per annum to our economy. Opportunities include developing and embedding innovation across the NHS through the new Schools of Life Sciences and Pharmacy at the Lincoln Science and Innovation Park, deploying assistive technology and ensuring our housing stock can meet the ‘whole life’ needs of residents.

Recent Economic Successes

31. Greater Lincolnshire has 'punched above our weight' performing 8th highest across all 39 LEPs due to the quality and deliverability of our strategic economic plans by securing £146.2m of Growth Deal in 2014/15. European funding of £113m for the 2013-20 Programme was secured and has already been successful in delivering the hugely successful Business Lincolnshire Growth Hub alongside projects benefitting from Growing Places Funding, as well as major transport schemes which have succeeded through critical partnerships. In total these projects represent:-
- £430m new investment
 - 9,250 jobs created or safeguarded
 - 900,000m² new commercial workspace
 - 6,500 new homes built
 - 4,500 new learners supported
32. Some highlights include:-
- South Humber Industrial Infrastructure Programme (SHIIP): Phase 1
 - Bishop Burton College
 - Scunthorpe Town Centre
 - Teal Park Business Park
 - Lincoln Central Transport Hub
 - Boole Technology Centre
 - Lincoln Eastern By-Pass
 - Unlocking Rural Housing Programme: Phase 1
 - Skegness Countryside Business Park
 - Boston Quadrant/Distributor Road, Phase 1
 - Grantham Southern Relief Road
 - Grantham College
 - Agri Food Centre of Excellence
 - Food Enterprise Zones (Europarc, Central Lincolnshire, Holbeach)
 - Nottingham to Lincoln train enhancements
 - Business Lincolnshire Growth Hub
33. For a full overview and list of projects visit www.greaterlincolnshirelep.co.uk

Current Arrangements

34. We consist of the unitary authorities of North Lincolnshire and North East Lincolnshire (both bordering the south bank of the Humber Estuary) together with the county of Lincolnshire and its constituent seven districts, underpinned by the Greater Lincolnshire LEP.
35. Along with the other 11 Midlands LEPs, Greater Lincolnshire is also actively engaged in developing a robust business case and evidence base to secure further strategic investment through the Midlands Engine for Growth. Our negotiations

highlight the positive net contribution which Greater Lincolnshire already makes towards national GVA output.

36. Ongoing discussions with HM Treasury will focus on the national economic importance of improving connectivity to Greater Lincolnshire ports and food production corridors as a key driver for delivering accelerated growth and productivity across the Midlands and beyond.

Lead Delivery Partners

37. We recognise the importance of the governance relationship, supported by a range of partners that will deliver these priorities – local authorities, housing growth, our schools, training providers, further and higher education colleges, universities, Chambers of Commerce and the Federation of Small Business operating alongside our flourishing business communities. There are a great number of very successful partnerships and networks across the area and we have an excellent track record of working together to achieve more.

Limitations of the Current Arrangements

38. The current partnership arrangements described above have delivered a significant number of development and growth projects which were above the pro-rata expectations for LEP and other funding. An effective framework has been developed to manage and commission the £146.2m Local Growth Fund which will unlock a further £430m of investment and create at least a further 9,250 jobs and 6,500 homes.
39. However, the current partnership arrangements have a number of constraints including those that were identified in the Planning Advisory Service/ Local Government Association review into Greater Lincolnshire being “Open for Growth” (March 2015), namely:-
 - There is no single formally constituted body with responsibility for taking decisions related to strategic economic growth across the sub-region. This has led to a lack of clarity about decision making processes and responsibilities.
 - The current arrangements that are in place are voluntary and rely on good relations between partners and a mutual interest in working collaboratively.
 - As none of the current partnership are formally constituted, decisions relating to economic growth and transport need to be taken by all the relevant local authorities. This results in longer decision making timescales, duplication of effort and a lack of transparency leading to a potential for confusion.
 - The current governance arrangements are not sufficient for the ambitions of the area in terms of long term funding commitments for transport investment, devolution of funding and the ability to commission skills programmes locally

and enhanced funding and finance powers through the establishment of new enterprise zones to help deliver priority growth areas.

- As there is no single entity with responsibility for taking strategic decisions on spatial planning there is no straightforward mechanism for coherent long term strategic planning decisions to be made collectively by all local authorities about the future direction of growth, including distribution of employment and housing land in the city and county and key infrastructure investment. It also inhibits shared understanding about the sub-region as a single economic area and a risk that each council acting alone will have limited control or influence over the key drivers of economic growth.
 - There is no vehicle to provide a single, coherent response to major, national infrastructure investments such as strategic road and rail projects.
40. There are no formal arrangements for binding decisions on strategic land use planning to be taken collectively. This impacts on the confidence and assurance investors, central government and other agencies have in the deliverability of the sub-region's plans for economic growth. There is also no single mechanism for discussing strategic planning and infrastructure with adjacent local authority areas.
41. There is no single, strategic commissioning body to drive and deliver locally-led solutions to improve the delivery of skills training and development across Greater Lincolnshire.

Case for Change

42. The ten local authorities of Greater Lincolnshire firmly believe that they can build upon their successes by strengthening and formalising partnership arrangements. In particular, this would allow them to work more closely together with Government and the LEPs in the Greater Lincolnshire area to enhance their collective impact on economic growth.
43. Strengthened partnership arrangements would also create a clear and effective platform for accelerating economic prosperity in Greater Lincolnshire through the creation of integrated strategic frameworks to enable the delivery of investment plans for planning, housing, transport and skills.
44. In the current financial climate, where there have been significant reductions in the Government's funding of local government over the last four years, which are set to continue in the medium term, it is imperative to have governance arrangements in place that are efficient and reduce both duplication and the timescales for delivery of investment in economic growth.
45. An alternative arrangement will represent clear and co-ordinated governance for Greater Lincolnshire and will form the foundation for an ambitious devolution deal for the area.

Options for Change

46. This review considers the following options:-
 - Option 1: Maintaining the status quo;
 - Option 2: Establishing a Joint Committee;
 - Option 3: Establishing an Economic Prosperity Board;
 - Option 4: Establishing a Combined Authority;
 - Option 5: Establishing a Combined Authority with a directly elected Mayor.
47. These options are considered in the light of the requirement that the Governance Review determines whether the creation of a single entity, whether an economic prosperity board or a combined authority would improve the exercise of statutory functions in relation to the review area.

Option 1: Maintaining the Status Quo

48. Maintaining the status quo means that the governance arrangements will not be sufficient for the ambitions of the area. These ambitions include:-
 - Long term funding commitments for transport investment to enable an enhanced and integrate transport infrastructure

- Devolution of funding and the ability to commission skills programmes locally to equip people with the skills to meet business demand and employment opportunities
 - Strategic infrastructure to deliver new homes
 - Simplify and strengthen business support and innovation
49. Under the current arrangements, there is no single body which could hold devolved funding and undertake commissioning on a sub-regional basis.
50. In addition, the lack of a single decision-making body with responsibility across the spectrum of economic development, regeneration and transport means that there is no binding forum where a long term view on policy and strategy can be taken. Without this, it would not be considered prudent for third parties to make long term funding commitments.
51. Maintaining the status quo would also mean that the area would miss out on the benefits of more efficient partnership working and would leave Greater Lincolnshire behind a number of other parts of the country which have already, or are in the process of, strengthening and aligning their decision making process in relation to transport and economic development and regeneration through the establishment of combined authorities and mayoral combined authorities. In addition, it would mean that Greater Lincolnshire would be unable to benefit from the devolution of central government powers to the benefit of the Greater Lincolnshire area.
52. The current arrangements would not allow the sub-region to benefit from a single democratic and financially accountable model which is a legal entity in its own right and can provide the necessary certainty, stability and democratic accountability to allow for long- term, strategic economic decisions to be made.
53. In conclusion, maintaining the status quo would mean difficulties in accessing new funding and powers in line with the ambitions of the area, leaving Greater Lincolnshire behind other areas economically with all the attendant implications for local residents. It would also perpetuate the inefficiencies in the current system.

