PARLIAMENTARY DEBATES

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GENERAL COMMITTEES

Public Bill Committee

LEVELLING-UP AND REGENERATION BILL

Eighth Sitting

Thursday 30 June 2022

(Afternoon)

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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

(Afternoon)

[Ian Paisley *in the Chair*]

Levelling-up and Regeneration Bill

2 pm

The Chair: Before we begin, let me give the usual preliminary reminders. No food or drink is permitted in sittings, except for water, which is provided. *Hansard* colleagues would be grateful if Members emailed their speaking notes to them at the appropriate address.

Clause 11 ordered to stand part of the Bill.

Clause 12

Review of CCA's constitutional arrangements

Alex Norris (Nottingham North) (Lab/Co-op): I beg to move amendment 21, in clause 12, page 11, line 28, at end insert—

"(8) If an appropriate person carries out a review under subsection (2), they must make the report of its findings publicly available."

This amendment would ensure that the findings of any review of a CCA is made available publicly.

It is a pleasure to reconvene with you in the Chair, Mr Paisley. Clause 12 allows a combined county authority to review its constitutional arrangements. That is a wise provision because, of course, there will be moments when CCAs will want to be sure of whether form fits function. There must clearly be local scope for review and understanding, with as much transparency as possible. It is with that in mind that I move this amendment.

Transparency is important, because it strengthens our democracy by opening up the decision-making process to the whole population. As we build new political institutions, such as the proposed CCAs, it is vital that we put transparency in them at the beginning. As we discussed previously, transparent and open government makes better policy, delivers better outcomes and is generally a good thing for our democracy.

This amendment proposes that if any review is conducted to investigate changing the constitutional arrangements of a CCA, it must be published publicly. That would improve the function of the Government's proposed CCA. It will be part of the honest conversation about the work the body is doing and the work we want it to do, and it will ensure that it serves not its own members or vested interests but the whole population. That is really important. These debates are too important to take place behind closed doors.

That does not need to be a negative process. It can be an open process that gives the population, as well as all the constituent members that we have discussed under previous clauses, the chance to engage. Amendment 21 is a fair and reasonable requirement to be added to the review mechanism, and I hope the Minister is minded to agree.

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Neil O'Brien): As we discussed during our consideration of previous clauses, the key constitutional arrangements—membership, voting and decision making—will be set out in the secondary legislation establishing the CCA. That legislation, which requires consent from both the relevant local authorities and Parliament, would also enable a combined county authority to set a local constitution specifying how detailed decisions are taken on aspects of how the CCA is to operate. It could cover, for example, meeting procedures, committees, sub-committees and joint committees of the CCA.

Clause 12 enables a CCA to review and amend its own local constitution in certain circumstances, and I hope it provides some of the flexibility that the Opposition have been arguing for. A review of the local constitution can be undertaken if proposed by constituent member or the mayor, if there is one, and if the proposal is supported by a simple majority of the constituent members. The local constitution can be amended if the amendments are supported by a simple majority of constituent members including the mayor, if there is one.

At each of these stages, the CCA's decision must be made at a meeting of the CCA. CCA meetings, like those of all local authorities, are conducted with full transparency. That means that interested parties, including the public, can attend CCA meetings, and papers must be made available in advance. The CCA will also need to publish its constitution. Amendment 21 is therefore unnecessary. There is no need for a separate report of findings, which would place a disproportionate and unnecessary bureaucratic burden on the combined county authority, and distract it from the implementing the changes that it needs. I hope that, with those explanations, the hon. Gentleman is content to withdraw his amendment.

Alex Norris: I am grateful for the Minister's answer. In general, I think his response does suffice, but I would like to push back on two points. As he says, these will be public meetings and there ought to be full transparency. However, we know that is not universally the way things operate. At local authority level, for instance, I would expect rules to operate exempting certain parts of meetings for reasons of commercial confidentiality. We know that there are points of friction for local authorities up and down the country. There can be the sense that things are being hidden behind the exempt part of the meeting. I would not say it is inevitable and unavoidable that we will get full transparency, but I have heard the spirit of what the Minister said. I am not sure it would have been an administrative burden, not least because the thing will have been done anyway and will exist already. Someone would just have to upload it to the website. That would satisfy the requirement of the amendment as I wrote it. Nevertheless, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 12 ordered to stand part of the Bill.

