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4 February 2015

To: All Councillors

As a Member of the **Council**, please treat this as your summons to attend a **SPECIAL MEETING** to discuss the **DERBY AND DERBYSHIRE COMBINED AUTHORITY** on **Thursday 12 February 2015 at 6.00pm in the Council Chamber, Town Hall, Matlock.**

Yours sincerely

A handwritten signature in black ink, appearing to be 'Sandra Lamb', written in a cursive style.

Sandra Lamb  
Head of Corporate Services

## **AGENDA**

### **1. APOLOGIES**

Please advise Democratic Services on 01629 761133 or e-mail [committee@derbyshiredales.gov.uk](mailto:committee@derbyshiredales.gov.uk) of any apologies for absence.

### **2. PUBLIC PARTICIPATION**

To give members of the public who have given notice an opportunity to ask questions, present petitions or air their views on Item 5 of the Agenda only. Those wishing to participate should contact the Committee Section on 01629 761133 [committee@derbyshiredales.gov.uk](mailto:committee@derbyshiredales.gov.uk) by 12 noon on the working day prior to the meeting.

### **3. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING**

15 January 2015

### **4. INTERESTS**

Members are required to declare the existence and nature of any interests they may have in subsequent agenda items in accordance with the District Council's Code of Conduct. Those interests are matters that relate to money or that which can be valued in money, affecting the Member her/his partner, extended family and close friends. Interests that become apparent at a later stage in the proceedings may be declared at that time.

**5. DERBY AND DERBYSHIRE COMBINED AUTHORITY**

**3 - 15**

To consider proposals for the establishment of a Derby and Derbyshire Combined Authority.

**NOTE**

For further information about this Agenda or on "Public Participation" call 01629 761133 or e-mail [committee@derbyshiredales.gov.uk](mailto:committee@derbyshiredales.gov.uk)

COUNCIL  
12 FEBRUARY 2015

Report of the Head of Regeneration and Policy

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## **DERBY AND DERBYSHIRE COMBINED AUTHORITY**

### **SUMMARY**

In order to improve economic decision making, which may benefit Derbyshire Dales businesses and residents, a Derby and Derbyshire Combined Authority is proposed. It is recommended that the District Council joins the Combined Authority alongside its existing membership of the Sheffield City Region Combined Authority.

### **RECOMMENDATION**

1. The Governance Review be endorsed, specifically that establishing a Derby and Derbyshire Combined Authority would improve the exercise of statutory functions in relation to economic development, regeneration and transport in the Derby and Derbyshire area leading to an enhancement of the economic conditions and performance of the region.
2. A Scheme for the establishment of a Derby and Derbyshire Combined Authority be submitted to the Government, as attached at Appendix 1.
3. The Leader of the Council be delegated to finalise the proposal and any related documents prior to submission to the Government.

### **WARDS AFFECTED**

All

### **STRATEGIC LINK**

Economic development is highlighted in the District Council's Corporate Plan 2014/15, in which one of the two improvement priorities is to *Increase business growth and job creation*. The three specific target areas for 2014/15 are to *help new businesses to start*, to *help existing businesses to grow*, and to *promote key development sites*. The Peak District Partnership envisages in its Statement of Priorities that the Peak District will have high-wage, high-skill jobs. The District Council adopted its Economic Plan in September 2014.

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## **1 BACKGROUND**

- 1.1 On 15 January 2015, Council agreed a response to the initial consultation on the proposed Derby and Derbyshire Combined Authority. The consultation period has now ended, with respondents in favour of creating the new authority.

- 1.2 In light of the consultation results, it is now proposed that the Government be asked to create the Derby and Derbyshire Combined Authority as outlined in the 15 January Council report. The present report recommends that the District Council participates in the creation of this new authority.
- 1.3 As Members will recall, the District Council is already part of one Combined Authority (that for Sheffield City Region), and this proposal would give us membership of the new authority as well.