Option 2: Establishing a Joint Committee

Background

54. Section 102 of the Local Government Act 1972 enables two or more local authorities to set up a Joint Committee to discharge their functions jointly. These arrangements must comply with the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012. Joint Committees may be decision-making or advisory.

55. The councils concerned determine the numbers of councillors, terms of office and geographic areas of operation of joint committees. It would be possible to co-opt a non-local authority member to a Joint Committee; however they would not be able to vote.
56. Most Joint Committees appoint a 'lead/accountable' council; some do this on a rotating basis. They have no legal status, cannot impose financial obligations on their constituent authorities, and have no powers to levy council tax. They do not require the involvement of national Government or Parliament and so can be set up within a matter of months.
57. The Joint Committee model allows an area to demonstrate effective decision making and political oversight for the management of funding that is allocated to the LEP(s).
58. The Councils in Greater Lincolnshire currently manage three Joint Committees operating in the area, the Eastern Shires Purchasing Organisation (ESPO), East Midlands Shared Services (EMSS) and Northern Lincolnshire Business Connect (NLBC) has considered the operation of these in the analysis below.

Analysis

59. The functioning of a Joint Committee depends upon goodwill and the desire for collaboration which characterises the current arrangements and therefore will not address the deficiencies associated with the status quo. Each authority would need to authorise and delegate functions to the Joint Committee. Councils are also able to withdraw the delegation at any point in the future which poses a significant risk in terms of a lack of stability and certainty which is required to enable long term, strategic economic decisions to be made.
60. Joint Committees cannot be accountable bodies for funding purposes, nor can they employ staff due to their lack of legal status. Ultimate responsibility for finances remains with the host council. This will not meet the ambitions of Greater Lincolnshire, which include both the devolution of funding and enhanced funding and finance powers.
61. Securing new investment and responding to a rapidly changing landscape requires local authority partners in Greater Lincolnshire to be able to act with agility and pace. If circumstances require further functions to be delegated to a Joint Committee than were originally agreed then it would not be possible for it to act in such a way because of the need for this to be agreed through the formal decision making processes at each of the constituent councils.
62. In conclusion, the establishment of a Joint Committee would not meet the ambitions for Greater Lincolnshire. The model represents a significant risk to partnership working which will impact on the ability to secure long term funding commitments. In

addition, the lack of legal status and financial accountability means that the same difficulties in accessing new funding and powers presented by status quo will be encountered. In addition, it would mean that Greater Lincolnshire would be unable to benefit from the devolution of central government powers to the benefit of the Greater Lincolnshire area.

Option 3: Establishing an Economic Prosperity Board.

Background

63. Economic Prosperity Boards were introduced under the Local Democracy, Economic Development and Construction Act 2009 to enable the integration of economic development (but not transport functions).
64. As a statutory body, an Economic Prosperity Board would have legal personality and is thus considered by central government to provide a strong basis for taking on devolved powers and funding relating to economic development and regeneration; for example accountable body status for an economic development single pot or European Union funding.
65. Economic Prosperity Boards cannot impose levies on constituent authorities and do not have borrowing powers. The establishment of an Economic Prosperity Board is subject to the same process as for Combined Authorities.

Analysis

66. An Economic Prosperity Board could strengthen current partnership arrangements by providing a formal structure to lead collaboration between the Greater Lincolnshire local authorities on sub-regional economic development and regeneration. It could also provide a stable mechanism for strategic decision making on economic issues across the sub-region. This would be of some benefit because it would enable long term funding commitments to be made.
67. Economic Prosperity Boards can take a strategic view of economic development and where investment should be made to support long-term, sustainable economic growth across the area. They also enable trade-offs to be made at a strategic level, taking into account what is best for the area as a whole.
68. An Economic Prosperity Board would be a single body that could represent the economic needs and strengths of Greater Lincolnshire to partners and investors. It would also enable partnerships of authorities to demonstrate that they are committed to long-term joint working. It would facilitate transparency, accountability and visible leadership for sub- regional areas.

69. However, the major disadvantage of an Economic Prosperity Board is that it does not include transport functions. Transport is essential to the ambitions for growth in Greater Lincolnshire. The interdependencies between economic growth and transport are so significant that it would be irrational to establish a governance arrangement that addressed one area but not the other as it would prevent a fully integrated approach to the two areas. The need for separate governance arrangements to address transport issues would be cumbersome and would create a wasteful duplication of effort.
70. In addition, it would mean that Greater Lincolnshire would be unable to pursue a devolution deal.
71. It also worth noting that no Economic Prosperity Boards have been created to date, which means that there is no opportunity to learn from experience in other areas.

Option 4: Establishing a Combined Authority

Background

72. Combined Authorities were introduced under the Local Democracy, Economic Development and Construction Act 2009 (as amended by the Cities and Local Government and Devolution Act 2016) to exercise functions devolved from central government. A Combined Authority operates as a public body with its own legal personality, can impose a levy on constituent authorities and can borrow money for transport purposes.
73. It is important to note that Combined Authorities are not a merger of existing Local Authorities; existing local authorities continue to exist. Combined Authorities can take on functions with a very wide remit. In addition, the legislation allows for flexibility in establishing Combined Authorities with a model that suits local circumstances.

Analysis

74. The advantages of an Economic Prosperity Board previously outlined all apply to a Combined Authority as both options are formally constituted legal entities and would provide a stable mechanism for long term strategic decision making and a single body that can represent the needs of Greater Lincolnshire to investors and partners.
75. Both options enable a streamlining of arrangements to take on devolved powers from national Government and can have additional powers delegated to them from constituent councils if they choose to do so.
76. The significant difference between a Combined Authority and an Economic Prosperity Board, which makes the Combined Authority option much more attractive

for Greater Lincolnshire, is that a Combined Authority could have powers relating to any function [and can take devolved powers from central government].

77. The Combined Authority model would provide a simple means of fully aligning and coordinating a wide range of statutory functions including transport, planning, wider economic development and regeneration, and strategic planning, across a sub-region. This would mean that economic development and regeneration and transport initiatives could be aligned, co-ordinated and delivered swiftly and efficiently by a single body.
78. The creation of a Combined Authority will allow Greater Lincolnshire to realise its ambitions by bringing together, in a single legally recognised body, the key decision making powers for strategic transport and economic development and planning devolved from central government. It is impossible to separate these two functions, given their high level of interdependency and being able to present a coherent, long term vision across the two areas would facilitate long term planning designed to improve the economic conditions and performance of the area including an improvement in the effectiveness and efficiency of transport. This vision will be based on a single evidence base for the whole area, ensuring data and analysis relating to economic, planning and transportation matters are consistently defined, collected and applied.
79. A Combined Authority will enable a unified approach to insight, evidence and intelligence which will ensure that the understanding of the complex interdependencies between individuals businesses, jobs, skills, housing, health and financial dependence is of a higher quality thereby ensuring better use of resources on a local level.
80. A Combined Authority will enable a shared understanding about Greater Lincolnshire as a single economic area across the ten local authorities and would create a strategic framework for a wide range of statutory functions including economic development and transport which would ensure consistency in local decision making. It would also increase the control and influence of the constituent councils across the key drivers of economic growth.
81. A further advantage to the Combined Authority model is that it would provide a framework for a single, coherent response from Greater Lincolnshire to be made to national initiatives relating to planning or infrastructure. As a single entity, it would also enhance Greater Lincolnshire's ability to liaise with neighbouring areas on issues of mutual interest, particularly as a number of neighbouring areas are in the process of becoming Combined Authorities.
82. Indeed, a number of areas in the country have already established Combined Authorities, or are in the process of doing so. If Greater Lincolnshire choose not to establish a Combined Authority they risk getting left behind other areas and missing

out on crucial government funding, such as devolution deals, due to not having sufficiently robust governance arrangements in place

