

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT

Second Delegated Legislation Committee

DRAFT BARNSLEY, DONCASTER, ROTHERHAM
AND SHEFFIELD COMBINED AUTHORITY
(FUNCTIONS AND AMENDMENT) ORDER 2020

Monday 13 July 2020

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Friday 17 July 2020

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The Committee consisted of the following Members:

Chair: MS NUSRAT GHANI

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| † Aiken, Nickie (<i>Cities of London and Westminster</i>) (Con) | † Hughes, Eddie (<i>Walsall North</i>) (Con) |
| † Amesbury, Mike (<i>Weaver Vale</i>) (Lab) | † Hunt, Tom (<i>Ipswich</i>) (Con) |
| † Baynes, Simon (<i>Chwyd South</i>) (Con) | † Jarvis, Dan (<i>Barnsley Central</i>) (Lab) |
| † Bristow, Paul (<i>Peterborough</i>) (Con) | McKinnell, Catherine (<i>Newcastle upon Tyne North</i>) (Lab) |
| Bryant, Chris (<i>Rhondda</i>) (Lab) | McDonagh, Siobhain (<i>Mitcham and Morden</i>) (Lab) |
| † Cairns, Alun (<i>Vale of Glamorgan</i>) (Con) | † Mullan, Dr Kieran (<i>Crewe and Nantwich</i>) (Con) |
| † Clark, Feryal (<i>Enfield North</i>) (Lab) | † Richardson, Angela (<i>Guildford</i>) (Con) |
| † Clarke, Mr Simon (<i>Minister of State, Ministry of Housing, Communities and Local Government</i>) | Liam Laurence Smyth, <i>Committee Clerk</i> |
| † Eastwood, Mark (<i>Dewsbury</i>) (Con) | |
| † Elmore, Chris (<i>Ogmore</i>) (Lab) | † attended the Committee |

Second Delegated Legislation Committee

Monday 13 July 2020

[MS NUSRAT GHANI *in the Chair*]

Draft Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Functions and Amendment) Order 2020

4.30 pm

The Chair: Before we begin, I remind Members about social distancing rules. Spaces available to Members are clearly marked, and unmarked spaces must not be occupied. *Hansard* colleagues would be grateful if you could send any speaking notes to hansardnotes@parliament.uk.

The Minister of State, Ministry of Housing, Communities and Local Government (Mr Simon Clarke): I beg to move,

That the Committee has considered the draft Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Functions and Amendment) Order 2020.

As a veteran of many such Committee sittings, I can testify that they are not always riveting. However, today's is of genuine and lasting significance. The draft order, if approved and made, will implement the devolution deal agreed in 2015 between the Government and the Sheffield city region. Since then, the Government have been consistently committed to the deal, which will bring significant benefits to the people of South Yorkshire. In January this year, the South Yorkshire authorities decided that they wished to progress the deal's implementation. We welcomed that decision and now, following the public consultation undertaken by those authorities, we seek parliamentary approval for the process.

The order confers significant powers on the Mayor and the combined authority as envisaged in the devolution deal. Such powers relate to transport, education, skills and training, housing, regeneration and planning. It also amends certain combined authority governance arrangements to reflect those powers and the role of the Mayor. Most importantly, the making of the order will unlock £30 million of annual investment funding for South Yorkshire for the next 30 years. It will also devolve to the area the £35 million annual adult education budget.

Together, these powers and funding will help the Mayor and local leaders to drive the city region's economic and social recovery from the covid-19 pandemic. They also represent a significant contribution towards the Government's commitment to level up our country and transform the growth prospects of communities and the life chances of their residents. With that in mind, I pay warm tribute to the Mayor, the hon. Member for Barnsley Central, for everything he has done to help make today possible. He has been a consistent voice of good sense of co-operation, and we thank him. I also thank local leaders and their councils for all they have done and continue to do to support the area and local people as they face the challenges of the current situation.

If the order is approved and made, it will give effect to the provisions of the devolution deal. The Mayor will have control over a consolidated and devolved transport budget, with the power to pay grants to the four constituent councils in relation to the exercise of their highways functions to improve and maintain roads. The combined authority will take on duties to promote and provide education and training which, with the devolved adult education budget from 2021-22 onwards, can be better aligned to locally determined priorities and to help boost economic growth.

In order to improve the supply and quality of housing, the combined authority will be conferred the land acquisition and disposal powers that Homes England already has. Such powers will be exercised concurrently with those of Homes England, enabling the combined authority, working closely with Homes England, to promote housing policies. The Mayor will also be given the power to establish mayoral development areas, which is a necessary step to establish mayoral development corporations in the future.