Clause 13

Overview and scrutiny committees

Alex Norris: I beg to move amendment 47, in clause 13, page 11, line 31, at end insert—

"(1A) The CCA must prepare a CCA-wide Equality Impact Assessment and must be produced to inform the work of any such committee."

This amendment would oblige the CCA to produce an Equality impact Assessment to inform scrutiny work.

Clause 13 and schedule 1 are very important provisions. They provide for the involvement of overview and scrutiny for the activities of the county combined authorities being established. This is very important. These are new bodies established to make significant regional and sub-regional decisions. It is right that they are held accountable for their actions and that the healthy process of scrutiny and analysis takes place in live time so they can make the best possible decisions. I am glad to see in the Bill a clear push from the Government for overview and scrutiny committees to be part of the process, as I think they will do a valuable job. We want to make sure that this is done from the most secure base possible with regard to information.

Amendment 47 mandates that CCAs provide an equality impact assessment to inform the work of overview and scrutiny committees. Levelling up is fundamentally an exercise in tackling inequalities. That is the whole point of the Bill. It is implied in the name. It is about regional and local inequalities—often expressed as spatial inequalities—but it is about much more than that. In these debates we have heard that there are elements of levelling up that apply pretty much to the entire country in some way; they just manifest differently in different places. There is no doubt that we are a country of significant inequalities, and we really ought to be addressing those. We need to be skilling up and equipping our overview and scrutiny committees with the right information to make sure they can address those inequalities.

From 2017 to 2020, the north-east had the lowest median household income at £480 before housing costs, while London had the highest at £615. That is the sort of inequality we are talking about. Inequalities manifest in different ways. For households from a Pakistani ethnic group, median income before housing costs was £350, while households from an Indian ethnic group had the highest median income at £558—again, a significant disparity. Families with a disabled member had a median income of £467 before housing costs, compared to £577 for households where nobody was disabled.

Moving to gender, women are less likely to be in full-time employment, with a rate of 45% compared to 61% of men. Some 41% of women provide care for children, grandchildren, older people or people with a disability compared to 25% of men. Less than a third of Members of Parliament are women and some 35% of board members for publicly listed companies are women. Women make up 6% of chief executive officers of FTSE 100 companies and 35% of civil service permanent secretaries, and none of these women are from a black, Asian or minority ethnic background. Only 35% of our councillors are women. At the current rate, we will not achieve gender equality in local councils until 2077.

One disparity that touches every community is that disabled people are almost twice as likely to be unemployed as non-disabled people, and three times as likely to be economically inactive, with an employment rate of just 53%.

Taken in aggregate, those statistics reflect where Britain is today and where we have been over the last few years. They might make us think about where we go in the future and what we seek to address. There is a strand of thought that says, "Well, some of these inequalities are no one's fault, or at least it is not the role of the Government to tackle them. If the Government does do that, they should be very careful because it is likely they will make things worse."

Rachael Maskell (York Central) (Lab/Co-op): Although it is essential to have an equality impact assessment to establish a baseline, it is also vital that all the work of the CCA puts everything through the prism of an equalities impact assessment too. If this amendment is not adopted, will it be appropriate to talk about having some form of equalities scrutiny within the body in order to ensure that all policy and decision making meets those equality objectives that we on the Opposition Benches share?

Alex Norris: Yes, absolutely. I remember one of the changes we made when I worked in local government. Remember, that was just one public body—one council—with many departments, just as national Government has many Departments, but in combined authorities we are talking about many organisations coming together to collaborate. We did not truly understand the cumulative impact budget decisions were having on individuals, particularly individuals with protected characteristics. It was likened by the individual who asked for the change as a sort of chopping away at a stool, with the legs all being chopped off on different sides by different departments. We did not understand that that was happening and that the cumulative impact was very significant for those individuals.