Option 5: Establishing a Mayoral Combined Authority

Background

83. Building on the powers to establish Combined Authorities under the Local Democracy, Economic Development and Construction Act 2009, the Cities and Local Government and Devolution Act 2016 introduced the concept of Mayoral Combined Authorities enabling central government to fully devolve a wide range of powers.
84. It is important to note that Mayoral Combined Authorities are not a merger of existing Local Authorities. Mayoral Combined Authorities can have devolved a wider range of central government powers than Combined Authorities. A directly elected mayor will chair the Combined Authority.

Analysis

85. The Review finds that a Mayoral Combined Authority is the option which most fully permits for the effective discharge of the functions that Government is prepared to devolve to this area.
86. A Mayoral Combined Authority will provide a clear and effective platform for the more timely, effective and efficient exercise of statutory function through the creation of a single entity for the acceptance of devolved powers from central government and is consistent with H M Governments current devolution agenda.
87. A Mayoral Combined Authority also provides a potential future consolidation of the functions currently discharged by the Police and Crime Commissioner.
A Mayoral Combined Authority affords additional precepting powers through the office of the Mayor and opens up further potential devolution funding opportunities.
88. A Mayoral Combined Authority will ensure a co-ordinated collaborative working with central government, through integration and effective strategic frameworks and delivery of investment plans. It will strengthen existing business partnership working through the Mayor being a member of the LEP.
89. The Mayoral Combined Authority is the only governance arrangement that will permit implementation of the Greater Lincolnshire Devolution Agreement and further devolution deals that maybe agreed in the future

Summary of Preliminary Findings

90. The following table sets out an assessment of the options that have been considered by this review:-

Option	Evaluation	Rationale
Maintain the Status Quo	No	Maintaining the status quo would mean difficulties in accessing new funding and powers in line with the ambitions of the area. It would leave Greater Lincolnshire behind other areas and would therefore be likely to have a detrimental impact on the economy of the area in the future. It would not strengthen the governance processes which largely rely on informal arrangements.
Joint Committee	No	The establishment of a Joint Committee would strengthen the current partnership arrangements and place them on a more formal basis. However, there is a lack of stability and certainty which is unlikely to secure long term funding commitments. In addition, the lack of legal status and financial accountability means that the same difficulties in accessing new funding and powers presented by status quo are likely to be encountered.
Economic Prosperity Board	No	An Economic Prosperity Board would provide strategic direction and accountability for economic development and regeneration and would ensure that a single formal decision-making body was in place for this. However, strategic transport would not be included in these arrangements, thus greatly limiting the scope for increased effectiveness and efficiency.
Combined Authority	No	A Combined Authority would provide strategic direction and accountability for a wide range of devolved powers and ensure a single formal decision making body was in place. However, this model would not maximise the opportunities, both financial and functional, arising from the Government's devolution agenda.
Mayoral Combined Authority	Yes	In addition to the benefits of a Combined Authority, a Mayoral Combined Authority will provide a single point of accountability through a directly elected Mayor and permit the exercise of devolved powers arising from the Government's devolution agenda. This should deliver tangible benefits to the people of Greater Lincolnshire as defined in the Greater Lincolnshire Devolution Agreement.

SCHEME FOR THE ESTABLISHMENT OF THE GREATER LINCOLNSHIRE MAYORAL COMBINED AUTHORITY

1. Establishment of the Authority

A Mayoral Combined Authority shall be established pursuant to Section 103 of the Local Democracy, Economic Development & Construction Act 2009 (LDEDCA).

2. Name of the Authority

The name of the Authority shall be The Greater Lincolnshire Combined Authority.

3. Area of the Authority

The area comprising the administrative areas of Lincolnshire County Council, North Lincolnshire Council and North East Lincolnshire Council and incorporating the local government areas of

Boston Borough Council
City of Lincoln Council
East Lindsey District Council
Lincolnshire County Council
North East Lincolnshire Council
North Kesteven District Council
North Lincolnshire Council
South Holland District Council
South Kesteven District Council
West Lindsey District Council

4. Provision for a Directly Elected Mayor

- 4.1 There shall be a directly elected mayor for the area of the Combined Authority pursuant to section 107A of LDEDCA ("the Mayor"). The Mayor will be elected in May 2017. The provisions of Schedule 5B of LDEDCA shall apply subject to paragraphs 4.2 and 4.3 below.
- 4.2 The term of office of the Mayor elected in May 2017 shall be three years and the next election for the return of a mayor shall take place in the third year thereafter and on the same day of ordinary election.
- 4.3 The term of office of a Mayor elected in accordance with paragraph 4.2 and any mayor thereafter shall be four years and each subsequent election shall take place in each fourth year thereafter on the same day of ordinary election.
- 4.4 The Mayor shall appoint one of the members of the Combined Authority to be the Deputy Mayor in accordance with section 107C of LDEDCA and the Deputy Mayor shall

- a) hold office until the end of the term of office of the mayor subject to paragraph b) below;
- b) cease to be Deputy Mayor if at any time the Mayor removes him or her from office, the person resigns as Deputy Mayor or the person ceases to be a member of the Combined Authority
- c) act in the place of the Mayor if for any reason the Mayor is unable to act or the office of mayor is vacant.

4.5 If a vacancy arises in the office of Deputy Mayor, the Mayor must appoint another member of the Combined Authority to be the Deputy Mayor.

4.6 If for any reason the Mayor is unable to act or the office of mayor is vacant and the Deputy Mayor is unable to act or the office of the deputy mayor is vacant the other members of the Combined Authority must act together in place of the Mayor, taking decisions by a simple majority.

5 Membership of the Combined Authority

5.1 The Constituent Councils of the Combined Authority shall be the councils listed in paragraph 3 above.

5.2 In addition the Greater Lincolnshire Local Enterprise Partnership ("GLLEP") shall be a non-constituent participant in the Combined Authority.

5.3 There shall be 12 (twelve) members of the Combined Authority ("a Member"). Voting Members shall be as set out in paragraph 5.12

5.4 The Mayor shall be a member of the Combined Authority.

5.5 Each Constituent Council shall appoint one of its elected members to be a Member of the Combined Authority.

5.6 In addition to the Members appointed under paragraph 5.5 each Constituent Council shall appoint one of its elected members to be a substitute member ("Substitute Member").

5.7 The GLLEP shall nominate one of its Directors to be a Member of the Combined Authority, and in addition shall nominate a Director to be a substitute; such substitute to be a business representative. Such nominated Directors shall become a Member or Substitute Member as the case may be from the date on which written notice of nomination by the GLLEP is received by the Combined Authority.