The order also provides that the general power of competence, exercisable already by the combined authority, is exercisable by the Mayor. By using that general power of competence, the Mayor will be able to prepare and publish a spatial strategy for the combined authority area, subject to the unanimous consent of the constituent councils and the combined authority.

The order also includes constitutional provisions reflecting the powers conferred and the role of the Mayor. There is provision regarding voting arrangements so that any decision of the combined authority about its new powers conferred through the order must include the Mayor among a majority of members in favour of that decision. The order also provides for the establishment of an independent remuneration panel to recommend the allowances of the Mayor and the deputy Mayor.

If Parliament approves it, the order will be made under the Local Democracy, Economic Development and Construction Act 2009, as amended by the Cities and Local Government Devolution Act 2016. As required by the 2016 Act, along with the order we have laid a report that provides details about the public authority functions that we are devolving to the combined authority, some of which are exercisable by the Mayor. The statutory origin of the order is in a governance review and scheme adopted in January 2020 by the combined authority and its four constituent councils, in accordance with the requirements of the 2009 Act. The scheme proposed additional functions to be conferred on the combined authority as envisaged in the devolution deal, and specified those that will be exercised by the Mayor and for certain amendments to governance arrangements.

As provided for by the 2009 Act, the combined authority and the councils consulted on the proposals in their scheme, promoting consultations through regional and local media, social media and posts in public buildings. Responses were accepted through the combined authority website, as well as by letter and email and in hard-copy form. The public consultation ran from 3 February to 15 March 2020, and 675 responses were received. As statute requires, the combined authority provided the Secretary of State with a summary of the responses to the consultation in April. The consultation results show that the proposals are strongly supported by the public

and by stakeholders. The seven questions posed in the consultation all received clear majority support, and five received positive public responses of 80% or above.

In laying the draft order before Parliament, the Secretary of State is satisfied that the statutory tests in the 2009 Act are met—namely, that no further consultation is necessary; that conferring the proposed powers would be likely to improve the exercise of statutory functions in the combined authority area; that it would be appropriate, having regard to the need

“to reflect the identities and interests of local communities”

and

“to secure effective and convenient local government”;

and that where the functions are local authority functions, they can be appropriately exercised by the combined authority. As required by statute, the Mayor, the combined authority and the four constituent councils have consented to the making of the order.

In conclusion, the draft order will devolve a range of powers to the Mayor and combined authority for the benefit of the whole of South Yorkshire. It will drive growth, contribute to the city region’s economic recovery and renewal, and help deliver our agenda to level up opportunity and prosperity across the UK. I therefore warmly commend the draft order to the Committee; I hope it is the first of several establishing new mayoralities in the months ahead.

4.37 pm

Mike Amesbury (Weaver Vale) (Lab): It is a pleasure to serve under your chairmanship, Ms Ghani, and a pleasure to speak on the issue of devolution. As an MP who was put into this place to give more power and resources to regions and local communities, it is a special honour to be here today.

Before having the pleasure to represent Weaver Vale, I served as a city councillor in Manchester and worked for the current Mayor of Greater Manchester, Andy Burnham. I put together his first-term manifesto—one that he is delivering on and that he will build on. It is fantastic to represent the Opposition on the Front Bench and to assist my hon. Friend the Member for Barnsley Central by playing a small part in this landmark moment, which we share as a Committee. We are all determined—especially my hon. Friend—to get the best deal for the people of South Yorkshire.

As happy as I am for my hon. Friend the Member for Barnsley Central, I have to admit that I am more than a little jealous of him. One half of my constituency benefits from devolution, as it falls in the Liverpool city region authority and the careful hands of the Mayor, Steve Rotherham. The other half, comprising Cheshire West and Chester, does not. I have seen the difference that a combined authority makes to the part of my constituency contained within it. A local power funding accountability making a difference in health, skills, transport, planning, energy, jobs, and, in Barnsley’s case, education, can really transform communities and lives. I want that for the rest of my constituency in the Cheshire and Warrington areas, and I look forward to the long-awaited details from the Minister, who announced several coming down the line.

I have examples of real difference on the ground. The Liverpool Households into Work programme provides one-to-one support—a household approach—to tackle long-standing issues of unemployment to prevent people

getting into unemployment and removing barriers over time. This will be more important than ever because of the national and international health, and undoubtedly economic, crisis. The Mersey tidal power project, which it was announced today will be directed by the industry veteran, Martin Land, will provide enough energy for 1 million homes, supply thousands of jobs and contribute towards a net zero target. Expansion of the Merseyrail system will not only provide the public transport that the region deserves but the infrastructure that it needs to—again, I will use the words—level up. This is a genuine example of how we can do that.