We need to find a way, whether through this amendment or through the thoughtful suggestion made by my hon. Friend the Member for York Central, to add this into the work of the combined county authorities so that they understand the collective impact their decisions will have. The levelling-up agenda gives me hope that the argument that it is not for Government to resolve these matters and that even if they did they probably would not do a good job no longer stands. Clearly, we no longer think that is true, which is a welcome change of tune. It shows that inequalities are not inevitable or unalterable, and that it is the role of the state to take the field and seek to do something about it.

These sorts of inequalities manifest all over the place. Even in the wealthiest communities, which we may be least likely to think are deserving of levelling-up funding, statistics regarding disability employment are still very challenging—I do not think there is any part of the country where they are not very challenging—but such communities are well placed to motor ahead on levelling up and perhaps do much better.

I hope that is the core on which these county combined authorities are operating. Happily, the Government are introducing overview and scrutiny arrangements in schedule 1. Now we must ensure they have the right information to work with. This amendment is one mechanism to do that. In the Minister's response I hope to hear that if the amendment is not adopted, there are other ideas and other ways in which the Government think that can be done.

2.15 pm

Tim Farron: I will not speak for long, Mr Paisley, but I want to reemphasise some things we have talked about today and build on the wise comments made by the hon. Member for Nottingham North.

Equality is hugely important and not to be taken for granted. The issue is that a movement towards a form of local government that is by definition more removed from the public than a district council, for example, will

[Tim Farron]

undoubtedly affect those with protected characteristics. We must prevent the tendency we discussed earlier to have people on the board and the committees—running the CCAs, in this case—who are much more likely to be older, male and white. That tendency will naturally occur because, while devolution is happening in one sense, it is also a centralisation locally, away from district councils. That will inevitably happen unless we work hard to prevent it. That is why these equality impact assessments are very important—not just in terms of the representative nature of the people who are on the CCA, but on the kind of policies that they pursue.

I am bound also to remind Members of the Rural Services Network's report, published this week, which pointed out that if rural England was a separate region, it would be poorer than all the other regions. It would be the poorest region and the region most in need of levelling up. Pretty much every CCA in the country will have a rural element to it, but the chances are that it will not be the central part or the part where most of the members come from.

I want us to think very carefully about the impact of our decisions, particularly on rural communities. I spent part of the break between this morning's sitting and this one on the phone to a local GP surgery in Cumbria that has lost something like £70,000 of its income in recent years. It has a patient roll of 5,000 to 6,000 people, but it sees on average 2,000 to 2,500 patients every year who are not registered with the surgery—they are visitors coming to the Lake district. The surgery gets not a penny for that.

Earlier, the hon. Member for York Central rightly mentioned the interaction between the integrated care systems, which will come into force this week, and the new CCAs. It is vital that we consider the differences in access to services between rural areas and urban areas, and consider disadvantage as being different. There are much higher levels of unemployment in the Barrow part of the Westmorland and Furness Council area, for example, and much lower unemployment in the part of the area that I represent; however, the gap between average incomes and average house prices is bigger than anywhere outside the south-east of England. The consequence in terms of poverty is therefore much greater, and the need for us to pay attention to those differential metrics—and, more importantly, the impact on individuals' lives—is that much greater.

That is why it is important that equality is built into this legislation. Accountability would come out of the fact that impact assessments would be provided on a regular basis and there would be scrutiny as a consequence. It would force members who are either from demographic profiles that are not a minority or under-represented or from non-rural parts of the geographical community represented by a CCA to be held to account on behalf of those people and those communities who are.