5.8 A Member ceases to be a Member or a Substitute Member ceases to be a Substitute Member if they cease to be a member of the Constituent Council that appointed them or the GLLEP as the case may be.

5.9 A Member or Substitute Member may resign by giving written notice to the Proper Officer of the Constituent Council that appointed them or the GLLEP as

the case may be. The relevant Constituent Council or GLLEP shall notify the Combined Authority forthwith of any such resignation.

- 5.10 Where a Constituent Council's Member or Substitute Member's appointment ceases, the relevant Constituent Council shall give notice of the appointment of another of its elected members in that person's place as soon as possible. Where a GLLEP Member or Substitute Member's appointment ceases, the GLLEP shall nominate another of its Directors in that person's place as soon as possible. Such nominated Director shall become a Member or Substitute Member as the case may be from the date on which written notice of nomination by the GLLEP is received by the Combined Authority.
- 5.11 The Constituent Councils or the GLLEP may terminate the appointment of a Member or Substitute Member and replace that Member or Substitute Member at any time by giving not less than 14 days written notice to the Combined Authority and the termination and replacement shall take effect on the expiry of such notice.
- 5.12 Members and Substitute Members appointed by the Constituent Councils shall be voting Members of the Combined Authority. Members and Substitute Members nominated by the GLLEP shall be non-voting Members unless the voting members of the Combined Authority determine otherwise in which case the GLLEP Member and Substitute Member shall be a voting Member of the Combined Authority on all issues falling for decision by the Combined Authority, subject to the provisions of this Scheme.
- 5.13 The Combined Authority may permit other bodies to become non-constituent participants in the Combined Authority and determine whether to confer voting right on any Member appointed by that body.

6 Chair

- 6.1 Until the taking up office of the directly elected mayor, the chair of the Combined Authority shall be appointed by the Combined Authority from among its Constituent Council Members
- 6.2 From the point at which he or she takes office, the Mayor will act as Chair to the Combined Authority.

7 Functions

- 7.1 The Order constituting the Combined Authority shall not make provision for the exercise by the Combined Authority or the Mayor of any of the functions of the Constituent Councils.

8 Functions of the Mayor

- 8.1 The functions devolved from central government set out in Appendix A to this Scheme shall be functions of the mayoral combined authority that are exercisable only by the Mayor ("the Mayoral Functions").
- 8.2 In exercising the Mayoral Functions the Mayor shall have the same powers as are conferred on the Combined Authority under section 113A of LDEDCA subject to the same limitations as apply to the Combined Authority under section 113B of LDEDCA.
- 8.3 Chapter 1 of Part 1 of the Localism Act 2011 (which confers a general power of competence on local authorities) shall not be applied to the Mayor
- 8.4 The Mayor shall not be given a power to direct under section 88 of the Local Transport Act 2008.
- 8.5 The Mayor shall exercise the Mayoral Functions concurrently with the Secretary of State (as regards transport functions) and the relevant public authority (as defined in section 105A(9) of LDEDCA as regards other functions

9 Exercise of the Functions of the Mayor

- 9.1 The mayor shall arrange for the exercise the Mayoral Functions in accordance with section 107D(3)(a) and (b) of LDEDCA.
- 9.2 The Mayor shall not be authorised to arrange for the exercise of the Mayoral Functions through a committee as provided for in section 107D(3)(c)(ii)
- 9.3 The development and approval of the Mayor's budget shall be governed by paragraph 16 of this Scheme.
- 9.4 Before a decision is taken on the approval of any strategy falling within the remit of the Mayor under the Mayoral Functions whether that approval is to be given by the Mayor directly or otherwise, the Mayor shall consult the Combined Authority and:-
- a) The spatial framework and any supplementary planning documents referred to in paragraph 2.1 of Appendix A shall require the unanimous approval of the Constituent Council Members of the Combined Authority;
 - b) the transport plan referred to in paragraph 1.6 of Appendix A and any spending plans or plans for the allocation of transport-related funding shall be treated as rejected or modified if two thirds of the Constituent Council members of the Combined Authority vote to modify or reject it as long as the two thirds includes the Combined Authority Members from each of Lincolnshire County Council, North East Lincolnshire Council and North Lincolnshire Council; and
 - c) any other strategy or spending plans shall be treated as rejected if two thirds of the Constituent Council Members of the Combined Authority vote to reject it

10 Functions of the Combined Authority

- 10.1 The Combined Authority shall have the functions set out in Appendix B to this Scheme.
- 10.2 Chapter 1 of Part 1 of the Localism Act 2011 (which confers a general power of competence on local authorities) shall be applied to the Combined Authority.
- 10.3 The Combined Authority will have the power contained in section 99 of the Local Transport Act 2008 by virtue of section 102A of that Act which can be exercised in conjunction with the general powers granted to it by section 113A and 113B of the LDEDCA.
- 10.4 The Combined Authority shall not be given a power to direct under section 88 of the Local Transport Act 2008
- 10.5 The Combined Authority shall exercise the Combined Authority's functions concurrently with the Secretary of State (as regards transport functions) and the relevant public authority (as defined in section 105A(9) of LDEDCA as regards other functions

11 Proceedings of the Combined Authority

- 11.1 Executive arrangements (within the meaning of the Local Government Act 2000) shall not apply to the Combined Authority. However, the discharge of the functions of the Combined Authority will be subject to the scrutiny arrangements set out in this Scheme.
- 11.2 Sections 101 and 102 of the Local Government Act 1972 apply to the Combined Authority in the exercise of its functions.
- 11.3 Notwithstanding paragraph 11.2 the following decisions shall only be taken in a meeting of the full Combined Authority
- a) approval of the borrowing limits, treasury management strategy including reserves, investment strategy, borrowing and budget of the Combined Authority including the amount of any expenses to be met by the Constituent Councils under paragraph 15 of this Scheme;
 - b) approval of the Combined Authority Standing Orders and any amendments to them;
 - c) appointing the Chair of the Combined Authority pending the Mayor taking office
 - d) approving the establishment of Committees, their terms of reference and composition and making appointments to them including the Overview and Scrutiny Committee referred to in paragraph 12 of this Scheme and the Audit Committee referred to in paragraph 13 of this Scheme
 - e) the making of any decision referred to in paragraph 9.4 of this Scheme

- f) the making of proposals to the Secretary of State for the conferring on the Combined Authority of additional functions or powers
 - g) approval of the making of arrangements for the exercise of the functions of any Constituent Council;
 - h) admission of any body to non-constituent participation in the Combined Authority or the conferring of voting rights on any member appointed by such bodies;
 - i) the giving or not giving of consent to the making of any Order by the Secretary of State in relation to the Combined Authority under any legislation including LDEDCA;
 - j) appointment and dismissal of the Head of Paid Service, Monitoring Officer and the officer with responsibility for the proper administration of the Combined Authority's financial affairs;
- 11.4 All decisions of the Combined Authority shall be decided by a majority of those voting Members present and voting subject to that majority including the vote of the Mayor, subject to paragraphs 11.5 to 11.7 below.
- 11.5 Questions on the matters referred to in paragraphs 11.3a), 11.3b) and 11.3f) to 11.3j) inclusive and any other matters determined by the Combined Authority and set out in its Standing Orders require a unanimous vote in favour by all Constituent Council Members or Substitute Members acting in place of those Members, to be carried
- 11.6 The Combined Authority may in its Standing Orders make provision for special majority voting arrangements on specified reserved decisions or types of decisions in recognition that some decisions made by the CA could have a significant impact on some or all of the Constituent Councils and that the democratic mandate of each Constituent Council should be respected and preserved. Such special majority voting arrangements may include arrangements based on the principle that Constituent Councils directly affected by a decision must be part of the majority in order for that decision to carry.
- 11.7 Special majority voting arrangements contained in the Combined Authority's Constitution may not vary the voting arrangements set out in paragraph 9.4 of this Scheme.
- 11.8 The quorum of the Combined Authority is 7 voting Members or Substitute Members. The quorum for a committee or sub-committee of the Combined Authority shall be determined by the Combined Authority when establishing it.
- 11.9 Each voting Member shall have one vote.
- 11.10 There shall be no casting vote.
- 11.11 If a vote is tied it is deemed not to have been carried.