## **2 GOVERNANCE REVIEW**

- 2.1 Members are familiar with the national imperative to rebalance the economy, and develop new, forward-looking businesses that support jobs and prosperity. Indeed, in September 2014 the Corporate Committee adopted a Derbyshire Dales Economic Plan that aims to do the same thing specifically in the Dales.
- 2.2 Two bodies set up by the Government to lead economic development – the Local Enterprise Partnerships (LEPs) – operate in the Derbyshire Dales: Sheffield City Region and D2N2. Sheffield City Region already has strong governance (by all nine council Leaders operating in a Combined Authority), which has helped it secure a ‘devolution deal’ from the Government. However, no such inclusive governance structure exists for D2N2 and localities struggle to be heard there. This is despite the importance of local economic geographies, and the recognised importance of ‘place’ in successful economic development and the need for local solutions to tackle the challenges of local economic growth.
- 2.3 In September 2013, the Leaders the ten principal councils in Derbyshire (D2) agreed to establish a Joint Committee for economic prosperity. Working alongside a similar Joint Committee arrangement for the Nottingham/ Nottinghamshire area, the D2 Joint Committee supports the work of the wider D2N2 LEP.
- 2.4 The D2 Joint Committee has undertaken a governance review during the past year to determine whether the existing arrangements for economic development, regeneration and transport in Derbyshire are delivering the best results. The statutory process undergone through the Governance Review in order to produce the present proposals is similar to that used for the Sheffield City Region Combined Authority two years ago (Council 7 March 2013).
- 2.5 A detailed 58-page document, available on the Members Portal, sets out the governance review in more detail and specifically provides a detailed account of the current economic conditions across the D2 area, evaluates the existing Joint Committee and wider LEP governance arrangements, and considers the potential options for improvement.
- 2.6 It concludes that a Combined Authority for Derby and Derbyshire presents the best option for “positively impacting on the economic conditions of the D2

area, and also in providing the best opportunities for improved efficiency and effectiveness of delivery in transport and economic development”.

### **3 PROPOSED DERBY AND DERBYSHIRE COMBINED AUTHORITY**

3.1 The proposed Derby and Derbyshire Combined Authority would consist of the Leaders of ten local authorities (constituent voting members), working together on economic development and transport matters. The ten authorities are:

- Amber Valley Borough Council
- Bolsover District Council
- Chesterfield Borough Council
- Derby City Council
- Derbyshire County Council
- Derbyshire Dales District Council
- Erewash Borough Council
- High Peak Borough Council
- North East Derbyshire District Council
- South Derbyshire District Council.

3.2 Four of the proposed constituent members (Chesterfield Borough Council, North East Derbyshire District Council, Bolsover District Council and Derbyshire Dales District Council) are currently non-constituent voting members of the Sheffield City Region Combined Authority. This membership brings significant benefits to those authorities and these relationship with the SCR Combined Authority will continue, supported by a strong protocol of joint working with the D2 Combined Authority.

3.3 Non-constituent membership of the Derby and Derbyshire Combined Authority is proposed to be offered to the D2N2 LEP to ensure strengthened governance and relationship management. Observer status is also to be offered to the Peak District National Park Authority. Further details of the overall arrangements and constitution of the D2 Combined Authority are set out in the Scheme, attached at Appendix 1.

3.4 The Derby and Derbyshire Combined Authority will be a decision making and accountable body responsible for developing, agreeing, implementing and monitoring: D2-wide strategies; clear programmes of activity and funding; and specific delivery projects.

3.5 There are five ambitions for the proposed Derby and Derbyshire Combined Authority:

- **Supporting our People:** Skills – creating a 21<sup>st</sup> Century Guildhall to improve training and links with employment
- **Shaping our Place:** Routes to Work – delivering improvements to public transport networks and transport infrastructure
- **Shaping our Place:** Homes – more affordable homes in the right place to meet local needs and create sustainable communities
- **Supporting our Business:** securing more and better paid jobs for local people

- **Financing the Future:** Enabling improvement - innovation and creativity in securing increased investment and flexibility to support growth

As commented at Council on 15 January 2015, two of these align particularly well with the District Council's current priorities: affordable homes, and more and better paid jobs. It is considered that the ambitions of the proposed Combined Authority coincide with those of the District Council.

