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Public Bill Committee

LEVELLING-UP AND REGENERATION BILL

Seventh Sitting

Thursday 30 June 2022

(Morning)

CONTENTS

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Monday 4 July 2022

The Committee consisted of the following Members:

Chairs: Mr Peter Bone, Sir Mark Hendrick, † Mrs Sheryll Murray, Ian Paisley

† Andrew, Stuart *(Minister for Housing)*
† Atherton, Sarah *(Wrexham)* (Con)
† Dines, Miss Sarah *(Derbyshire Dales)* (Con)
† Farron, Tim *(Westmorland and Lonsdale)* (LD)
† Fletcher, Colleen *(Coventry North East)* (Lab)
Gibson, Patricia *(North Ayrshire and Arran)* (SNP)
† Henry, Darren *(Broxtowe)* (Con)
Kruger, Danny *(Devizes)* (Con)
† Lewell-Buck, Mrs Emma *(South Shields)* (Lab)
† Maskell, Rachael *(York Central)* (Lab/Co-op)
† Moore, Robbie *(Keighley)* (Con)
† Mortimer, Jill *(Hartlepool)* (Con)
† Norris, Alex *(Nottingham North)* (Lab/Co-op)
† O'Brien, Neil *(Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities)*
† Pennycook, Matthew *(Greenwich and Woolwich)* (Lab)
† Smith, Greg *(Buckingham)* (Con)
† Vickers, Matt *(Stockton South)* (Con)

Bethan Harding, Adam Mellows-Facer, *Committee Clerks*

† attended the Committee

Public Bill Committee

Thursday 30 June 2022

(Morning)

[Mrs Sheryll Murray *in the Chair*]

Levelling-up and Regeneration Bill

11.30 am

The Chair: Before we begin, I have a few preliminary reminders for the Committee. Please switch all electronic devices to silent mode. No food or drink, except for the water provided, is permitted during Committee sittings. *Hansard* colleagues would be grateful if hon. Members emailed their speaking notes to hansardnotes@parliament.uk. It is a little muggy, so I am happy for hon. Gentlemen to remove their jackets, if they so wish.

Clause 7

Combined county authorities and their areas

Alex Norris (Nottingham North) (Lab/Co-op): I beg to move amendment 46, in clause 7, page 7, line 5, at end insert—

"(3A) Condition C is that the public in the area have been consulted."

This amendment would require public consultation to take place before the establishment of a CCA.

The Chair: With this it will be convenient to discuss the following:

Amendment 48, in clause 22, page 18, line 33, at end insert—

"(c) the public have been consulted."

This amendment would require public consultation to take place before the amendment of a CCA area.

Amendment 49, in clause 23, page 19, line 35, at end insert—

"(c) the public have been consulted."

This amendment would require public consultation to take place before the dissolution of a CCA.

Alex Norris: It is a pleasure to serve with you in the Chair, Mrs Murray. We had a very good first day of line-by-line consideration on Tuesday. We had interesting debates, held in good spirits, and where we differed, we were able to do so well. I am sure that we will do similarly today. I hope that we may have a little more luck moving the Minister, and even if we do not in substance, we may at least establish some agreements in principle.

Today we start our consideration of part 2, the final half of the levelling-up provisions in the levelling-up Bill. There is a certain oddness to the fact that we will be considering the Bill well into September but will finish the levelling-up bits shortly. That pushes me back to the point I made at the beginning on Tuesday: this is not wholly a levelling-up Bill anymore. Nevertheless, the bits that we have in front of us are very important.

Clauses 7 to 70 establish combined county authorities, which will be the essential building blocks of sub-regional devolution. If done well, they will be the foundations of local place-shaping architecture that will drive forward levelling-up across our nations and regions. We do not have an issue with the establishment of CCAs—indeed, we support their development—but we think there are various ways of improving them, and those are covered by these amendments and amendments to come.

Some basic principles govern the amendments. First, we want to see greater public involvement. Secondly, we want to see strengthened local leadership. Thirdly, we want to see access for all communities to the highest level of powers. Fourthly, we want the Government to be non-prescriptive on the governance model. I might add as an addendum that I hope to hear from the Minister that the Government really intend to let go; they do not want to devolve powers but then still keep their hand in to guide communities when they do not get from them the answers they want. Where the Government can meet those tests, we will support them, and when they do not, we will seek to enhance the provisions.

Clause 7 establishes new bodies corporate, the combined county authorities. I will say a little on the distinction between CCAs and their sister organisations, combined authorities—as established by part 6 of the Local Democracy, Economic Development and Construction Act 2009—when we debate amendment 15. At this stage, it is important to understand our amendments by understanding what these new regional, or presumably sub-regional, structures will do. They will be at the heart of the levelling-up agenda when it comes to leadership. These bodies will receive power and money from the centre and use them to drive forward the development of their communities. If it turns out that levelling-up has succeeded, as we all hope it will, it will be because these bodies have succeeded. We have already seen the success of those rather similar, although in law distinct, bodies in parts of the country. Examples are the Greater Manchester Combined Authority and the West Midlands Combined Authority. We could list them all, but I will not do so. However, we can see that success across the country.

That said, we have to be clear that these bodies must be structures that work for communities. They are not conveniences for central Government or regional leaders. They must be bodies that drive collaboration across the public, private and voluntary sectors and, critically—this is the spirit of our amendments—that connect the public to the process of levelling up and improving their communities, getting the public involved in the decisions that shape their communities and lives. Amendments 46, 48 and 49 would start that process. If we fail to connect the public to the process then, despite the promises made in the White Paper on communities shaping their own futures, that just will not happen. We will be stuck in the progress paradox, whereby things get better but people feel worse, because change in their community happened to them rather than in partnership with them.

I put it to the Minister that one of the biggest risks of this entire programme is that, the Government having told local communities that levelling up will mean a shift of power from the centre to communities—from Whitehall to town hall—some power moves instead from the centre to the sub-region. That sub-region,

which is currently an alien concept to most people, will be a new tier of politicians and public figures who are at a level even further away from people than their local council and who are harder for them to engage with, and certainly harder for them to remove. I do not think that will meet the public expectation test. It is really important that we demonstrate that the public are equal partners in the process and that it is done with their consent and commitment; otherwise, the new bodies will sit in isolation and will not deliver what they are supposed to deliver.

Amendment 46 makes a simple but important point. If the Minister wishes to secure for the Secretary of State, as in clause 7(1), the power to establish the new bodies, we really ought to establish whether the public want them, understand their value and understand their role in them. Currently, clause 7 allows for the formation of combined county authorities should two tests be met: condition A is that the area consists of

"the whole of the area of a two-tier county council"

combined with either

"a unitary county council, or…a unitary district council";

and condition B is that the area is not already part of another CCA, an integrated transport area or a combined authority. The amendment would add condition C, which is that

"the public in the area have been consulted."

That is a low bar—indeed, I have lightly prescribed it and would recommend then tightening the mechanisms in the guidance that follows the legislation—but it is nevertheless a crucial test to ensure that the body is set up in the public interest and is actually what people want.

My own local community is a pertinent example. It is no secret—it is in the White Paper—that the Minister and the Secretary of State hope to form county deals that lead to CCAs for Nottingham and Nottinghamshire and for Derby and Derbyshire. From all the coverage, I understand that those two deals are likely to come together. As a Nottinghamian I have doubts about that as a natural geography, but it is not necessarily about my views, or indeed the view of my constituency neighbour, the hon. Member for Broxtowe, who I am sure has his own views, or indeed the views of the Minister, as the initiator from the centre; it is about the views of the million-plus people who live in our community and whose future will be shaped by such deals. It is important that it happens with their consent and understanding, that the case is made for that geography, and that their views are properly and meaningfully tested and given due prominence in the discussion. That is a reasonable thing to ask and, if we are to get the bodies off on a good footing, a good idea and a good place to start.