11.12 Proceedings shall not be invalidated by any vacancy amongst the Combined Authority's Members or by any defect in the appointment or qualification of any Member.

12 Scrutiny

12.1 There shall be an Overview & Scrutiny Committee of the Combined Authority pursuant to Schedule 5A of LDEDCA to exercise scrutiny functions over the Combined Authority.

12.2 Each Constituent Council will appoint one elected member to the Overview & Scrutiny Committee.

12.3 Overview & Scrutiny Committee membership shall not include a Combined Authority Member including the Mayor and the Deputy Mayor.

12.4 The Combined Authority shall appoint as Chairman of the Overview and Scrutiny Committee an elected member of one of the Constituent Councils who is not a member of a registered political party of which the Mayor is a member.

12.5 Each member on the Overview and Scrutiny Committee shall have one vote and there is to be no casting vote.

12.6 If a vote is tied it is deemed not to have been carried.

12.7 The Overview & Scrutiny Committee shall have power to:

- a) Invite Combined Authority Members and officers, including the Mayor and Deputy Mayor, to attend and answer questions
- b) Review or scrutinise decisions or other actions taken in connection with the discharge of any functions which are the responsibility of the Combined Authority or the Mayor
- c) Make reports or recommendations to the Combined Authority and the Mayor with respect to the discharge of any functions which are the responsibility of the Combined Authority or the Mayor
- d) Make reports or recommendations to the Combined Authority and the Mayor on matters that affect the authority's area or the inhabitants of the area
- e) In respect of any decision made but not implemented by either the Combined Authority or the Mayor, direct that the decision is not to be implemented while it is under review or scrutiny and to recommend that the decision be reconsidered
- f) Invite others to attend meetings of the Committee

12.8 Where the Overview & Scrutiny Committee makes a report they may also publish it and require a response from the Combined Authority or the Mayor as the case may be.

12.9 The notice published must give the Combined Authority or the Mayor 2 months to consider and respond to the report.

13 **Audit**

13.1 The Combined Authority will establish an Audit Committee pursuant to Schedule 5A of LDEDCA to fulfil the functions set out in paragraph 13.3.

13.2 The membership of the Audit Committee shall be determined by the Combined Authority but one member of the Committee shall be an independent person.

13.3 The Audit Committee will have the power to:

- a) Review and scrutinise the Office of the Mayor and Combined Authority's financial affairs;
- b) Review and assess the Mayor and Combined Authority's risk management, internal control and corporate governance arrangements;
- c) Review and assess the economy, efficiency and effectiveness with which resources have been used in discharging the Combined Authority's functions and the Mayoral Functions; and
- d) Make reports and recommendations to the Combined Authority and/or the Mayor in relation to any reviews carried out in relation to the matters stated above.

14 **Records, Standing Orders and Remuneration**

14.1 Proceedings and the names of members present at meetings must be recorded. Such proceedings will be agreed as an accurate record by members of the CA.

14.2 The Combined Authority may make Standing Orders.

14.3 No Basic or Special Responsibility Allowances will be payable by the Combined Authority.

14.4 The reimbursement of travel and subsistence or other sundry expenses will be the responsibility of the Member's Constituent Council or other appointing body.

15 **Funding of the Exercise of Combined Authority Functions**

15.1 The expenses of the Combined Authority that are reasonably attributable to the exercise of its functions (excluding Mayoral Functions) will be met by the Constituent Councils.

- 15.2 The Combined Authority shall be a levying body under section 74 of the Local Government Finance Act 1988 and shall have the power to issue a levy to its Constituent Councils in respect of the expenses referred to in paragraph 15.1. Such levy shall be apportioned between the Constituent Councils in equal one tenth shares.
- 15.3 The Combined Authority will agree an annual budget identifying its expenditure and sources of income including any amount payable by the Constituent Councils under paragraph 15.2.

16 Funding of the Exercise of Mayoral Functions

- 16.1 In the financial year 2017/18 the costs of the Mayor that are incurred in, or in connection with the exercise of the Mayoral Functions) will be met by the Constituent Councils. Such costs shall be apportioned between the Constituent Councils in equal one tenth shares.
- 16.2 In any financial year following 2017/18 the costs of the Mayor that are incurred in, or in connection with the exercise of the Mayoral Functions may be met from precepts issued by the Combined Authority under section 40 of the Local Government Act 1992
- 16.3 The Combined Authority will be a major precepting authority under section 39 of the Local Government Finance Act 1992 but only in relation to expenditure incurred by the Mayor in or in connection with the exercise of the Mayoral Functions.
- 16.3A The function of issuing a precept under Chapter 4 of Part 1 of the Local Government Finance Act 1992 shall (subject to the following provisions of this paragraph 16) be a function only exercisable by the Mayor acting on behalf of the Combined Authority.
- 16.4 The Mayor shall maintain a fund in relation to receipts arising and liabilities incurred in the exercise of the Mayoral Functions
- 16.5 Prior to each financial year beginning with the financial year 2018/19 the mayor shall follow a process for the development of his or her budget (including the amount of any precept under paragraph 16.2) for the exercise of Mayoral Functions for the financial year in question that is in accordance with Regulations or, in the absence of Regulations has the following characteristics:-
- a) preparation of a draft budget to include expenditure plans and income including the proposed precept under paragraph 16.2 above;
 - b) scrutiny of the draft budget by the other members of the Combined Authority and the Overview and Scrutiny Committee appointed under paragraph 11 of this Scheme;

- c) the making of changes to the draft budget as a result of such scrutiny; and
- d) the approval of the draft budget in accordance with paragraph 16.6 below

16.6 The Mayor's draft budget shall be treated as rejected if two thirds of the Constituent Council Members of the Combined Authority vote to reject it and the Mayor shall propose a revised draft budget

16.7 Subject to the making of enabling legislation, the Mayor shall have power to place a supplement of 2p per pound of rateable value on business rates to fund infrastructure with the agreement of the local business community through the GLLEP.

17 Transfer of Property, Rights and Liabilities

17.1 There shall be no transfer of property, rights or liabilities between the Combined Authority or the Mayor and the Constituent Councils.

18 Local Enterprise Partnerships

18.1 The Combined Authority recognises the importance of the Humber LEP and Greater Cambridge Greater Peterborough LEP working closely with the Greater Lincolnshire Combined Authority. The Combined Authority commits to work with partners in the Midlands and the North of England to promote opportunities for pan-Midlands and pan-Northern collaboration.