#### **4 PUBLIC CONSULTATION**

4.1 A public consultation exercise was undertaken between 2 January 2015 and 23 January 2015 to test local support for the proposal to create a D2 Combined Authority and the proposed ambitions outlined above. Across Derby and Derbyshire, groups consulted included:

- Local residents
- Council members and employees
- Members of key partnerships
- Organisations with an interest in rural concerns
- Chamber of Commerce
- Federation of Small Businesses
- Private sector organisations and business/economic networks including the creative industries
- Transport providers and users
- Tourist organisations
- Housing providers and developers
- Further and higher education providers, secondary schools and academies, Jobcentre Plus
- Voluntary sector organisations and umbrella groups
- Neighbouring local authorities and combined authorities
- Members of Parliament.

4.2 In addition to an on-line survey, face to face sessions and workshops were held with the Chamber of Commerce; education and training providers; Derbyshire Economic Partnership, and D2N2 Local Transport Board. There was also a D2N2 LEP Board drop-in session for private sector members, and a briefing session for MPs (attended by nine MPs from across the D2N2 area).

4.3 A total of 758 responses were received to the online questionnaire, along with a number of individual letters and responses, mostly from parish councils, MPs and other public sector bodies such as the Fire Authority, the Chamber of Commerce and adjoining combined authority or local authority areas.

4.4 The results confirms strong support ('strongly agree' or 'tend to agree') with the proposals to create a combined authority (67% in total), with many commenting it would help cut costs, reduce duplication and be a strong, strategic body. Those people tending not to agree with the proposals, expressed concerns the CA could become a 'talking shop' or that another tier of local government was being created.

- 4.5 There was also strong support for the proposed geographical area of the combined authority being Derbyshire and Derby city (D2), with 71% in total either 'tending to agree' or 'strongly agreeing'. In relation to the ambitions, there was similar strong support for the proposals, with at least half of the respondents agreeing or strongly agreeing to all five (jobs, skills, transport, homes and investment).
- 4.6 A full report of the consultation (30 pages) is available on the Members Portal.

## **5 RISK ASSESSMENT**

### **5.1 Legal.**

The Local Democracy, Economic Development and Construction Act (2009) and Transport Act (2008), Section 74 of the Local Government Finance Act 1988 is the power relied upon for forming the Combined Authority.

### **5.2 Financial.**

Partners have agreed that the cost of membership of the Derby and Derbyshire Combined Authority will be no greater than existing costs. In the case of the District Council, our existing cost of membership of the Derbyshire Economic Partnership is £15,000 per year, and this will transfer to instead be our membership of the Derby and Derbyshire Combined Authority.

In line with statutory requirements for establishing a Combined Authority, the proposed D2 authority will nominate officers from the constituent authorities to undertake the following roles: Head of Paid Service, Monitoring Officer, and Section 151 (finance) officer. It has been agreed at the D2 Joint Committee that nomination/appointment to these posts will not incur any additional expenditure to the proposed Combined Authority over and above existing costs.

### **5.3 Corporate.**

If created, the Derby and Derbyshire Combined Authority will align with the District Council's priority to increase business growth and job creation.