Amendment 48 is a counterpart to amendment 46 and would amend clause 22, under which the area of a CCA might be amended in future. It mandates public consultation on a non-prescribed basis. It is even easier than the requirement for public consultation under amendment 46, because currently that would mean talking to people in the abstract: "You currently have a central Government, a local government, and you may have town and parish councils, a county council, two-tier local government or a unitary authority, as in the city of Nottingham. We are going to create this new body about which you do not know yet because you do not have a combined authority yet." That will involve a certain amount of explanation and high-quality information. With amendment 48 it would be a bit easier, because at the relevant stage CCAs will already be established so it will be easier to ask the public whether they wish to enter or leave an established one.

Similarly, amendment 49 would amend clause 23, under which a CCA might be dissolved. Again, that is rather easy to explain to the public or for them to understand: "You have a CCA; do you wish to still have one? Here might be the reasons either way." I have a lot of confidence that the public are more than capable of properly engaging in those decisions. In fact, I think there is significant public expectation of that engagement. As leaders in this place, we should look with some concern at the polling every couple of months on public trust and confidence in Parliament as a whole, and in our ability to enact the changes that they want. There is a high degree of scepticism. People are actually more confident in local government.

The strand that comes through all that polling is that people want to have a say. If we establish such important bodies, which will have a significant say on levelling up, we need to ensure that the public have been engaged at the earliest point.

Tim Farron (Westmorland and Lonsdale) (LD): It is great pleasure, Mrs Murray, to serve under your guidance. I will say a brief few words, broadly in support of what the hon. Gentleman said about consultation.

Devolution is not devolution if it is done on the terms of central Government, by definition; nor is it really devolution if it involves hoovering up the functions of lower-tier councils. It is not devolution if it is done for the convenience of people in Whitehall and does not involve listening to the people in the communities directly affected. Setting up combined council authorities may indeed be an important building block in delivering what the Government see as levelling up, and I can see the merits in it, but although consultation needs to happen—it is right that it is written into the Bill—it also needs to be meaningful.

Twelve months ago, the Government had not settled on any kind of reorganisation for Cumbria—I speak from not bitter, but rich, personal experience—and we are now two months into a new authority, which was elected at the beginning of May and on which, I am pleased to say, the Liberal Democrats have a majority. Westmorland and Furness Council was but a twinkle in the Secretary of State's eye only a year ago, however. There was a consultation, but less than 1% of the population of Cumbria responded to it. Generally, most people were of the view that the proposals were meddling top-down reorganisation for national, rather than local, purposes.

Remember that Cumbria itself was established in the early 1970s, when the historic counties of Westmorland, Cumberland, Lancashire over the sands, and the West Riding of Yorkshire were put together. That county kind of worked, but someone who went to Sedbergh would have to talk about cricket in a very different way from if they went to Grange. The reality of local identity is hugely significant. A consultation in which a few engaged people fill in a form on the internet is not consultation. It is a consultation in name, but the majority of people are not actually listened to.

[Tim Farron]

If consultation is to be formally included in the Bill, that is fine, but I want it to be deeply embedded so that communities actually get a say about the boundaries that may be formed by any new combined council authorities. I am fortunate that every single blade of grass in my constituency is parished, but not every part of the Westmorland and Furness Council area is parished. It is important that voices in each part of the new authorities are able to express the views of those communities.

Consultation is vital, but it should be more than just a word. Arguably, as a society, we have never been more consulted but less listened to. Let us make sure not just that consultation is included in the Bill, but that it is ingrained in the practice of developing the new authorities, so that communities' cultural identities are reflected and the wishes of the people on the ground go towards building those authorities, which should be built not for the convenience of Whitehall, but for the empowerment of communities in Cumbria and across the rest of the country.

Rachael Maskell (York Central) (Lab/Co-op): I, too, will speak in favour of the amendments. Consultation is so fundamental to the Bill because it is important that the power of our communities and the public be on a level with that of Government. The public bring the expertise and know the nuances of their communities so well that they can advise Government on what is best for them. That expertise can be overlooked in a top-down approach. It is essential that there is proper consultation—not just information—because being able to participate will give people agency in the democratic structures that will be developed.

11.45 am

That is really important not just for the individuals who take on that identity, but for the different agencies across our areas. I am thinking about public sector authorities, about the essential role that universities have in economic opportunity, and about the identity and sense of place of businesses. They should be able to consult, contribute and have an ongoing dialogue about the development of their authority—that is important—and about shaping the functions that it adopts as it moves forward and as we, as a nation, become more confident with devolution. That is a direction that we all very much favour and see the value in.

People on the ground should be able to identify that the measures are an evolution of powers. In taking powers away from local decision-making authorities such as parish councils and districts, we must ensure that they still have a voice where appropriate. I can think of many examples in which that has not been done, and I say to the Minister that we need to change direction through the legislation, or else what is the point of this Bill?

I appreciate that integrated care systems are not part the Minister's brief, but their establishment is a relevant example for levelling up on issues of health. There are 42 ICSs, but they are not coterminous with the CCA boundaries. As a result, the public health function held within those ICSs will not map on to the CCAs. That creates a disparity, and ICSs, local authorities or the new CCAs look in a number of different directions. That cannot be good governance in levelling up and moving our country forward, but people on the ground can highlight those nuances and the disparities that that will cause. We do not want to see Whitehall dictating to local areas yet again. Local areas should be able to determine their own futures.

In Yorkshire, devolution deals have been made in the south and the west, and negotiation is ongoing for North Yorkshire. However, Yorkshire as a whole was never consulted about the opportunity of a Yorkshire-wide deal. Of course, in the context of levelling-up, each of the component parts of Yorkshire will not have the collective power of the sum. When we look across the Pennines, we see Manchester getting on, moving forward and attracting inward investment. As separate component parts of Yorkshire, we will not have the same leverage.

That is relevant not just within a national purview. Places across Europe, such as Germany, provide inspiration for devolution and using that kind of leverage. A population the size of Yorkshire's, which is bigger than Scotland's, would have real power to attract inward investment on a global scale and to ensure growth and opportunity across our communities. That conversation has not occurred. If it had, we could have ended up in a different place.

We have to think about this more strategically and economically, and to give the viable units the opportunity to state their case. I want not just consultation but an ability for stakeholders to set the pattern and the path for the future of our country, and to realise what assets we have and move them forward. Of course, I could highlight many other opportunities for which a lack of consultation will have a direct impact.

In transport, for example, I think of the impact that the integrated rail plan has had on the region and on connectivity between Leeds, Sheffield and York, in particular. We need to ensure that transport is an integral part of the plans for CCAs and the wider levelling-up agenda, so that we achieve intersectional connectivity across different aspects of the economy. If we are to build for the future, we must have that public consultation.

When universities work together, the outcome is greater than the sum of their respective parts in what they can deliver for the future economy. Such a shared opportunity is crucial to driving our economy forward, which is surely what the agenda must be. It is also important that people find their identity and place.

Robbie Moore (Keighley) (Con): I appreciate that we are just on clause 7, but has the hon. Lady considered clauses 42, 44 and 45, which provide the means for public consultation?

Rachael Maskell: I am grateful to the hon. Gentleman for highlighting why it is so important to sew that principle right through the Bill to ensure public consultation—including in clause 7. It is an important principle which is why I hope that the Government will accept the amendments.

Mrs Emma Lewell-Buck (South Shields) (Lab): With respect to the hon. Member for Keighley, clauses 42, 44 and 45 do not relate to consultation at the initial stage of CCAs, but that is what we debating now, is it not?

Rachael Maskell: My hon. Friend is absolutely right. We want communities to be involved in their own destiny before there is any ink on the paper. That consultation and working through the stage of each process to bring the CCAs together is also important. That is why we want that process to be embedded in the Bill.