APPENDIX A

COMBINED AUTHORITY FUNCTIONS EXERCISABLE ONLY BY THE MAYOR

Transport

- 1.1 To be responsible for a consolidated, multi-year local transport budget for the area of the Combined Authority devolved from HM Government consisting of the Integrated Transport Block or any equivalent or replacement funding for the same or similar functions as those covered by that funding.
- 1.2 For the financial years 2017/18 to 2020/21 inclusive the amounts and allocations of the local transport budget shall be as set out in respect of the Integrated Transport Block in the Table at Annex 1 to this Appendix A.
- 1.3 In each financial year referred to in Annex 1 and any other financial year in which the amounts devolved by HM Government are identified as allocated to individual Constituent Councils, the Mayor shall passport that funding to the relevant Constituent Council
- 1.4 In any financial year in which the amounts devolved by HM Government are not identified as allocated to individual Constituent Councils, the Mayor shall consult with the Combined Authority as to his spending plans in relation to the devolved amounts and approval of such spending plans shall be subject to paragraph 9.4b) of the Scheme.
- 1.5 The Mayor shall transfer to the relevant Constituent Council any amount identified as allocated to that Constituent Council in the spending plans approved pursuant to paragraph 1.4
- 1.6 To exercise, concurrently with the relevant Constituent Councils to the extent that they have equivalent powers, such powers to franchise bus services in the Combined Authority area as shall be contained in future legislation to support delivery of smart and integrated ticketing across the Combined Authority's Constituent Councils
- 1.7 To produce and publish a local transport plan for the Combined Authority area without prejudice to Constituent Council duties to publish Local Transport Plans under section 9 of the Transport Act 2000.

Housing and Planning

- 1 Creation of a spatial framework and supplementary planning documents to act as a framework for managing strategic planning across the Combined Authority area with which all Local Development Plans will, where reasonably practicable and without resubmission for approval, generally conform
- 2 To have functions corresponding to those of the Mayor of London under Part 8 of the Localism Act 2011 to designate any area of land in the Combined Authority area as a mayoral development area leading to the establishment by Order of a Mayoral Development Corporation subject to the consent of any

Constituent Council in which the Development Corporation is intended to be used.

- 3 To make proposals for the creation of other emerging vehicles to help take forward large development or new settlements subject to the consent of any Constituent Council in which the vehicle is intended to be used.
- 4 To be consulted on and/or call in planning applications of potential strategic importance to the Combined Authority area.

Finance

- 1 To exercise the power under paragraph 16.7 of the Scheme
- 2 The function of issuing a precept under Chapter 4 of Part 1 of the Local Government Finance Act 1992 in respect of mayoral functions

ANNEX 1

Funding and Allocation	2017/18	2018/19	2019/20	2020/21
Integrated transport block				
North East Lincolnshire Council	1.479	1.479	1.479	1.479
North Lincolnshire Council	1.159	1.159	1.159	1.159
Lincolnshire County Council	3.312	3.312	3.312	3.312
	5.950	5.950	5.950	5.950
Highways Maintenance Incentive formula				
North East Lincolnshire Council	0.166	0.334	0.334	0.334
North Lincolnshire Council	0.383	0.771	0.771	0.771
Lincolnshire County Council	2.582	5.197	5.197	5.197
	3.131	6.303	6.303	6.303
Highways Maintenance Funding formula				
North East Lincolnshire Council	1.774	1.606	1.606	1.606
North Lincolnshire Council	4.090	3.702	3.702	3.702
Lincolnshire County Council	27.571	24.955	24.955	24.955
	33.435	30.263	30.263	30.263
Total (£m)	42.516	42.516	42.516	42.516

APPENDIX B
FUNCTIONS TO BE EXERCISED BY THE COMBINED AUTHORITY

Skills, Education and Employment

1. To nominate a person, whether or not a member of the Combined Authority to chair an Area Review of post-16 education and training in accordance with HM Government document "Reviewing Post-16 Education and Training Institutions". The review shall relate to institutions within the Combined Authority area taking into account provision in neighbouring areas and will lead to agreed recommendations. The review will include all post-16 education and training provision in the initial analysis phase. Recommendations will be focused on General FE and Sixth Form Colleges, however the Regional Schools Commissioner and the relevant local authorities will consider any specific issues arising from the reviews for school sixth form provision.
2. To take forward the outcomes of the Area Review.
3. Following the Area Review, and in partnership with local colleges, providers and the GLLEP, to publish a Local Skills Plan which:-
 - a) identifies the skills that local employers require;
 - b) reflects the Combined Authority's ambitions for a more highly skilled workforce through better collaboration between local Colleges and providers; and
 - c) identifies appropriately tailored and accessible provision for the local workforceand then collaborate with colleges and providers, with appropriate support from HM government agencies with responsibilities for skills to work towards the implementation of the Plan.
4. For the 2017/18 academic year, and, if necessary, following the Area Review, to work with HM Government to vary the block grant allocations made to 16+ education and training providers in the Combined Authority area so as to reflect local commissioning priorities and outcomes within an agreed framework.
5. Subject to the readiness conditions in paragraph 6 below, from the 2018/19 academic year onwards, to receive fully devolved HM Government budgets (calculated on a funding formula taking into account a range of demographic, educational and labour market factors) for 19+ education and training and to exercise within the Combined Authority area the functions of the Secretary of State under the following provisions of the Apprenticeship Skills Children and Learning Act 2009
 - a) Section 86 except subsection (1)(b)
 - b) Section 87
 - c) Section 88 (but not any power to make Regulations)
 - d) Section 90 (but not any power to make Regulations)
6. Pursuant to the functions referred to in paragraph 4 above, to be responsible for allocations to providers and the outcomes to be achieved, consistent with statutory entitlements and proportionate requirements set by HM Government

- about outcome information to be collected in order to allow students to make informed choices.
- 7 The readiness conditions for full devolution under paragraph 5 above are that:
 - a) Parliament has legislated to enable transfer to local authorities of the current statutory duties on the Secretary of State referred to in paragraph 4;
 - b) Completion of the Area Review process;
 - c) After the Area Review is complete, agreed arrangements are in place between HM Government and the Combined Authority to ensure that devolved funding decisions take account of the need to maintain a sustainable and financially viable 16+ provider base;
 - d) Clear principles and arrangements have been agreed between HM government and the Combined Authority for sharing financial risk and managing failure of 16+ providers, reflecting the balance of devolved and national interest and protecting the taxpayer from unnecessary expenditure and liabilities;
 - e) Learner protection and minimum standards arrangements are agreed between HM Government and the Combined Authority; and
 - f) Funding and provider management arrangements, including securing financial assurance, are agreed between HM Government and the Combined Authority in a way that minimises costs and maximises consistency and transparency.
 - 8 The Careers and Enterprise Company and the National Careers Service will collaborate with the Combined Authority to ensure that local priorities are fed into careers provision such that it is employer-led, integrated and meets local needs through direct involvement and collaboration in the design of careers and enterprise provision for all ages. .
 - 9 To be the point of contact and recipient in the Combined Authority area of HM Government advice to ensure awareness of resources to work to secure more apprenticeship places with employers, particularly among Small and Medium Enterprises and also drive up demand from individuals looking for apprenticeships A particular focus will be made on increasing apprenticeship places in Greater Lincolnshire's priority sectors including Agri-food, Manufacturing, Health and Care, low carbon and Visitor Economy.
 - 10 To be responsible for the Apprenticeship Grant for Employers (AGE) and to receive AGE funding for use alongside mainstream apprenticeship participation funding to incentivise employers to offer apprenticeships, with power to vary the criteria associated with the grant (e.g. size and sector of business) to meet local needs. The Skills Funding Agency will work with the Greater Lincolnshire Combined Authority to identify an appropriate share.
 - 11 To help tackle long-term unemployment in Greater Lincolnshire, HM Government will consult with the Combined Authority as part of the design process for future employment support, from April 2017, for harder to help claimants, many of whom are currently referred to the Work Programme and Work Choice. This will provide an opportunity for Combined Authority to feed into the national design of the new Work and Health Programme.