## **6 OTHER CONSIDERATIONS**

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

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## **CONTACT INFORMATION**

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## **BACKGROUND PAPERS**

- 15 January 2015 Council report - Proposed Derby and Derbyshire Combined Authority: consultation.
- D2 Governance Review full document (58 pages) - available on Members Portal
- Analysis of Public Engagement Results for the Proposed Derby and Derbyshire Combined Authority (30 pages) - available on Members Portal

## **ATTACHMENTS**

Appendix 1      Combined Authority scheme

**BACK TO AGENDA**

## APPENDIX 1

# **SCHEME FOR THE ESTABLISHMENT OF A COMBINED AUTHORITY FOR DERBY & DERBYSHIRE**

### **Establishment of the Authority**

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

### **Name of the Authority**

The name of the Authority shall be The Derby & Derbyshire Combined Authority.

### **Area of the Authority**

The whole geographical county of Derbyshire incorporating the City Council, County Council and all District and Borough Councils of Derbyshire.

### **Constitution**

#### **Membership of the Authority**

Membership of the Derby & Derbyshire Combined Authority will be drawn from the constituent Councils listed below:

- Amber Valley Borough Council
- Bolsover District Council
- Chesterfield Borough Council
- Derby City Council
- Derbyshire County Council
- Derbyshire Dales District Council
- Erewash Borough Council
- High Peak Borough Council
- North East Derbyshire District Council
- South Derbyshire District Council

In addition non-constituent membership will be drawn from the D2N2 Local Enterprise Partnership.

Each constituent Council shall appoint one of its elected Members to be a member of the Combined Authority, and in addition shall appoint a substitute (there will be a protocol that each constituent Council appoint its Leader to the Combined Authority).

The Local Enterprise Partnership shall nominate one of its Members to be a non-constituent Member of the Combined Authority, and in addition shall nominate a substitute.

The Combined Authority shall appoint a Member and substitute nominated by the Local Enterprise Partnership as a non-constituent Member of the Combined Authority.

A Member ceases to be a Member or substitute Member of the Combined Authority if they cease to be a member of the constituent Council or the Local Enterprise Partnership that nominated them.

To resign, the Member or substitute Member has to give written notice to the Proper Officer of the constituent Council or the Local Enterprise Partnership that nominated them.

Where the Member or substitute Members appointment ceases, the constituent Council shall give notice of the appointment of another of its elected Members in that persons place as soon as possible. The Local Enterprise Partnership shall nominate another of its Members in that persons place as soon as possible. The Combined Authority shall appoint such a Member at the next meeting of the Combined Authority.

Constituent Councils may terminate and replace a Member or substitute Member at any time but must give written notice to the Combined Authority with a period of a week to a month for the changeover to take effect.

The Local Enterprise Partnership may terminate and replace a Member or substitute Member nominated by it to the Combined Authority at any time but must give written notice to the Combined Authority with a period of a week to a month for the changeover to take effect.

### **Chairman and Vice Chairman**

Appointment to be the first business at the Annual Meeting and to be made from amongst the Combined Authority's members.

There will be an annual election of the Chair and Vice Chair. Incumbents will be eligible for re-election.

A person ceases to be Chair or Vice Chair if they cease to be a member of the Combined Authority.

Any vacancy must be filled at the next ordinary meeting of the Combined Authority unless such meeting is within 14 days, when it will be the meeting following.

### **Proceedings**

The following decisions require a unanimous vote in favour by all 10 constituent Council members or substitutes:

- Adoption of, and any amendment to, or withdrawal of any Strategy or Plan and associated schemes/programmes for which the Combined Authority has functions, powers or duties to produce

- Approval of the Combined Authority's annual budget including decisions on any levies, precepts or other demands for financial contribution from constituent authorities
- Approval of borrowing limits, Treasury Management Strategy including reserves, Investment Strategy and Capital Budget of the Combined Authority
- Adoption of and any amendment to or withdrawal of any Local Transport Plan under Section 108(3) Transport Act 2000
- Allocation of Local Transport Plan funding to individual constituent authorities
- Approval of the Combined Authority's Constitution and any changes thereto
- Adoption of any freedoms or flexibilities offered by Government
- Future expansion of the Combined Authority's functions, including but not limited to the transfer of any functions by the constituent authorities to the Combined Authority and/or the devolving of powers from Government
- The use of the general power of competence by the Combined Authority beyond the powers provided within the Localism Act 2011

All other decisions to be by a majority of those present and voting.