We have recently been through a local government reorganisation in North Yorkshire, and that has been quite a painful process for many of the district councils as they have come together to form the new North Yorkshire County Council. York was part of the initial consultation and because we had a voice, we were able to stake our claim not to be brought into that authority. We argued that we had our own identity, going back to King John and the charter that established York as a city. If we had lost that identity, we would have lost a significant place on the global stage. The original proposal was for York to disappear and to be replaced by a North Yorkshire East and North Yorkshire West model. If the identity of such a significant city had disappeared, there would have been no heart to Yorkshire, nor any identity. That is why I am glad that we had proper consultation about that process, and that is why it must be replicated in this legislation.

To Labour, the people's voice really matters, and we want to see people's voices coming through so that they are involved. Nothing in a Government agency should be superior to those we represent. I trust that the Government will reconsider the amendments and see the opportunity that they present to them, if not to the people.

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Neil O'Brien): It is a pleasure to serve under your chairmanship, Mrs Murray. I echo the comments from those on the Opposition Front Bench about the quality of the debate on the first day of line-by-line scrutiny. I hope to continue that tenor and interesting dialogue.

We completely agree with much of what Opposition Members have said, which is why we have provided for exactly what they want in the Bill. Let me expand on that. In the levelling up White Paper, we announced a new institution that we believe can provide the strong leadership and effective and coherent collaboration needed for a strong devolution deal in certain circumstances. This new institution is the new combined county authority model, referred to in the Bill as a CCA.

As Opposition Members have said, the appropriate circumstances for that model is where a county deal covers an area with two or more upper tier local authorities. Those upper tier local authorities will be the constituent members of the CCA. Although we have not yet of course established any combined county authorities, because we are legislating for them here, we need to look to the future, as Opposition Members have said, and anticipate a scenario where an established CCA wishes to change its boundary. Since there is no benefit in a shell institution existing in perpetuity, it is only right that the legislation provides for such an institution to be abolished.

Wherever a CCA is planned to be established, its boundaries changed, or is to be abolished, we absolutely want to see the local public being consulted on the proposal, but the amendments are unnecessary, because the requirement for a consultation on a proposal to establish, amend or abolish a CCA is already provided for in clauses 42(4)(a) and (b), and 44(3)(a) and (b). Those provide an opportunity for local residents, businesses, organisations and other key stakeholders to have a say on the proposal, exactly as my hon. Friend the Member for Keighley pointed out. A summary of the consultation results must be submitted to the Secretary of State alongside the proposal and have regard taken of it.

There is a further safeguard in clauses 43 and 45, which provide that the Secretary of State has to undertake a consultation before creating, amending the boundary of, or abolishing a CCA, unless there has already been a consultation in the affected areas and further such consultation would be unnecessary. That will ensure that there has been sufficient public involvement in the consideration of whether it is appropriate to establish, change the area of or abolish a CCA. As such, I hope that I have given sufficient reassurance that the amendments would be purely duplicative for the hon. Members to withdraw them.

To touch on a specific point, the hon. Member for Nottingham North talked about initiators of devolution at the centre, we are the initiators of the devolution process in one sense. However, we are not the initiators of devolution deals for particular places. Ahead of the levelling-up White Paper, we called for expressions of interest, and we only move forward—we can only move forward—with a devolution deal if it has the support of locally elected leaders. In that sense, we are not the initiators; it takes two to tango, and that is the nature of devolution. In this Bill, it comes with what I hope for Opposition Members is sufficient requirement to engage in deep public consultation, and for that consultation to be listened to properly, as said by various people.

Alex Norris: I am grateful for colleagues' contributions. They were good ones. Briefly, the example given by the spokesperson for the Liberal Democrats, the hon. Member for Westmorland and Lonsdale, was a salutary tale. Again, there is the idea that something so significant might be engaged in by only 1% of the population; if that is where we end up with these structures in future, it would be really problematic and almost undermine their ability to perform from the outset.

On the points made by my hon. Friend the Member for York Central, I have not quite found the right moment in the debate to talk about integrated care systems, but that is a good example of another very significant body that will have to engage with the county combined authorities in some way. The footprints do not sit elegantly, and they do not in life—I understand that. It is easy in countries such as the US perhaps, where they have defined, existing state borders—okay, everything can fit elegantly around that, but it can still get confusing at the margins.

There is a challenge there, but I think that it gives greater strength to the case for public involvement, rather than saying we ought to sit here with a map and carve things up. The people who know that best and how the sensible natural geographies work are the general public. The answers lie there, and it happens naturally—people know at what point they start to look, say, northwards to the hospitals in the north of the county,

[Alex Norris]

rather than to the one in the south, as happens in Nottinghamshire. That is a strong case for greater public involvement.

I am, however, reassured by what the Minister said about the provisions in clause 42(4)(a) and so on—the hon. Member for Keighley mentioned them, too. The reason for the separate amendment was my concern for the process to be one that happened not as an ABC condition right at the beginning, but as a co-equivalent term of engagement. Clearly, from what the Minister said, the intent is not to come alongside a proposal: "Have you brought your consultation with you? Right, that is ticked, therefore it is done." On that basis, I will not press my amendment to a Division.

I will finish on the point the Minister made about initiating devolution. I am not sure that I quite agree with what he said. First, of course the centre is the initiator, in the sense that we could not have these bodies if we did not have the Bill, and we could not have the Bill if a Minister of the Crown had not presented it—so the centre is the initiator in that sense.

Also, I love the idea that the Government's view is that local communities of a natural geography would come together to ask for county combined authorities and, most importantly, the powers that come with that, and the Government would respond on the quality of that application, but the White Paper already tells us the 10 areas that the Government are prioritising. That is "initiating" in any sense of the word; those are the areas chosen and the geographies for those areas have been chosen. There is no sense that this is a "come one, come all" process, as the Prime Minister has previously said— come to him or the Minister with ideas and "We will give you the powers you need." That is not what is in the White Paper—it is very clear who it is who is being called forward. So I challenge the Minister's point on that, but I am grateful for the comfort he has given on the amendment and I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

12 noon

Alex Norris: I beg to move amendment 15, in clause 7, page 7, line 7, at end insert—

> "(4A) "The Secretary of State must commission an independent evaluation of the merits of establishing CCAs as distinct from combined authorities and must lay the report of the evaluation before Parliament within 12 months of this Act coming into force."

This amendment would require the Secretary of State to conduct an independent evaluation on the merits of the new Combined County Authorities established in Clause 7 and to report the findings to Parliament.

As we have discussed, the clause establishes county combined authorities if conditions A and B are met. The latter is the most pertinent. CCAs are different, though complementary, to combined authorities, which already exist under part 6 of the Local Democracy, Economic Development and Construction Act 2009. The clause essentially rolls out combined authorities so that all communities can have access to devolved powers, which is of course a very good thing.

That raises the question of why we need this clause, as we have the power on the statute book already. We need to be very clear, because this is a significant policy change. The Government feel that there is a need for CCAs alongside combined authorities. The decision to form such a combined authority can be decided at the upper tier, which essentially removes what the Minister termed, in the evidence session, the district council "veto"—we will get into that point more when we reach clause 16. This is a significant moment, a significant distinction and a significant divergence from current policy, which will have a significant impact for all those areas with two tiers of local government. I have no doubt that it will elicit strong feelings about whether district councils should be a formal partner in the process; the powers included here mean that, in the future, they will not be.

Amendment 15 is perhaps slightly less exciting. We will now have essentially two sets of organisations that basically do the same thing, or which will be used largely interchangeably in this place, the media and in public conversation. I expect that Ministers will engage with both types of organisation similarly—there is nothing in the White Paper to suggest otherwise. I understand the value in getting them going, but—I am leaning on the expertise that the Minister has access to—does he have no anxieties that that different legal status may lead to unintended consequences down the line in terms of what the organisations can and cannot do? We might end up with a divergence that we are not seeking. As far as I have had it explained, the only reason for divergence is for the ability and convenience of getting these things going.

