

South Lakeland District Council
Cabinet
Wednesday 24th June 2020
Council
Tuesday 30th June 2020
Lancaster and South Cumbria Joint Committee

Portfolio: Councillor Giles Archibald – Leader and Promoting South Lakeland Portfolio Holder

Report from: Lawrence Conway – Chief Executive

Report Author: David Sykes - Director of Strategy, Innovation and Resources

Wards: All Wards

Forward Plan: Included in the Forward Plan as published on 26th May 2020

1.0 Expected Outcome

- 1.1 The shaping and driving of economic development across the Lancaster and South Cumbria Economic Region through the creation of a robust, formally constituted joint committee between Barrow Borough Council, South Lakeland District Council and Lancaster City Council.
- 1.2 The Joint Committee will be known as the Lancaster and South Cumbria Joint Committee.

2.0 Recommendations

2.1 It is recommended that Cabinet:

- (1) Establish a Joint Committee with Barrow Borough and Lancaster City Councils covering all respective administrative areas to promote the economic, social and environmental well being of the areas.**
- (2) Delegates the Executive Functions within the Terms of Reference and adopts the Procedure Rules as attached in Appendix 1 and outlined in the report, to the Joint Committee**
- (3) Agrees that Lancaster City Council act as the initial host authority for one year.**
- (4) Subject to the Cabinet approving the establishment of the Joint Committee, appoint the Leader and the Portfolio Holder for Economy, Culture and Leisure to the Joint Committee.**
- (5) Request Council authorises the Councils Monitoring Officer to make all necessary constitutional amendments to the Councils Constitution and to update the Councils Scheme of Delegation in Part 3 of the Constitution.**

- 2.2 It is recommended that Council, subject to approval by Cabinet of recommendations 2.1 (1) to (5) above, authorises the Council's Monitoring Officer to make all necessary constitutional amendments to the Council's**

Constitution and to update the Council's Scheme of Delegation in Part 3 of the Constitution.

3.0 Background and Proposals

- 3.1 In summer 2017, the three authorities approved a joint statement of intent to work collaboratively to drive forward agreed approaches to economic development across the Lancaster and South Cumbria Economic Region.
- 3.2 This statement was rooted in the findings of 2016 economic study work which confirmed the region as a functioning economic area with a combined Gross Value Added comparable to other major North West economic centres eg Warrington. Strengths were identified in the sectors of marine engineering, energy generation, nuclear skills, advanced manufacturing and higher education. In conclusion, development opportunities could be better identified and realised working strategically across administrative boundaries.
- 3.3 In June 2019, the three authorities produced and launched a prospectus 'Driving Growth Together' at an event at Lancaster University attended by a wide range of businesses, agencies, authorities and media from across the region. The prospectus and approach to collaborative working was well received.
- 3.4 The authorities produced an outline proposal for a 'Growth Deal, and presented it to the Minister for the Northern Powerhouse ahead of the Convention of the North, held in September 2019. This collaborative approach has successfully raised the profile of the region amongst the Northern Powerhouse, Ministers and local MP's and outlined potential investments in infrastructure, the business environment and place.
- 3.5 Current work is taking place to refine and focus proposals for a growth deal type programme to attract significant public investment to transformational growth projects and importantly drive COVID19 resilience to the region's economy. This requires a strong case, backed by demonstrable collaborative action, supported by visible commitment and accountability.
- 3.6 As such, it is considered beneficial to establish a formal arrangement between the three Councils to drive this, reinforcing the sense of developing a functional economic area. The proposal is to establish the Lancaster and South Cumbria Economic Prosperity Board. This would be established as a Joint Committee, using powers under the Local Government Acts 1972 and 2000 and under the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012.
- 3.7 The proposed Joint Committee's Procedure Rules are presented in Appendix 1. The Joint Committee's remit will be to provide political and democratic accountability and in doing so:
 - a) act as a key strategic forum for sustainable economic prosperity issues in the Lancaster and South Cumbria Region and to make representations and recommendations on sustainable economic development opportunities, programmes and investments to other bodies, to include Government, Local Government and the Cumbria and Lancashire Local Enterprise Partnerships (LEPs);
 - b) act as a key strategic forum for meeting the climate emergency across the Lancaster and South Cumbria Region and to make representations and recommendations on sustainable economic development opportunities, programmes and investments to other bodies, to include Government, Local

Government and the Cumbria and Lancashire Local Enterprise Partnerships (LEPs);