Quorum is 6 voting Members or nominated substitute members.

Each Constituent Council Member to have one vote<sup>1</sup>.

There is no casting vote.

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

Proceedings are not invalidated by any vacancy amongst its Members or by any defect in the appointment or qualification of any Member.

### **Executive Arrangements**

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.

### **Committees**

The 10 Local Authorities of Derbyshire will establish a joint Overview & Scrutiny Committee to exercise scrutiny functions over the Derby & Derbyshire Combined Authority.

Each constituent Council will appoint one elected Member to the joint Overview & Scrutiny Committee.

Overview & Scrutiny membership not to include a Combined Authority member.

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

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<sup>1</sup> It will be open to the Combined Authority, at its discretion, to extend voting rights to non-constituent Members following the formal establishment of the Authority.

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

Overview & Scrutiny Committee to have power to:

- Invite Combined Authority members to attend and answer questions
- Invite others to attend the meetings
- Review or scrutinise decisions or other actions taken
- Make reports or recommendations to the Combined Authority
- Require that a decision that has not been implemented be reconsidered

Where the Overview & Scrutiny Committee makes a report they may also publish it and require a response from the Combined Authority.

The notice published must give the Combined Authority 2 months to consider the report.

The Combined Authority is to be treated as a Local Authority for the purposes of the scrutiny function and the relevant provisions of the LGA 2000 apply.

### **Records, Standing Orders and Remuneration**

Proceedings and the names of members present at meetings must be recorded.

Minutes must be kept.

Minutes to be signed at the next suitable meeting.

Any such signed minute shall be received in evidence without further proof.

Until the contrary is proved, a meeting of the Combined Authority evidenced by the signed minutes of proceedings are deemed to have been duly convened and held.

The Combined Authority may make Standing Orders.

No remuneration is payable to members of the Combined Authority.

Any allowances or expenses which may be made to Councillor members arising out of Combined Authority membership shall be determined and borne by the appointing Council for each Combined Authority member individually.

### **The Function of the Derby & Derbyshire Combined Authority**

The purpose of the Derby & Derbyshire Combined Authority is to improve the exercise of statutory functions in relation to economic development, regeneration and transport across the whole geographical county of Derbyshire leading to an enhancement of the economic conditions and performance of Derbyshire.

The Derby & Derbyshire Combined Authority intends to pursue an Economic Regeneration Strategy through a balanced approach, with economic, social and environmental sustainability at its core. This will reflect the location of the area at the heart of the UK, its

diverse rural/urban mix and the impact of neighbouring Combined Authorities on the functioning geography.

The Derby & Derbyshire Combined Authority accepts and embraces managed and sustainable economic growth as a policy instrument to help deliver jobs and growth to communities and households to provide a foundation for the long term security of the quality of life of all the people of the area.

The Derby & Derbyshire Combined Authority intends to pursue a Transport Strategy of providing leadership and a single area-wide voice on key strategic issues, whilst ensuring closer coordination in relation to strategic transport planning and an integrated approach to transport's economic priorities.

### **The Functions, Powers and Duties of the Derby & Derbyshire Combined Authority**

The Derby & Derbyshire Combined Authority will have powers in relation to Strategic Economic Development and Transport. These powers will be exercised by the Derbyshire Combined Authority on a concurrent basis with the constituent member Authorities. In other words, no powers have been "ceded" to the Derby & Derbyshire Combined Authority by its constituent members.

The constituent authorities agree that where any external funding is awarded to or received by the Combined Authority, the constituent authorities will develop a project appraisal framework to govern the allocation of such funding between the constituent authorities.