The amendment asks that within a year of the Act coming into force, the Secretary of State commissions a report that establishes whether it is desirable to have this technical difference for things that are substantively the same.

Rachael Maskell: I can already hear what the Minister is going to say in response, because we rehearsed some of these arguments on Tuesday. The importance of the independence that the amendment points to should also be drawn out. If we are building confidence between communities and Government and establishing a new tier of power and of democracy, having rigour and independence is also important, to ensure that we can progress proposals on CCAs. Does my hon. Friend agree that that is a vital element of what the amendment proposes?

Alex Norris: Yes, that independence and transparency will be the theme of a lot of our discussions. I make no apology for that. In this case "independence" was carefully chosen because we need to be clear that the reason for setting up a new class of combined authorities as distinct from those cited in the 2009 Act is one of convenience, because it means that something will be done. The broad agenda has been stuck, spinning its wheels, and there are no more combined authorities in the works because those who were able to form consensus have done so and the rest, presumably, are unable to do so. The Government of the day have the right to bring forward proposals, as they have done, but the amendment is designed to provoke a clear response from the Minister that there is no danger of separate treatment for those bodies that is not intended at the outset.

Tim Farron: This is important because the suspicion of many people is that this is a back-door way of circumventing district councils. We have been through reorganisations in much of the country, and for those places that have escaped somehow, such as Lancashire for instance, the Bill is a way of making sure that they all behave themselves and come under an aegis of an organisation set up by the Government.

In many cases, there is great value in two-tier authorities. If we believe in devolution, it should be knitted together and initiated from the grass roots and not from Whitehall down. If the CCAs are the building blocks through which levelling up is to be delivered, that must be done on the basis of an accurate analysis of the respective needs and desires of the communities involved. Independence in this context applies to the assessment of the value of the boundaries and the nature of the CCA. That is vital, particularly to put at rest those who may fear that CCAs represent a back-door way of scrubbing out the powers and relevance of district councils, even parish councils. I hope that the Government appreciate that fear and seek to address it.

Neil O'Brien: In my earlier comments, I set out the CCA model and talked about the rationale for it. Some areas that we are discussing a devolution deal with are considering adopting that CCA model. But even with those first areas, it is highly unlikely that the deals will be negotiated, announced and implemented via secondary legislation, and CCAs established and up and running within the 12-month period of this Bill receiving Royal Assent. That would render the report's evaluation no different in 12 months' time from today.

Opposition Members rightly want to have a debate in Committee about the CCA model. I have said a bit in our previous sessions about why we are doing it, but let us take the discussion a bit further. The purpose of the CCA model is to make devolution practically possible in two-tier areas without requiring unitarisation. The hon. Member for Westmorland and Lonsdale talked about districts coming under the aegis of a CCA, but that is not quite right. It could easily be that only top-tier authority powers are devolved to the top-tier authorities in a CCA. If they do not want to, the districts may choose not to take part. They are not having their powers or responsibilities changed, but the difference is that they are not able to veto their neighbours from getting devolution or making progress.

I am perfectly happy to stand here and make an argument about fairness, because I do not think it is fair that one district can veto progress for a large number of neighbouring districts and boroughs for top-tier authorities, particularly if it is not being forced to do anything, as is the case under the Bill. It is simply unfair for such a district to be able to stop their neighbours going ahead.

The Opposition sort of alluded to the practical reality in that although I would not rule further mayoral combined authorities in the future, in a lot of a country that currently does not have a devolution deal, the CCA model will be the practical way of delivering that. In practice, if we do not have that model, we will just not make progress. I can think of one area that we currently discussing that has a very, very large number of district councils, and it is exceedingly unlikely that we would be able to agree a sensible agreement if every single one of them were given a veto.

In a sense, the amendment is to push us, not unreasonably, to talk about the whether the CCA model is the right one. The proposed evaluation is in one sense called for so that we can now discuss whether this is the right thing or not. I think we have been clear. There is no back door. I am standing here telling Members why we are doing it right now and what it does and does not mean. We will discuss some of the nuances when we consider further clauses, and we absolutely have to get that right. However, the amendment and the evaluation proposed would essentially not add anything to our conversation this morning, whether one believes that the CCA model and the removal of that veto is right or not. That is why I ask the hon. Gentleman to withdraw the amendment.

Alex Norris: I share a lot of the views expressed by the hon. Member for Westmorland and Lonsdale about districts, which we will have the opportunity to discuss further in the debates on future amendments. I also agree with what he said about parishes. I hope the Bill is the single biggest step forward for parish and town councils in terms of the community powers that they can exercise, closest to the lowest possible level, to give communities a real say in what happens in their area. The Bill does not currently say that but we will seek to add it in due course.

I have a number of points to make about what the Minister said. I appreciate his candour, which reflects well, as it would be easy for him to obfuscate. I take him at his word, but I am surprised that there is a sense that within a year of the Bill achieving Royal Assent, which itself is some months away and probably nearer to Christmas, we will not have had any future deals agreed under these provisions. That genuinely surprises me, and I suspect it will surprise quite a few people who are currently negotiating such deals. I understand that the Minister has May 2024 in mind for elections; that timescale does not give us an awful lot of time, which poses its own desirability problems.

I disagreed with the Minister's point that rather than this being about circumventing districts it is about making combined authorities possible without requiring unitarisation; that is not quite right. Deals have been made that involved district councils and they did not require unitarisation; they required consensus and understanding. I do not think it follows that it is either what is in the Bill or unitarisation, which leads to the point about districts not losing power. We will test that later, but I am glad that the Minister has put that on the record because it is important.

The Minister made a point about fairness, which I understand. He alluded to an example in which a deal with perhaps 15, 18 or 20 partners could not go ahead because one partner was able to say no to the whole process; I agree with him that that is probably not a good thing. Possibly, that is a point about fairness, but there would be other ways around it, such as to allow districts to exit a process and others to carry on. Again, there are benefits and disbenefits to that. Rather than a single district being able to veto the whole process, it could be done by a super-majority, given the significant nature of the decision.

Neil O'Brien: The hon. Gentleman has touched on a really important point. He has encapsulated in a very neat way what we are trying to establish here, which is the ability of districts to participate if they want to and not to if they do not want to.

Alex Norris: I am grateful to the Minister, but I do not think that will be the effect of the legislation. The reality is that a combined authority area can be formed for the area that includes the district council, whether it wants that or not. Indeed, the district council will have limited say. I do not want to prejudge the discussion we will have when we come to clause 16. It is welcome that the Minister has nailed his colours to the mast, but the reality is other mechanisms could have been chosen. The Government have chosen this mechanism, so it is right that we probe it. We have been able to do that and, as I am at risk of moving ahead of the discussion, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 7 ordered to stand part of the Bill.

Clause 8

Constitutional arrangements

Alex Norris: I beg to move amendment 16, in clause 8, page 7, line 24, after "about the" insert "initial".

This amendment, together with Amendment 17 would give the power to vary the constitutional arrangements of a CCA to the CCA alongside any elected Mayor.

The Chair: With this it will be convenient to discuss amendment 17, in clause 8, page 7, line 25, at end insert—

> "(1A) After regulations containing those initial arrangements have been made, the responsibility for varying the constitution lies with the CCA in conjunction with any elected Mayor."

See explanatory statement for Amendment 16.

Alex Norris: The amendments would alter clause 8, which allows the Secretary of State to establish constitutional arrangements for a county combined authority, which are important and establish the terms of engagement. We Members know as well as anybody else that the basic rules by which a body corporate operates can have a significant impact on decisions and outcomes—although they might not be codified in one place, lots of significant rules and conventions guide our activity—so it is possibly not a surprise that we may be the type of people who get very interested in these sorts of things.