In Manchester, we have seen what can happen when devolution has real depth to it. Mayor Andy Burnham’s relentless focus on ending rough sleeping with the A Bed Every Night initiative has had considerable impact, again in partnership with recent Government initiatives around homelessness. Our pass gives young people in education free bus travel so that they can access all that the region has to offer. Bus reform, which is long overdue in Merseyside, the midlands and Greater Manchester, is something that devolution and Mayors can take forward.

Our national situation is very different from what it was at the outset of devolution. The medical and economic impacts of covid-19 have further exposed the urgent need for local decision making, something that I am sure we can all agree on in Committee today. We cannot continue to tolerate the inequality of power driving inequalities of prosperity across the country, especially given the challenges that we now face. This needs to happen through radical change, not by cosmetic tinkering with the Government firmly gripping the power and the purse strings, which results only in delegated authority rather than what we need: local decision making with the funding and power behind it in genuine devolution.

Today, South Yorkshire takes a big step on its devolution journey. May it continue to do so and may others follow closely behind. We await crucial tests of the Government’s commitment to devolution later this year, including the White Paper that the Minister mentioned. However, will he use his time to outline the Government’s timeline for the devolution deals that have as yet to reach the House?

In conclusion, I know that my hon. Friend the Member for Barnsley Central is eager to get the order through as soon as possible so that he can use the powers and resources to create a locally led pathway to greater prosperity, health and wellbeing for all the citizens of South Yorkshire. I wish the Mayor well in his historic endeavour.

4.44 pm

Dan Jarvis (Barnsley Central) (Lab): It is a great pleasure, Ms Ghani, to serve under your chairship. I thank both the Minister and the shadow Minister for their opening remarks. First, I should formally declare a massive interest. As well as having the great privilege to be the Member of Parliament for Barnsley Central, I am also the Mayor of the Sheffield city region, in which capacity I chair the Barnsley, Doncaster, Rotherham and Sheffield combined authority—it is a catchy name—to which the order relates. It is genuinely a little surreal to be here today, but primarily it is a great pleasure to see that this devolution deal has finally become a reality.

[Dan Jarvis]

As I think the Minister could perhaps have alluded to very politely in his remarks, the road to get to this point has been long and hard. We were the only devolved administration without a full deal in place from the beginning and getting one has taken an enormous effort; I have the scars to prove it. None the less, we have achieved a lot, even without the full tools of this devolution order.

I am grateful to the Minister for his support, and by working with him we have already been able to secure £166 million from the Transforming Cities Fund; we have initiated an innovative Working Win employment programme, which has helped more than 6,000 people with mental and physical health challenges to find work and stay in it; and we have allocated more than £100 million of local growth funding for culture, transport, urban regeneration and flood prevention. This month, again by working with the Minister, we have secured an additional £81 million for infrastructure and housing.

Although those numbers matter—and are, of course, very significant—I think that the greatest achievement is the agreement of a deal and the drawing together of our local authorities and partners through the combined authority, in a way that provides us with the framework to co-operate and drive our region forward for the benefit of all our residents.

Almost 90% of people in South Yorkshire said they wanted to see more devolution, and now that we have it I am absolutely determined that we will seize the opportunity that it presents. Devolution will unlock our local knowledge and our networks; it will bring power closer to the people. It will also help us to reshape both our economy and our society in a way that reflects our values and priorities.

Devolution will help us towards the three great transformations that we need to see: an economic transformation to create not just a bigger economy but a better one, which is more innovative and of higher value; a green transformation to decarbonise our economy urgently, improve our environment and revolutionise our public transport; and a transformation of well-being and inclusion, raising our quality of life, widening opportunity and reducing inequality. It will also help as we struggle, like other parts of the country, not just for recovery from covid but for a renewal that advances the goal of a stronger, greener and fairer South Yorkshire.

We must, however, be clear that, even with this deal, South Yorkshire cannot fulfil these ambitions on its own; devolution will only work if we work together. To fulfil our potential, we must continue to build a culture of co-operation within our combined authority. There are great opportunities for us to work across all of Yorkshire, especially through the Yorkshire Leaders Board, and we need to work across the wider north as a whole, especially on environmental issues and on renewing our transport infrastructure.