Strategic Economic Development and Transport means functions such as:

- The public sector decision making body for strategic economic development and transport for the Derby & Derbyshire Combined Authority area
- To develop, and subsequently monitor, investment plans utilising Government and EU funds for the Derby & Derbyshire Combined Authority Area
- To develop a growth deal for the Combined Authority area
- To ensure delivery of agreed projects and programmes
- To be the accountable body for decision making on single Local Growth Fund and EU Funds allocated to the Derby & Derbyshire Combined Authority area
- To own, monitor and review the emerging Economic Strategies, Transport Plans and associated Investment Plans including agreed Investment Plans and decisions

The Derby & Derbyshire Combined Authority seeks the following powers:

- The General Power of Competence under Section 1 of the Localism Act 2011
- Section 144 LGA 1972 – Power to encourage visitors and provide conference and other facilities
- Sections 15ZA, 15ZB, 15ZC, 17A, 17C, 18A, 514A and 560A of the Education Act 1996 and the power under sections 514A and 560A of the Act – Duties and powers related to the provision of education and training for persons under and over compulsory school age
- Section 69 Local Democracy and Economic Development Act 2009 – Duty to prepare an assessment of economic conditions in the area

- Sections 108,109 and 112 of the Transport Act 2000 relating to the development, implementation and review of the Local Transport Plan
- Sections 114, 118, 120,121and 123-132 of the Transport Act 2000 relating to Quality Partnerships and Contracts
- Sections 135-138 of the Transport Act 2000 relating to ticketing schemes
- Sections 139-141 and section 143 of the Transport Act 2000 relating to the provision of information
- Sections 63 and 64, 88 - 101, 103 and 105 of the Transport Act 1985 dealing with the provision of bus services and administration of concessionary fare schemes.
- Section 142(2) Local Government Act 1972 – Power to arrange for the publication within their areas of information relating to the functions of the authority etc
- Section 222 Local Government Act 1972 – Power to prosecute and defend legal proceedings
- Section 88(1) (a) and (b) Local Government Act 1985 – Research and collection of information
- Powers under the Apprenticeship, Skills, Children and Learning Act 2009
- Any other duties which are subsequently agreed by the Combined Authority and constituent councils

The Derby & Derbyshire Authority shall exercise any function of the Secretary of State delegated to the Combined Authority by the order of the Secretary of State, pursuant to Section 86 LTA 2008 and Section 104(1)(b) LDEDLA. Such functions shall be exercised subject to any condition imposed by the order.

### **Funding**

The constituent councils to meet all costs reasonably attributable to the exercise of its functions of economic development and regeneration.

The Combined Authority will agree an annual budget for the purpose of this expenditure which will be apportioned equally across the ten constituent councils.

### **D2N2 Local Enterprise Partnership**

Derbyshire and Nottinghamshire has a LEP Board that brings together elected Leaders with representatives from the private sector. Such a Board is seen as important for the promotion and facilitation of economic growth in the Derbyshire Combined Authority Area.

The LEP Board will work in conjunction with the Derby & Derbyshire Combined Authority, as well as discharging the practical decision making role in respect of certain functions as required by Government and/or the Derby & Derbyshire Combined Authority.

The Local Enterprise Partnership fully supports the establishment of a Derby & Derbyshire Combined Authority together with a Nottingham & Nottinghamshire Combined Authority. The whole geographical county of Nottinghamshire incorporating the City Council, County Council and all District and Borough Councils of Nottinghamshire are in the process of establishing a Combined Authority.

The two Combined Authorities and the Local Enterprise Partnership will provide seamless working and decision making across the D2N2 Local Enterprise Partnership area. Both Combined Authorities will give the necessary strength of governance to provide transparency and democratic accountability, with the private sector members on the Local Enterprise Partnership bringing their private sector expertise; enabling more effective collaboration for economic growth.

### **Other Arrangements**

The Derby & Derbyshire Combined Authority may establish sub-structures and sub-committees, and delegate powers and functions as appropriate.

BACK TO AGENDA

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