12.15 pm

Clause 8 allows the Secretary of State to establish constitutional arrangements, which I do not think is a bad idea. They are defined as membership, voting powers, executive arrangements and functions of the executive body. The executive arrangements include Government appointments, the functions by which the executive operates, the functions of the executive that might be delegated to the committee, the review and scrutiny of the executive, access to information about the executive, the disapplication of section 15 of the Local Government and Housing Act 1989, and the keeping of records. Those are highly important parts of establishing who will be on a CCA, where decisions will be made, and what will and will not be public. I venture that they will have a significant say in the operation of those bodies.

As I say, I have no problem with the Secretary of State being the initiator; with amendments 16 and 17 I have sought to say that the Secretary of State should set up the bodies and then let them be. We should trust them to exercise significant power and money functions that are devolved from the centre. If we trust them to do that, we should probably trust them to operate their own constitutional arrangements.

Amendment 16 would insert the word "initial" to show that the Secretary of State may make provisions about the first set of constitutional arrangements only. Amendment 17 goes further and says that, after the initial regulations, the responsibility

"lies with the CCA in conjunction with any elected Mayor."

That is significant, because it tests the Government's intention on CCAs. Are they establishing sub-regional autonomous leadership? Is this true devolution, or will these bodies still be expected to be creatures of the Secretary of the State?

The ICS example is pertinent here. In essence, the Health and Care Act 2022 creates bodies very similar to county combined authorities. There is the idea that, locally, partners from across the public, private and community sectors that are interested in healthcare will get to set the direction for healthcare within their footprint. However, at every stage of that Act, an asterisk says that that is the case unless the Secretary of State does not agree, in which case it can be changed. It is welcome that that idea is not as present in this Bill, because we were discomfited about that in the Health and Care Act. We spent a long time debating it together, Mrs Murray—you will remember it with the same fondness that I do. I hope to get from the Minister clarity that once the bodies are set up they will be left alone to do as they see best within the range of the law more generally.

Rachael Maskell: My hon. Friend is making an important point about the autonomy of CCAs to control their destiny. We recognise that we are on a journey of devolution. In her evidence, the West Yorkshire Mayor, Tracy Brabin, spoke about how she sees the intersection between her role and that of overseeing the police and taking a public health approach, which shows how things can evolve. As she does that, other authorities will be looking on and looking to replicate such opportunities. Does my hon. Friend agree that CCAs have to be given latitude so that they can make determinations about their own evolution and, as time goes by, get more powers to fulfil the aspirations and opportunities that need to come to local communities, let alone do anything to address the inequalities?

Alex Norris: I share my hon. Friend's view. That point was made very clearly in Tracy Brabin's evidence. Having said that we in this place have an interest in constitutions and the rules of the game, my strong belief, as someone who wants to see change happen in my community and to see my community improve in a vast range of areas, is that form should follow function. What are we trying to get out of these bodies? The

structures—the bodies and committees that need to be in place—should then flow from that. I strongly believe that the people best able to decide that will be those who operate locally in the combined authorities.

The Government have to set the broader parameters, but I am hoping to hear from the Minister that those are likely to be de minimis involvement and that, instead, they will positively cut the link and allow county combined authorities to drive action forward without worrying about that tap on the shoulder telling them that even though they said they wanted to do that, they cannot.

Neil O'Brien: In our response to this amendment, it is crucial that we hold in our minds the distinction between local standing orders for combined authorities on the one hand and the statutory instrument setting out things such as voting arrangements on the other. It is essential for the stability and the establishment of combined authorities that things such as voting rights can be set out in secondary legislation to ensure a stable institution. Of course, the CCA can set out its own local constitution by itself, but those two things are very different.

We have talked already about the county combined authority model; clause 8 is vital to permit the effective operation of a CCA. Before making regulations under this section, the Secretary of State needs the consent of the constituent councils and, where it already exists, the CCA. In other words, the arrangements cannot be imposed against the local area's will.

To answer the point made by the hon. Member for Nottingham North, the clause closely mirrors the provision for combined authorities, which has supported the establishment of 10 combined authorities, each approved by Parliament. In this instance, "constitutional arrangements" means the fundamental working mechanisms of the CCA, including things such as its constituent membership and voting powers. It is vital that those things are set out in secondary legislation and approved by Parliament. That ensures that CCAs are stable institutions with good governance, in line with agreed devolution deals. It is only right that the core design and operating model of the CCA, such as the constituent membership and the voting arrangements on key decisions, remain in line with the devolution deal agreed by Government and local partners at the outset, with the secondary legislation establishing the CCA being approved by this Parliament.

A CCA can set out its own local constitution or standing orders with additional local working arrangements. It might, for example, set out meeting procedures, committees, sub-committees and joint committees of the CCA. That is done locally, at the right level consistent with our position on localism, and does not require secondary legislation. The Mayor of West Yorkshire pointed out that they were making changes to go from one to three scrutiny committees, which is quite right.

The amendment is really inappropriate and potentially quite dangerous to the devolution process. It is inappropriate because it would allow a CCA to change elements of its constitution that are rightly approved by Parliament and part of the initial devolution deal agreed by all parties locally. It is unnecessary because all the other elements of a constitution can already be changed by the CCA locally. I hope to have given sufficient explanation for why we will ask Members to withdraw amendments 16 and 17.

Alex Norris: I am grateful for that response. I take slight exception to the idea that the constitutions cannot be imposed without will. Yes, of course, all the members of the county combined authority will have had to have signed up to it—I understand that—but it will presumably be an indispensable part of the wider package, so we would be asking for local areas to turn down possibly many millions of pounds' worth of funding, plus transport powers, extra housing powers and powers on skills, because they do not like the shape of the constitution. Of course they are not going to do that. I would not characterise that as them entering into it with the freest of free wills.

Neil O'Brien: Perhaps it would help if I were to expand a little. If I were a local government leader considering joining a CCA, I would want to know that the key arrangements for it, such as voting arrangements, would be stable over time and could not suddenly be changed by a potentially transient majority of local authority leaders who are members of it. To be honest, if I felt that that could happen to my local authority, I would be wary about signing up to a devolution deal on that basis. That is why certain core functions of these things are rightly set in secondary legislation, while other elements are rightly for local decisions so that they can make arrangements work for them and make things work locally.

Alex Norris: I am grateful to the Minister. I understand that, but I would like to know that local authorities will not fall victim to a one-size-fits-all arrangement. One could argue either way, which is fine.

The Minister's point about local standing orders has addressed most of my concerns. He said that the arrangements remain in line with the original deal, but that cuts both ways. If he is saying no to local variation but yes to the idea of local standing orders, that must also mean that the Secretary of State will not make such changes. If we start to see variation between those deals, that becomes challenging, but I am getting ahead of the amendment before us. I am grateful for the clarification on local standing orders, and I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 8 ordered to stand part of the Bill.

Clause 9

Non-constituent members of a CCA

Alex Norris: I beg to move amendment 18, in clause 9, page 9, line 30, at end insert—

"(7) The Secretary of State must publish an annual report on the non-constituent members appointed to each CCA. This report must include:

(a) the age of all non-constituent members,

(b) the gender of all non-constituent members, and

(c) the ethnicity of all non-constituent members."

This amendment would require the Secretary of State to make the age, gender and ethnicity of non-constituent members of CCAs publicly available.

The Chair: With this it will be convenient to discuss amendment 19, in clause 10, page 10, line 3, at end insert—

"(5) The Secretary of State must publish an annual report on the associate members appointed to each CCA. This report must include:

(a) the age of all associate members,

(b) the gender of all associate members, and

(c) the ethnicity of all associate members."

This amendment would require the Secretary of State to make the age, gender and ethnicity of associate members of CCAs publicly available.