We also have to work at the national level with the Government here in Westminster. Perhaps the most important aspect is that we need the Government to work with us to make our vision of transformation a reality. In the short term, we need the Government's support for the covid renewal action plan that we have developed as a roadmap back from the ravages of the covid pandemic, and in the longer term, we need the

Government to fulfil their pledges to level up the country. We must work together to use the public investment that we are able to draw down to boost the economy and finally end the wasting of our potential, benefiting not only South Yorkshire but the whole of the country.

So today marks a very important milestone, but it is not our final destination. Devolution is a process and not an event, and it is not about local and regional government competing against each other for funding pots administered in Whitehall. To realise its promise, devolution must be about the meaningful transfer of power and resources away from Westminster.

The UK is, to our detriment, one of the most centralised developed nations on the planet. We urgently need a deep national conversation on how to restructure and renew our democracy; without it, there is a risk that our country may not survive the currents of division already tearing at it. Today, however, we can and should give thanks for having come this far. I am grateful to everyone who has played their part.

I take this opportunity to place on record my thanks to the Minister for his support and guidance both in his current role and in his previous ministerial role. I also thank all the leaders of our local authorities and pay tribute and offer my profound thanks to the civil servants at the Ministry of Housing, Communities and Local Government and those in other Departments, as well as all my team in Sheffield and Barnsley, who have all made this happen.

We should all look forward to the things that we are now able to do which we could not do before, but we should not pause too long before we continue down this road. The greater part of its promise still lies ahead.

4.51 pm

Mr Clarke: It was remiss of me not to pay tribute to you on your first occasion in the Chair, Ms Ghani. It is a great pleasure to be part of this historic first. It is also an historic first for South Yorkshire. I fully join with the Mayor, the hon. Member for Barnsley Central, in what he said about this being a collective, cross-party achievement, which has very much involved local leaders and the civil service, who have been marvellous in negotiating all the various hurdles.

The hon. Member rightly said that devolution is not an end in itself; it is about unlocking the benefits that can flow from it of better and more responsive government. The Government are clearly determined to try to roll out devolution as far as we can across the rest of England, because we are concerned about the increasing asymmetry between those parts of the country that have mayoral devolution and those that do not. It is about not just the absence of a strong, effective voice to champion those areas but the imbalance in funding that flows from that. We are keen to close that gap. The White Paper referred to by the hon. Member for Weaver Vale will come forward this autumn, and it will not lack boldness in setting out our ambition to finish the job we have started and ensure that we end those gaps in the devolution jigsaw.

It is a significant achievement that once the West Yorkshire mayoralty stands up next spring, 63% of the north of England after will be covered by mayoral combined authorities. That is something on which we are hoping to make swift progress. A number of other

conversations are ongoing, including with York and North Yorkshire; Cumbria; Lincolnshire—I had meetings with Lincolnshire MP colleagues this afternoon—Hull and East Riding; and Cheshire and Warrington, to which the hon. Member for Weaver Vale referred. A lot of places are starting to come forward, and I will use this opportunity to send a clear message that we are ready and willing to begin those conversations with areas that want to engage with us.

It is clearly important that we do not just look at one tier of governance. The hon. Member for Barnsley Central rightly referred to the Yorkshire Leaders Board and the northern powerhouse. We do not seek to establish hard borders on these new mayoralties. Absolutely, that culture of collaboration needs to expand across wider geographies so that we achieve the maximum possible benefit. We will bring forward important proposals this autumn, and I hope that Members across the Committee will see the value in them. This is an area of considerable policy consensus, and it is about making sure we negotiate the right arrangements for each area. We will certainly be devoted to doing that.

Let us recognise that today is a really good news day for the Sheffield city region. We can all be pleased that we have played our part in helping to make it happen.

The Lords process will follow in the next few weeks, so the arrangements will be all in place before summer recess, which is fantastic.

I should address the question asked by the hon. Member for Weaver Vale about the timeline for deals currently in negotiation. We will move at the pace we can, but we are certainly open in principle to the first of those new deals being completed by May 2022, subject to progress in those talks. We would like to see those that we cannot get over the line by that point concluded by May 2023. The objective is to maximise the number of new Mayors, with new unitaries created underneath them, so that we move forward from this period with a reformed local government structure that is better able to help us with our current crisis and, more broadly, the challenges we face as a nation in terms of levelling up and the gaps that we know exist between the wider regions and the greater south-east. We were elected to deliver on that, and we can help to achieve that if we get the right local government structures in place. Today is another stride on that journey.

Question put and agreed to.

4.55 pm

Committee rose.