- 12 To develop a business case for an innovative pilot to support those who do not qualify for mainstream DWP programmes. The business case should set out the evidence to support the proposed pilot, cost and benefits and robust evaluation plans, to enable the proposal to be taken forward through the Combined Authority, subject to Ministerial approval.
- 13 To engage with Job Centre Plus so that the opportunities for greater integration of support and services are identified and the Combined Authority has an opportunity to share experience from previous schemes and influence the design of provision of local and flexible funding, with the main aim of supporting people back to work.
- 14 To work with Job Centre Plus (supported by HM Government) to overcome barriers to employment, so that local provision can be directed towards solutions that improve access to work through alternative transport opportunities, raising aspirations of young people by increasing access to significant business locations.

Accelerated Growth (Business Support and Innovation)

- 1 To work with HM Government to support the development of the Greater Lincolnshire Growth Hubs so that it joins-up and co-ordinates all public, private, national and local support to ensure businesses get the help they need to boost their productivity and grow across the Combined Authority area.
- 2 To work in partnership with HM Government to help the growth hub to: become sustainable; connect small businesses with national services that support exports, innovation, access to finance and skills; collaborate on innovative business support evaluation projects which develop robust evidence about what works; and share best practice widely to deliver better outcomes for the country as a whole.
- 3 To be the point of contact within the Combined Authority area for greater co-operation ensured by HM Government with all relevant national and local resources for business support programmes, including UKTI, to give businesses a joined-up, simplified service that meets their needs and priorities.
- 4 To agree a joint export plan with a dual-key approach to activities and reporting on outputs and outcomes; and agree, and tailor UKTI export support services to reflect local priorities within the context of a ring-fenced trade services resource within the Combined Authority area, subject to departmental budget changes.
- 5 To establish with HM Government a six-monthly update meeting with the Business Lincolnshire Growth Hub board and the BIS sector specialists including UKTI to align the targeting of existing contracted support to meet the GLLEP growth sectors. HM Government will offer Greater Lincolnshire expert advice and support through the Smart Specialisation Advisory Hub, and associated workshops, to support activities part-funded by the European Regional Development Fund.
- 6 To prepare with UKTI a joint inward investment strategy which fully reflects Greater Lincolnshire's key sectoral strengths and ambitious targets to increase growth sector output and employment in Agri-tech/Food and Drink, Energy/Offshore Wind and Advanced Engineering and Manufacturing. This will include support to ensure the propositions for each sector are clearly articulated and that there is awareness of the offer amongst relevant sector teams and

strengthened partnership between locally delivered services and embassy/consulate contacts overseas (via the Project Matchmaker initiative or other UKTI post-LEP matching arrangement).

- 7 To explore with UKTI opportunities for further collaboration including:-
 - a) co-location, where it will not harm the overall working efficiency of the investment model; and
 - b) the use of national campaign budgets for overseas inward investment promotional activity within the Midlands Engine programme.
- 8 To explore with HM Government Visit England and Visit Britain opportunities for further collaboration including to establish the scope for aligning future marketing activity with Visit England, Visit Britain and DCMS' Five Point Plan to support tourism growth in Greater Lincolnshire.

Transport

- 1 In its capacity as the new area-wide transport body responsible for determining, managing and delivering the Mayor's transport plans, to work in partnership with the existing transport bodies currently operating in the region.
- 2 To enter into, together with HM Government, joint working arrangements with Highways England on operations, maintenance and local investment through a new Memorandum of Understanding to support better integration between local and national networks.
- 3 To receive and manage the highways maintenance funding provided by HM Government and identified in Annex 1 to Appendix A to this Scheme as "Highways Maintenance Incentive formula" and "Highways Maintenance Funding formula".
- 4 For the financial years 2017/18 to 2020/21 inclusive the amounts and allocations of the highways maintenance funding shall be as set out in respect of the above mentioned headings in the Table at Annex 1 to Appendix A to this Scheme.
- 5 In each financial year referred to in Annex 1 to Appendix A and any other financial year in which the amounts devolved by HM Government are identified as allocated to individual Constituent Councils, the Combined Authority shall pass that funding to the relevant Constituent Council
- 6 In any financial year in which the amounts devolved by HM Government are not identified as allocated to individual Constituent Councils, the Combined Authority shall determine its spending plans in relation to the devolved amounts and approval of such spending plans shall be subject to unanimous approval under paragraph 11.5 of the Scheme.
- 7 The Combined Authority shall transfer to the relevant Constituent Council any amount identified as allocated to that Constituent Council in the spending plans approved pursuant to paragraph 6 above

Housing and Planning

- 1 To produce a strategic infrastructure delivery plan by September 2017 to identify the infrastructure needed to support the increased funding of new homes, and proposals to fund this through devolved infrastructure funds, through national programmes and through local funding.
- 2 With HM Government, establish a Joint Investment and Assets Board, chaired by the Mayor of the Combined Authority, to review all land and property (including surplus property and land) held by the public sector, building on its One Public Estate Programme and invest in strategic infrastructure priorities. The Board will include representatives from HM Government. This Board will ensure there is a sufficient, balanced supply of readily available sites for commercial and residential development to meet the demands of a growing Greater Lincolnshire economy. It will create a comprehensive database of available public and private sector land, identify barriers to its disposal/development, and develop solutions to address those barriers to help Greater Lincolnshire Combined Authority meet its housing goals and to unlock more land for employment use.
- 3 To establish with the assistance of HM Government stronger partnership with the Homes and Communities Agency (HCA) to ensure that Greater Lincolnshire's strategic housing objectives are delivered, and that centrally and locally managed investments are strategically aligned including alignment of HCA investment with the local Strategic Infrastructure Delivery Plan.
- 4 To develop detailed proposals meeting value for money and other funding criteria, on the basis of which HM Government will work with the Combined Authority and its Constituent Councils to provide:
 - a) **Support on large sites:** strong partnership to support key large housing sites (1,500 homes +) with brokerage at the local (through Homes and Communities Agency support) and central government level to help resolve barriers, with utility companies, or government agencies, which are holding up the development process. Continued discussions to secure longer term frameworks for funding of key sites, subject to the development of a business case, value for money and other funding criteria.
 - b) **Support on new settlements:** support in line with local areas' ambitions for any new housing settlements, including any new settlements based on garden town principles, to be taken forward via Mayoral Development Corporations or other emerging vehicles. Subject to Parliament, the HM Government intends to strengthen legislation to make it easier to set up new town style vehicles.
 - c) **Joint action to deliver early on starter homes:** bringing forward sites where housing delivery would not otherwise have happened. The Homes and Communities Agency will work in partnership with the area's local authorities to identify and invest in suitable land.
 - d) **Support for streamlining planning delivery:** to enable local planning authorities to accelerate housing growth. This could include the development of proposals for ambitious reforms in the way that planning services are delivered, and which could enable greater flexibility in the way that fees are set, with a particular focus on proposals which can streamline the process for applicants and accelerate decision making.

- e) **Continued dialogue:** the opportunity for continued dialogue on the longer term potential for greater leadership and autonomy in housing delivery, and a greater role in housing funding decision-making in Greater Lincolnshire.
- 5 To adopt and promote a strategic approach to spatial planning issues in support of the Combined Authority's ambitions and objectives.