Alex Norris: Clause 9 allows county combined authorities to designate non-constituent members—presumably other bodies such as integrated care boards, chambers of commerce and others—as nominating bodies. Clause 10 allows CCAs to designate associate members. I presume that those provisions are designed to enhance discussion and collaboration, which is a good thing for which we have argued throughout proceedings. CCAs ought to be partnerships between those sectors, and it is right that that is reflected in the Bill. Good examples abound throughout the country, and it is quite interesting to see the different approaches that combined authorities have taken.

Liverpool city region has a local economic partnership representative and a Merseytravel representative; West Yorkshire has a local economic partnership representative; and West Midlands has a tremendous range of observers or co-opted organisations, such as the Midlands Trades Union Congress, and representation from the young combined authority. In evidence, I asked the Mayor of the West Midlands about how that worked in practice, and it was clear that that combined authority had built an admirable cross-sector culture. I hope we will foster such a culture across the piece.

We are establishing a new tier or class of politician and public figure—especially when adding elected Mayors—and those people will make significant decisions that affect those they serve. They will have their own organisational mandates—elected or otherwise—and will come together to make significant decisions. However, they will be some way away from the public.

It is crucial—I hope there is general agreement among all parties on this—that our democratic organisations and public bodies strive to reflect the communities that they serve, and that we acknowledge the challenges and imbalances when they do not. Poor representation is a bad thing not just for those who are under-represented and suffer the consequences of a decision-making process that does not reflect their needs or interests, but for the institutions themselves. When they do not represent considerable parts of the population, they lose their legitimacy.

I do not think such problems could be amended at the stroke of a pen, but they can be understood, and an understanding of them is what we seek to achieve with amendments 18 and 19. Amendment 18 would add to clause 9 a requirement for an audit on the age, gender and ethnic composition of non-constituent members. Amendment 19 would amend clause 10 so that a similar audit happens for associate members. That information would be updated annually, would be produced by the Secretary of State and would be public and accessible to all.

There are examples of the positive role that legislation can play in empowering us to reveal inequalities and promote change. The Equality Act 2010, one of the final pieces of legislation of the previous Labour Government, is a case in point. It has been transformative, and building on elements of that Act would really enhance our work here. For example, section 106 of that Act requires the publication of diversity data on candidates, but the power has yet to be commenced by the Government, which is a real shame. That weakens our ability as a Parliament to represent the country we serve. Perhaps the Minister can tell us when that power might be turned on.

12.30 pm

Rachael Maskell: I am conscious that the most recent census information, which is just coming out, shows a significant change in the demographics of our country. It is important that we not only look at the three protected characteristics mentioned in the amendment, but consider wider protected characteristics—for example, disabled people in positions of authority. As well as reflecting communities, seeing that leadership is often an encouragement.

Alex Norris: Yes, that is right. The suggestions in the amendments form a basis—I would be very keen to build that out across the protected characteristics.

That provision has worked with gender pay gap reporting and has driven a public conversation. I envisage the changes we are seeking to introduce working in a similar way; at the moment of publicity, the reports would create reasoned and informed public debate about how to change some of the inequalities that exist. Diversity data is a really good way of doing that. This is about being honest and having the conversation, so that we might change things. We should start this new class of bodies, which are going to be really important in our communities, on the best footing, with best practice.

Of the Mayors who have been elected so far, only one has been a woman and only one has been from a black, Asian or minority ethnic background. We would not want any new arrangements to exacerbate existing gaps in representation. Of course, ultimately it is up to voters to select who they wish to be their Mayor, but when CCAs have the power to choose associate and non-constituent members, I hope that we would say from the outset that we want to see a diversity of representation.

Rachael Maskell: Does my hon. Friend agree that the act of carrying out an equality assessment and looking at the diversity of the people who are appointed focuses the mind to consider who is being appointed to these posts?

Alex Norris: I think that is right. That has been the experience of the provisions of the Equality Act, and would be the experience here, too. We want these issues to be at the front of CCAs minds at the outset. We want them to speak and work with legitimacy for their communities. They do that by being representative of the communities they serve.

These changes are not onerous. I dare say the report could be done quite quickly. I hope the Government think this is important, that we will hear from the Minister that he thinks it is important and that he will therefore be minded to add them to the Bill.

Tim Farron: This is the third sitting of line-by-line scrutiny and the Minister is yet to accept an amendment, but I have noticed that his tone has been positive and he has engaged with everything that has been put forward, which is very welcome. The tone of debate on all sides has been really positive and constructive. The Government Front Bench has not been dismissive—I am grateful for that; I have been impressed. This amendment seems to be one that he could accept, so I wish he would.

I have a few observations, a couple of which are key. First, it is very important that CCAs, indeed all local authorities, should be engaged and listen to chambers of commerce, trade unions and other community groups. It is vital that they do. There is a slight worry that all this looks a little bit like what happened post the abolition of metropolitan counties in the 1980s, when counties were effectively stitched together afterwards, partly by people who were not elected at all.

The people on the CCAs as non-constituent and associate members may be wonderful people whom we should be listening to, but there is a mechanism for them to become full voting members of the authorities if the elected members choose to give them that right. We are therefore looking at the possibility of having not a version of democratically elected local government, but in essence a quango. I am not sure that we need more quangos; we need more democracy. If devolution is to take place, it needs to take place on the terms of the community to which power has been devolved.

That is part and parcel of the Bill, however, and the Government are quite explicit about this: it is part and parcel of a movement towards devolution and a change in the relationship between Whitehall and the regions, sub-regions and nations of the United Kingdom. It is therefore worth bearing in mind that what we have seen already—the combined authorities, the unitary authorities and potentially now the CCAs—is in effect a scaling up of local government. It might be argued that it is the professionalisation of local government—there are all sorts of ways in which it could be advocated as a positive thing. I have my doubts.

One of the areas I have doubts about is diversity. That is why I think the amendments are important. For example, Cumbria—the centre of the universe, or the centre of the United Kingdom actually: if we draw a line from the Scilly Isles to Shetland, the middle point is at Selside, just north of Kendal, and it is important to say that—had something in the region of 300 to 350 elected members on the two-tier local authorities pre-reorganisation, and roughly 100 post reorganisation. Some people might say, "Good; that's saving money" or, "Fewer politicians; that's a good thing," but what it actually means is that those people who are part-time politicians—most have other lives and other responsibilities—have to do three times more work.

The observation from across the country, not just in Cumbria, is that when we do that, we push out certain groups of people—we limit the number of people who are able to take part in local government. It therefore tends to be older people, with time on their hands, and the men who stay behind. Anecdotally, looking at the people who have chosen not to put themselves forward to the new unitary authority, they are principally people with caring and childcare responsibilities, people in full-time work, and more women than men. They are the ones choosing not to go to the new world of the unitary authority.

That scaling up of local government, making local government less local, in itself has a tendency to be bad for diversity. That is not the Government's intention—I am 100% sure that it is not—but it will happen, I am certain. That is why the amendment is important and an easy one for the Government to accept.

Neil O'Brien: Let me start by gently taking issue with something the hon. Gentleman said: that this measure is very much like the abolition of the metropolitan county councils. I argue that it is almost diametrically the opposite of that abolition; it is restoring a directly elected and directly sackable leadership for a strategic area.

Tim Farron: The reason it reminds me of that is that once those county councils went, there had to be a stitching together of some kind—so Tyne and Wear went for the Passenger Transport Executive to run the Metro, the buses and all the rest of it. The people on that body were not directly elected, whereas the people who ran it when there was a county council were—that was the analogy, but I take the Minister's point.

Neil O'Brien: I am grateful to the hon. Member for taking the point, because I agree with the tenor of the argument, that we do not want to have major strategic decisions made by a quango. That is what we spent the past eight years fixing—starting in the coalition years, in fairness. We are on the case with his concerns.