- c) act as the key strategic forum for reducing inequality across the Lancaster and South Cumbria Region and to make representations and recommendations on sustainable economic development opportunities, programmes and investments to other bodies, to include Government, Local Government and the Cumbria and Lancashire Local Enterprise Partnerships (LEPs);
- d) actively engage with a range of experts, community organisations, businesses and institutions in the Lancaster and South Cumbria Region in relation to economic, social and environmental wellbeing development decision making and to engage with other stakeholders where appropriate
- e) consider and advise on the appropriateness and viability of alternative, successor economic, social and environmental governance arrangements.
- f) to have direct and strategic oversight of key growth focused projects and initiatives that the Joint Committee has influence over the funding of and across the Lancaster and South Cumbria Economic Region

3.8 Membership will comprise two members from each constituent authority. The joint committee will be able to co-opt members or non-authority members up to a maximum of three. If a member is co - opted this would need to be a Cabinet member under the 2012 Regulations

3.9 Each of the constituent authorities will rotate the hosting of the joint committee. Initially, Lancaster City Council will host the joint committee. Meetings will be no less than quarterly in frequency.

3.10 The joint committee will not hold funds or monies on behalf of the constituent authorities.

3.11 The approach utilises existing powers available to the constituent authorities and is considered to be an optimal means of achieving greater focus and political and democratic accountability to the joint endeavours of the Councils to promote development and strengthened resilience of the region's economy, social and environmental wellbeing.

3.12 It is proposed that the Terms of Reference will be reviewed at the first meeting of the Joint Committee with any changes brought back to a future meeting.

4.0 Consultation

4.1 Promoting a strategic economic development approach across the region has been promoted via the prospectus, the event at Lancaster University and directly with Ministers, MP's and bodies such as the Northern Powerhouse Partnership. The approach has been broadly welcomed and encouraged.

4.2 The Leaders and Chief Executives of the constituent authorities have discussed options for creating more formal and accountable arrangements for the Councils to progress growth initiatives.

5.0 Alternative Options

- 5.1 The constituent authorities could continue with an informal collaboration. This option is not recommended as the requirements and options for promoting growth and investment proposals to Government and local partners will be strengthened if backed by demonstrable joint commitment a formal arrangements represents. The existing informal collaboration is not open to political and democratic scrutiny other than individually through each of the constituent authorities.
- 5.2 The constituent authorities could consider establishing an Economic Prosperity Board through an alternative legislative route provided by the Local Democracy, Economic Development and Construction Act 2009 and the Cities and Local Government Devolution Act 2016. This option would establish the Board as a corporate body, however this option is reliant on securing secretary of state consent. This takes the creation of a formal joint arrangement beyond the control of the constituent authorities. The Joint Committee could be separate from the Board or develop into this in due course. Whilst this may be an option at a further date, it is considered the Joint Committee route provides an appropriate formal arrangement at this time. As such this option is not recommended.

6.0 Links to Council Priorities

- 6.1 The proposal directly supports the Council's priority of **working across boundaries to deliver economic growth**.
- 6.2 Specific contribution is made to the following Council Plan outcomes:
- working across Morecambe Bay and the North West to secure inward investment
 - attracting external funding and delivering critical infrastructure
 - Working collaboratively on our climate emergency priorities, policy and action plan.
 - participating in the Northern Powerhouse and contributing to the preparation and implementation of the Local Industrial Strategy
 - promoting unique selling points such as marine and cultural and creative industries
 - intervening to deliver major sites and critical infrastructure and remove barriers to delivery
 - working with partners to deliver critical transport and other infrastructure
 - supporting delivery in neighbouring authorities
 - attracting new delivery partners
 - using our distinctive environment to create opportunities for all

7.0 Implications

Financial, Resources and Procurement

- 7.1.1 South Lakeland District Council will need to share the burden of hosting the joint committee. It is intended to achieve this through rotating the hosting of the joint committee between the three authorities. As such there are not intended to be significant additional direct costs incurred through hosting the joint committee. Appointed Members attendance at formal meetings will be an approved duty and as such some additional travel expenses may be incurred.
- 7.1.2 The joint committee will not hold funds or monies on behalf of the constituent authorities. Any finance or accountable body implications and requirements arising

from recommendations of the joint committee will be subject to the separate consideration and approval of the respective authorities.

Human Resources

- 7.2.1 As described in 7.1.1 there will be a requirement to act as host authority on a rotational basis. This will require the organisation of four joint committee meetings in a year when the Council acts as host. It is considered that this will be undertaken from within current resources.
- 7.2.2 The most significant demand on the Council's employees will be the involvement in joint working by specialist officers on strategy, programme and delivery tasks. Strategic economic development work already has focus on the initiatives which may comprise future investments. This represents a focussing of existing resources.
- 7.2.3 However, the COVID 19 response brings greater demands to develop initiatives to restart and create greater resilience in the region's economy. There may be need for additional specialist resources.
- 7.2.4 Specialist and administrative resources will be kept under review subject to the needs and opportunities of the local economy. If additional resources are required, potentially to be funded by the NNDR Pooling Reserve, a separate report would be prepared for consideration by Cabinet.