Water

- 1 To lead on the development of a scrutinised, integrated, evidence-based flood risk and water management investment programme for the Combined Authority area, working with the GLLEP Water Management Board and co-ordinating and aligning the equivalent flood risk and water management strategies and programmes for Lincolnshire North Lincolnshire and North East Lincolnshire building on the existing joint Lincolnshire Flood Risk and Drainage Management Strategy, its Common Works Programme, and the area's Water Management Plan.
- 2 To receive relevant specific devolved powers and resources from HM Government and:
- a) To propose evidence-based reprioritisation of capital water management investment in the Combined Authority area, to better utilise current levels of national funding, maximise local benefit and attract increased investment, whilst maintaining and where possible enhancing national and local commitments to protect people, property and land up to 2021.
 - b) To identify, propose and develop opportunities to take on more local responsibility for delivering projects in the investment programme, especially where this would generate efficiencies and generate private and commercial contributions.
 - c) To ensure that delivery of local and national programmes within the Combined Authority area are effectively integrated and mutually supportive.
 - d) To implement local scheme prioritisation to develop appropriate approaches to sustain lower consequence systems and schemes, which currently are liable to reduced funding when competing in a national context against higher consequence systems.
 - e) To further develop local prioritised programmes of water management, forming the basis of a long-term future capital investment programme delivering against local priorities and driving growth.
- 3 To collaborate with the Constituent Councils, Internal Drainage Boards (IDB), HM Government and national and local stakeholders to seek to extend the IDB boundaries to the extent permitted by the Land Drainage Act, to maximise IDB coverage across Greater Lincolnshire and to seek authorisation for IDBs to extend their levy raising powers across the whole of those areas.
- 4 To explore and lead actions in conjunction with HM Government to attract business investment in water efficiency and water management.
- 5 To contribute to the outcomes from the Water Resources Study commissioned by the Greater Lincolnshire LEP and the objectives set out in the resulting Greater Lincolnshire LEP's Water Management Plan, developing and exploring new powers with which to do so.

- 6 Within the confines of the existing National Planning Policy Framework, to take into account the high standards of water management that exist in Greater Lincolnshire and the potential to promote water management methods that mitigate this risk together with a more consistent and co-ordinated approach to ensuring development that is appropriately and sustainably designed and delivered (both residential and business focussed) to drive growth and prosperity.

Public Sector Transformation

Public Protection

- 1 To work with HM Government to ensure HM Government understands the needs of local offenders so as to improve commissioning of services for local Lincolnshire offenders in community and in prison informed by Greater Lincolnshire's aim to create a whole system approach to criminal justice, which includes out of court disposals, restorative justice, community and custodial rehabilitation, with a truly effective re-integration policy to tackle social exclusion by supporting and encouraging people into work and productive lives.
- 2 To pursue ongoing engagement with relevant agencies (particularly the National Offender Management Service) facilitated by HM Government to better understand Greater Lincolnshire's position and aims with regard to prison estate and related services and identify opportunities for collaboration, whilst making sure that prison provision for Greater Lincolnshire offenders is in line with current national prison reform plans.
- 3 To work with HM Government, the Community Rehabilitation Company (CRC) and local prison governors to link adult education and skills training provision in the community with education provision in prisons.
- 4 To work with HM Government to move towards a co-commissioning arrangement for commissioning services for Greater Lincolnshire offenders with short term sentences (2 years and under), in both prison and in the community.
- 5 To receive support from HM Government and work with HM Government to develop a Memorandum of Understanding involving relevant local parties to support the process for collaborative working and set out the areas for further detailed work to ensure that the Combined Authority can take on a greater role in the commissioning of offender management services, alongside the National Offender Management Service, including local prison governors, to allow more local flexibility, innovation and better coordination with other local services including healthcare and accommodation.
- 6 To work with HM Government to explore options for greater local input into the provision of court services in the Combined Authority area to ensure access to justice is maintained across the area.
- 7 To work with HM Government to explore opportunities the HMCTS Reform Programme will create through greater digitisation of court and tribunal services in the Combined Authority area.
- 8 To work with HM Government through the Youth Justice Review, to explore options for a more devolved youth justice system.

Finance and Funding

- 1 To create a Single Investment Fund (SIF) that draws together local and agreed national funding streams to deliver an ambitious investment programme across the Combined Authority area to unlock its economic potential.
- 2 To prioritise investment based on economic impact.
- 3 The SIF shall include an additional £15m per annum of funding for 30 years (75% capital and 25% revenue), which will form part of the Greater Lincolnshire single pot. The fund will be subject to a jointly agreed 5-yearly gateway assessment process to confirm the investment has contributed to economic growth.
- 4 To work with HM Government to agree specific funding flexibilities with a joint ambition to give to the Combined Authority a single pot to invest in its economic growth. This pot will comprise a flexible, multi-year settlement providing the freedom to deliver its growth priorities, including the ability to re-direct funding to reflect changing priorities. This local freedom will be over a range of budgets to be determined by the Combined Authority and HM Government. The Combined Authority will have the flexibility to secure substantial private and public sector leverage. The Combined Authority will also be able to use capital receipts from asset sales as revenue funding for public service transformational initiatives. HM Government expects to disburse this agreed settlement to the Combined Authority annually in advance.
- 4A To adopt an assurance framework which establishes the responsibilities, processes and principles that will underpin the delivery of the SIF/single pot. The assurance framework shall ensure that schemes that offer maximum benefits and value for money are prioritised for investment. The selected schemes will be assessed to ensure they deliver value for money (where the economic benefits of the scheme exceed the costs of investment and maintenance) contribute to the Greater Lincolnshire Devolution Agreement, Local Plan, Strategic Economic Plan and GLLEP objectives and can be delivered on time and to budget. Investment decisions should be taken with formal GLLEP involvement.
- 5 To work with HM Government to test whether it will be possible to grant to the Combined Authority Intermediate Body Status for ERDF, ESF and the EU Growth Programme part of EAFRD funding enabling greater influence and decision making in respect of the European Structural Investment Funds 2014-2020 (European Regional Development Fund (ERDF), European Social Funds (ESF) and the EU Growth Programme element of the European Agricultural Fund for Rural Development (EAFRD)). This will allow the area to integrate and align investments with other aspects of the devolution deal and local economic priorities, to improve performance and maximise economic impact.
- 6 If so, to work with HM Government to agree a timescale to put this in place and develop an agreement between each Managing Authority and the Intermediate Body that will contain details of delegated responsibilities and accountabilities, performance management, resources, their funding and payment arrangements and other relevant details.
- 7 To bid for future allocations of national funding.

- 8 Working collaborative with the GLLEP in bringing forward a proposal for consideration by HM Government for a single allocation of the Local Growth Fund to support a programme of investment.
- 9 To work with HM Government to determine how prudential borrowing powers for Combined Authorities could apply within a framework of fiscal responsibility and accountability to the Combined Authority and local authorities.
- 10 To continue to set out proposals to HM Government for how local resources and funding can be pooled across Greater Lincolnshire.
- 11 To agree overall borrowing limits and capitalisation limits with HM Government and enter into formal agreements to engage in forecasting.
- 12 To provide information, explanation and assistance to the Office for Budget Responsibility where such information would assist in meeting their duty to produce economic and fiscal forecasts for the UK economy.
- 13 To agree a process to manage local financial risk across local public bodies and to jointly develop written agreements with HM Government on every devolved power or fund to agree accountability between local and national bodies.

Equalities

- 1 To adhere to the public sector equality duty under section 149 of the Equality Act 2010 as if it was a public authority for the purposes of that section.