Let me take a step back for a moment and set out what the clauses are doing. Clause 9 provides a flexible framework for combined county authorities to appoint non-constituent members, who are representatives of a local organisation or body, such as a district council, a local enterprise partnership or health body. Clause 10 provides for CCAs to appoint associate members, who are individual persons with expertise, such as a local business leader or an expert in a particular policy area.

Combined authorities have appointed commissioners with specific expertise to focus on a challenging local policy area and drive change—for example, the Greater Manchester Combined Authority appointed Dame Sarah Storey as a commissioner on active travel. It is a way of bringing in experts and other institutional stakeholders locally to complement the core of, ideally, directly elected local leadership so that everyone works together as well as possible.

It is only right that those nominations, or appointments, are the decisions of local leaders, who best know their areas. The clauses set out transparent processes for the nomination and appointment of both types of members. For a non-constituent member, the CCA designates the local organisation or body as the "nominating body", which then selects a person to represent it at the CCA. It is for that nominating body to make that decision. For example, the CCA might designate the district council as a nominating body and then the district council selects its leader, for example, as its non-constituent member representative at CCA meetings—ex officio, as it were.

[Neil O'Brien]

The clauses provide a way for local experts and key stakeholders to have a seat at the table of a CCA, bringing their local expertise and knowledge to facilitate better action to tackle local challenges. Those are vital public roles and transparency on them is equally vital. That is why clause 11 enables the Secretary of State to make regulations about the process of designating nominating bodies, the nomination of non-constituent members and the process of appointing associate members. We expect that all appointments of associate members will be undertaken through an open and transparent process, of course.

By their very nature those roles will be public roles—for example, a public body such as a district council nominating its leader to a role in another public body. In the Bill's spirit of localism—a key word—this is a matter to be decided locally by the CCA and nominating bodies. They are independent of central Government and it is right that they make the decisions about how and with whom to collaborate.

The amendments seek annual reporting regarding the persons selected by the nominating bodies to be non-constituent and associate members. The Government do not believe that they should prescribe to CCAs that they should be informing Government of the specific make-up of their non-constituent and associate members. As with all good public bodies, a CCA should promote equality and diversity in the organisation. What is more, non-constituent and associate members are only one part of the membership of the CCA. The amendment calls for a report on one group of members of a CCA and does not reflect the CCA as a whole, including its constituent members, which is slightly odd. It is also slightly concerning that, as the hon. Member for York Central mentioned, the amendment mentions only some but not all of the protected characteristics. That would open up some potential legal questions that I am not really qualified to opine on.

The core point is that non-constituent and associate members of CCAs have an important role to play, but the amendment is unnecessary. It fails to consider the independence of CCAs and nominating bodies and does not reflect the fact that the positions of associate members and non-constituent members will, by their very nature, be public; these are not secret roles. I hope that the hon. Member for Nottingham North will agree to withdraw the amendment.

Alex Norris: I am grateful to hon. Members for their contributions. I agree with the hon. Member for Westmorland and Lonsdale, who expressed the hope that we are not establishing a quango. We are definitely establishing a new class of leadership, however, and it is less local and less directly accountable.

I am slightly disappointed by the Minister's response, because I did not get a sense—

Neil O'Brien: I have to take issue with the hon. Gentleman's comment about the process being less local. If I think about the devolution of powers over a number of things that are already done through combined authorities, such as the devolution of adult skills spending, if an authority is not in a CA, that decision is made in Whitehall. The decision is made here. In the combined authorities, such a decision is made more locally, for example by the West Midlands Combined Authority, which I visited the other day. Such authorities are making better decisions; because they are more local, they can create the co-ordination between local colleges. I take issue with the idea that decision making is less local as a result of what we are doing for devolution.

Alex Norris: The Minister is of course right that such decisions are more local than central Government, but that goes back to my argument on the first set of amendments. Having told people that communities will get the power to shape place, if what comes through the process is devolution to a new level of politics consisting of politicians and public figures who are further way from those people than their local councils, I do not think we will have passed the localism test. That may be a point of difference but that is certainly my view.

I had hoped to hear the Minister offer a slightly stronger commitment from the Government that the new bodies really ought to represent the communities they serve in terms of their make-up. I am surprised that was not said. We were left to believe that the make-up was for local decision making. Just as in the Health and Social Care Act 2014, I fear that we will end up with Schrödinger's localism: when there is a difficult decision to be made, "That's a local decision"; and when the decision is something that the Government want to reserve to themselves, "Of course we have to set the rules of the game, because otherwise it is dangerous"—as the Minister argued in response to the debate on the previous set of amendments. The Government are in danger of falling into some cakeism, but I hope that is not the case.

12.45 pm

Neil O'Brien: This is an opportunity for me to repeat that, like all good public sector bodies, the CCA should promote equality and diversity within the organisation and it is for the CCA to do that locally. On the point about cakeism, these are two very different things. In the case of the voting arrangements for a combined authority, allowing them to be changed locally by a transient majority might cause a lot of local authorities to simply not join in the first place.

Alex Norris: I am grateful to the Minister for clarifying that; I would never want to misrepresent what he has said. On the second point, we are likely to test it considerably over the next however long.

I struggled with the Minister's criticism that the amendments excluded the constituent members of the CCA. That would be a valid criticism had he put in a provision that included them, but he has chosen not to. Similarly, his criticism that I have not included all the protected characteristics would be valid had he put in a provision covering them all. I do not believe that he wants to do those things, so I think that was slightly unfair. On the question of legality, he has access to more lawyers than I do, but I spoke to the Equalities and Human Rights Commission and it did not have a problem with this, so I do not think legality would be an issue.

I am willing to accept the Minister's point about non-constituent members, pertaining to amendment 18, in that, as he says, they are appointees of their own organisation. I remember chairing my health and wellbeing board and my discomfort at the fact that it fitted the characteristics the hon. Member for Westmorland and Lonsdale described more than it ought to have in a community that was very diverse, but when it came to trying to do something about that, the point was made to me that the board members were representatives of organisations, including the police, the council, the universities and so on, which themselves had diversity challenges that led to that common challenge, to which there was no elegant solution. On that basis, I will not press amendment 18, but amendment 19 involves choices—direct choices—whereby a county combined authority decides who to put on. I want to know whether we are trying to address inequities or just repeating the same failings. That is an important point of substance, so I will withdraw amendment 18 and press amendment 19 at the appropriate time. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 9 ordered to stand part of the Bill.

Clause 10

ASSOCIATE MEMBERS OF A CCA

Amendment proposed: 19, in clause 10, page 10, line 3, at end insert—

"(5) "The Secretary of State must publish an annual report on the associate members appointed to each CCA. This report must include:

(a) the age of all associate members,

(b) the gender of all associate members, and

(c) the ethnicity of all associate members."

—(Alex Norris.)

This amendment would require the Secretary of State to make the age, gender and ethnicity of associate members of CCAs publicly available.

Question put, That the amendment be made.

The Committee divided: Ayes 6, Noes 9.

Division No. 3]

AYES

Farron, Tim	Maskell, Rachael
Fletcher, Colleen	Norris, Alex
Lewell-Buck, Mrs Emma	Pennycook, Matthew

NOES

Andrew, rh Stuart	Mortimer, Jill
Atherton, Sarah	O'Brien, Neil
Dines, Miss Sarah	Smith, Greg
Henry, Darren	Vickers, Matt
Moore, Robbie	

Question accordingly negatived.

Clause 10 ordered to stand part of the Bill.

Clause 11

REGULATIONS ABOUT MEMBERS

Alex Norris: I beg to move amendment 20, in clause 11, page 10, line 37, at end insert—

"(2A) Where provisions made under subsection (2) vary between CCAs, the Secretary of State must publish the reasons for this variation."

This amendment would require the Secretary of State to explain their reasoning for making regulations about CCA membership that differs between CCAs.