Legal

- 7.3.1 The joint committee will be established pursuant to powers under the Local Government Acts 1972 and 2000 and under the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012.
- 7.3.2 Article 11, paragraph 11.1 of the Council's Constitution enables the Council or the Cabinet to make arrangements to promote well being.
- 7.3.3 Paragraph 11.2(b) enables the Cabinet to establish joint arrangements with one or more local authorities to exercise functions which are executive functions. Such arrangements may involve the appointment of joint committees with these other local authorities.
- 7.3.4 Paragraph 11.2(c) subject to exceptions listed in paragraph 11.2(d) the Cabinet may only appoint Cabinet members to a Joint Committee and those members need not reflect the political composition of the local authority as a whole.
- 7.3.5 Paragraph 11.2 (e) states that details of any joint arrangements including any delegations to Joint Committees will be found in the Council's scheme of delegations in Part 3 of the Constitution.
- 7.3.6 With regard to Access to Information, as one of the constituent authorities does not operate a Cabinet system, the Access to Information rules in Part VA of the Local Government Act will apply.
- 7.3.8 General economic development activity also now comes under the General Power of Competence in section 1 of the Localism Act 2011 (previously the well-being power and before that the economic development power in the Local Government and Housing Act 1989).

Health, Social, Economic and Environmental

- 7.4 Have you completed a Health, Social, Economic and Environmental Impact Assessment? No

- 7.4.1 The summary of the assessment undertaken in July 2017 remains relevant: Collaborative working will help to attract high quality development that will improve the built environment. It will create higher paid jobs which will in turn have positive outcomes for income and poverty. Working with the colleges and universities and ensuring they are outputting students with relevant skills for the local job market will further increase opportunity for local people.

Equality and Diversity

- 7.5 Have you completed an Equality Impact Analysis? No
- 7.5.1 The operation of the joint committee will be conducted in accordance with the Equalities Schemes of each of the constituent authorities. Any proposed programmes and projects resulting from the work of the joint committee will be subject to separate Equalities Impact Analysis.

Risk

Risk	Consequence	Controls required
Each or any of the three constituent authorities do not agree or continue the joint arrangements	Benefits and opportunities of collaborative working are not realised	Continued development of programme and promotion of benefits of collaborative working. Ensure progress is regularly reviewed and changes made as required to maintain focus and progress
Joint arrangements are not recognised by other partners and Government	Reduced effectiveness of collaborative working	Ensure regular dialogue with partner organisations, businesses, Ministers and MPs regarding progress and opportunities Consider use of co-option of members to the joint committee
The coherence of the functional economic area is not recognised in the strategies for local industrial development, the Northern Powerhouse, devolution and including the renewal planning post COVID19	Reduced effectiveness of collaborative working Opportunity cost to the economic potential of the region	Ensure regular dialogue with partner organisations, businesses, Ministers and MPs regarding progress and opportunities Ensure good intelligence and 'horizon scanning' to support the positioning and promotion of the regions opportunities

Contact Officers

David Sykes – Director Strategy, Innovation and Resources.
D.Sykes@southlakeland.gov.uk

Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Lancaster and South Cumbria Economic Prosperity Board Joint Committee Procedure Rules

Background Documents Available

Name of Background document	Where it is available
Previous Cabinet report – July 2017 Morecambe Bay – Joint Statement of Intent to collaborate on economic development initiatives	https://democracy.southlakeland.gov.uk/documents/s18881/Morecambe%20Bay%20Joint%20Statement%20of%20Intent%20to%20Collaborate%20on%20Economic%20Development%20Initiatives.pdf https://democracy.southlakeland.gov.uk/documents/s18882/Morecambe%20Bay%20Joint%20Statement%20of%20Intent%20to%20Collaborate%20on%20Economic%20Development%20Initiatives%20-%20Appendi.pdf

Tracking Information

Signed off by	Date sent	Date Signed off
Section 151 Officer	25 May 2020	08/06/2020
Monitoring Officer	25 May 2020	08/06/2020
CMT	4 June 2020	4 June 2020

Circulated to	Date sent
Strategy Lead Specialist	25 May 2020
Operational Lead, Specialist Services	25 May 2020
Human Resources Lead Specialist	25 May 2020
Communications Team	25 May 2020
Leader	25 May 2020
Committee Chairman	Not applicable
Portfolio Holder	22 May 2020
Ward Councillor(s)	Not Applicable
Committee	Not Applicable
Executive (Cabinet)	24 th June 2020
Council	30 th June 2020