Clause 11 permits the Secretary of State to make regulations relating to constituent members of a CCA, a Mayor's role in a CCA, the nominating bodies of a CCA, and non-constituent and associate members of a CCA. Furthermore, it allows the Secretary of State to decide all sorts of ways in which a CCA operates: votes, numbers and types of nominating bodies, the appointment and removal of members, maximum numbers of certain types of members, and so on.

That broad range of provisions might lead to a risk of micro-management. I have doubts about how desirable it is to be so involved in the detail; it feels a little as though central Government are not quite willing to let go. The Minister said that there is a risk of divergence, certainly at the outset. Although we have taken that interesting point on board, it seems a little odd that the Government are willing to devolve transport functions—and, presumably, no little sum of money—to a group of people, but are unwilling to let them choose whether to have substitute members in the place of associate members. I hope that amendment 20 will help in that regard.

The clauses we have debated so far have established county combined authorities, and given them constitutions, as a uniform class of organisation with a uniform set of rules to play by—or, at least, a uniform set of circumstances under which regulations will set those rules. I will probe the Minister on how he thinks that will work for individual CCAs. Ten new devolution deals were mooted in the White Paper—happily, Nottingham and Nottinghamshire were in one of them. Will those deals be set up with the same constitution? I cannot see why they would not be.

Amendment 20 would give the process some teeth, so that should the Nottingham and Nottinghamshire deal, for example, be different from the others, the Secretary of State would have to explain why those deals have been set up with different constitutional arrangements. That would not stop any differences, but it would be a recognition that the default position should be alignment and that any divergence should be explained.

The reasoning behind the amendment—I think this is a theme that we will cover in later amendments—lies in the history of combined authorities. I have a real personal discomfort with the idea of asymmetric devolution. I lived the first half of my life in Manchester, where my family still live, and I have lived the second half of my life in Nottingham. At some point during the last decade, a judgment was made in the Department that Greater Manchester could have a greater say over its future than Nottingham could over its own. Of course, that might have formally ended in proposals being submitted and deals being struck, but in reality, there were an awful lot of conversations about Nottingham's readiness and Greater Manchester's readiness. Ministers—not this Minister, but his predecessors—made the judgment that we in Nottingham would be unable to wield such powers. Of course, local circumstances can make that challenging, but I think our common personhood means that we ought all to have access to the same powers. We will pursue that theme in our amendments.

That is the basic principle, and although it can look different in different places, it holds firm. Instead, we have been left with a mishmash of different devolution settlements and deals. If we sought to explain to someone

[Alex Norris]

from outside the country our 10 current devolution deals—never mind the areas that do not have anything at all—we would struggle to explain them with any kind of criteria other than evolution over time. I do not think that CCAs should perpetuate that. The welcome direction of travel that the Minister and Secretary of State set out in the White Paper was that they did not want it to be that way in future, but that instead there were tiers of power to which everyone had access and that communities sought to take on, so that is a start.

The amendment would provide a check, so that if the governing document that drives the CCA—its constitution—does not start on the same basis, there must be really good reasons why not and a public account of those reasons, whereas what we have now is this rather inexplicable variance.

Tim Farron: I will be brief, given the time. Personally, I have no problem with asymmetrical devolution. A contrived central devolution is perhaps why Lord Prescott's proposals in the '90s and noughties did not work and were not popular. I have no problem with asymmetrical outcomes, but I have a serious problem with asymmetrical autonomy. Each community should have the same access to powers, even if gained in a different way. This is an important probing amendment, and I am interested to hear what the Minister has to say. For example, a rural community such as Cornwall, Northumberland or Cumbria should not have a Mayor forced on it if it does not want one, yet it should still have the same access to the same levels of power that the Government are offering through devolutions to those communities that do have a Mayor.

Neil O'Brien: The amendment brings us to a series of other amendments bound together by a particular philosophy encapsulated in the statement by the hon. Member for Nottingham North that the default should be alignment. The amendment is a particular and bleak way into this philosophical debate, and amendments to some later clauses—in particular amendment 26—make the Opposition's position much clearer: that things should move in lockstep and that there should be more one-size-fits-all.

Fundamentally, we pretty profoundly disagree with that philosophy for a number of reasons. Devolution agreements should be different in multiple different ways, because there are different local wants. Simply, the point of devolution is that different people in different places want different things, and devolution makes that possible. Pragmatically, there are also different readiness levels. In some places, a process has been going on—for example, the Healthier Together work in Greater Manchester, which had been going on for a decade before health devolution in Greater Manchester. Also, different places are set up with various partners that they work with at different readiness levels.

On a pragmatic point, my great fear about adopting the one-size-fits-all, lockstep approach of the convoy moving at the speed of the slowest is that we will just not make significant progress. Were the hon. Gentleman to find himself in my place and I in his, he would discover that he could not make much progress in getting Whitehall to devolve powers. That is no small thing—to ask the elected Government of the day to give up control of the things for which they will be held accountable by the electorate to local politicians, who in many cases may be of a different political party. That is no small thing to agree. If it were said that a power could not be offered to a particular place unless it was offered to all—like the most-favoured-nation principle—I promise that devolution would grind to a halt extremely swiftly.

There is a framework. The basics are set out in the levelling-up White Paper, but variation is intended. Variation is a feature, not a bug of our devolution agenda. We believe in localism, in particularism, and in adapting things to the particular needs and particular local politics of different places—I agreed at least partly with what the hon. Member for Westmorland and Lonsdale said, which in some ways chimed with our view of this.

The hon. Member for Nottingham North asked us to explain why that might be so, in particular in relation to the amendment, which is about membership. Simply put, there might well be different numbers of members in different CCAs. We could have one with two members or one with a lot of members. Or we could have ones where the members were relatively similar authorities, or one where one member had radically different characteristics from the others—we might imagine a load of urban authorities and one that was more rural, or something like that. However, this amendment is the start of a series of amendments, so I will not labour the point at this stage.

Something else that the hon. Member for Nottingham North said that chimed with me and stuck out was that the centre should let go. That statement is very much our intention, in practice, with the desire for uniform devolution. We do have to let different places do different things because, fundamentally, they have different priorities. One place might care a lot about housing issues, but another might care about its innovation strategy. These things should be different, reflecting different wants.

To recap why we still want voting arrangements, for example, to be in secondary legislation, it is not primarily us in central Government that that arrangement is protecting; it is protecting local leadership from someone joining something only to find that they have been stitched up and then have their powers taken away due to a particular alignment of local leaders. Some things must be certain for local leaders and should be locked down and made safe for them in order for them to make progress, but in other ways there should be diversity, variation and localism.

This amendment represents just one aspect of that philosophy in practice, and we will talk about it again under other amendments, but the Opposition spokesman called on me to be direct, and I will be. There is just a difference in philosophy here about how we should approach devolution.

Alex Norris: There is a difference of philosophy, but the Minister slightly misrepresents the point I am trying to make, or perhaps I am not explaining it well. Our intention is not, as he characterises it, a lockstep, one-size-fits-all movement forward or, as he says, that the convoy must move at the same speed; it is that divergence, where it exists, should be the choice of the local community, not central Government. That is what we have today. The Minister is reserving for himself the ability to pick

and choose who the Government feel is able and willing to exercise certain powers in certain ways in certain contexts. I do not agree with that, and that is the difference.

We are not saying that the settlement will be the same in every part of the country. The Minister says that this is a feature rather than a bug. I agree with that, and that is the point that we will be probing in subsequent amendments. We do not need to fight things out on constitutions at this stage. We will need to return to that, but on the principle that we are not saying that one size fits all, rather that the Government should not get to pick the winners. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Ordered, That further consideration be now adjourned. *—(Miss Dines.)*

1.3 pm

Adjourned till this day at Two o'clock.