Neil O'Brien: The public sector equality duty under the Equality Act 2010 ensures that public bodies play their part in making society fairer by tackling discrimination and providing equality of opportunity for all. As public bodies, CCAs must integrate equality considerations into decision-making processes from the outset, including in the development, implementation and review of policies. However, the equality duty does not require public bodies to follow a prescribed process and leaves it to their local discretion as to when it is appropriate to carry out an equality impact assessment to ensure compliance with the duty that binds them. The amendment would place an additional unnecessary duty on combined county authorities that does not apply to other public authorities, including existing combined authorities, which relates to the point made by Opposition Members about ensuring there is equal treatment and similar legal bases between MCAs and CCAs.

It is the Government's intention that CCAs will be expressly subject to the public sector equality duty, which we will do by consequential amendments to the Equality Act, meaning that CCAs have to integrate equality considerations into their decision-making processes as soon as they are established. There is therefore no need to place a further burden on CCAs by requiring them to produce a separate equalities impact assessment. In fact, equalities considerations will already be at the very heart of what they do. With those assurances, I hope that the hon. Member for Nottingham North will withdraw his amendment.

Alex Norris: I am grateful to the hon. Member for Westmorland and Lonsdale, who speaks for the Liberal Democrats, for his contribution. His points about rural poverty are well made and are grist for the mill because, as he said, in all CCAs there will be levelling-up features. Everyone will seek to take such measures. Rather than an individualised, exceptionalised programme, we are talking about a collective advance of CCAs. Slowly but surely we are making a fine socialist of the Minister, speaking for collectivism rather than individual exceptionalism. Any day now, I am sure that he will wear that badge with pride.

I was a little disappointed in the Minister's reply. Yes, the public sector equality duty exists, but if the Government's answer is to rely on that, we should remember that it has not removed all the inequalities that I spoke about. At some point, we must do something differently in this country, and I would have thought that this legislation was a really good place to start. I put it to the Minister that doing things the same way will only produce the same answers in the future, and I fear that that is what will happen unless we insert a firm commitment to tackle inequalities in all their forms into the DNA of the proposed new bodies. I am disappointed.

I was not happy with the answer about the divergence from combined authorities. If the Minister had such a problem with combined county authorities differing from combined authorities, he would not have introduced combined county authorities; he would have just relied on combined authorities. There then would have been no divergence between the two. The Minister has chosen to make that change, because it is more convenient for the Government so that they can work with the communities with which they have struggled to work over the past few years. In doing that, they have opened themselves to the divergence issue. That is not my problem, nor my fault, but that is of the Government's choosing and it is baked into the Bill; otherwise, we would not need the legislation.

I will not press the amendments to a vote, because the suggestion from my hon. Friend the Member for York Central is better than my amendment. I am happy to

withdraw it on the basis that it could be better, and perhaps we might seek elsewhere to improve it. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 13 ordered to stand part of the Bill.

Schedule 1

Combined county authorities: overview and scrutiny committees and audit committee

Alex Norris: I beg to move amendment 22, in schedule 1, page 198, line 18, at end insert—

"(2A) The arrangements must ensure that the Chairs of the overview and scrutiny committees of the District Councils contained within the CCA's boundaries are members of the CCA's overview and scrutiny committee."

This amendment would require that the Chairs of overview and scrutiny committees of the District Councils within the CCA are represented on the CCA's overview and scrutiny committee.

Schedule 1, which is introduced by clause 13, relates to the overview and scrutiny functions of the CCAs, which are important. The amendment gives us the opportunity to add districts so that they are seen as a key part of the process that have an important say. If the Minister is not minded to accept the amendment, I hope that he acknowledges the key role of districts.

According to the District Councils Network, its members deliver 86 out of 137 essential local government services to 22 million people—40% of the population—covering 70% of the country by area. The Minister was perfectly candid—that is the best way to be—that part of the reason for having CCAs as distinct from the combined authorities created under the Local Democracy, Economic Development and Construction Act 2009 is to give Ministers the chance to work around district councils where those councils do not want to be involved in greater devolution.

I think we have to find a way to get the district councils into the proposed process more fully. We have seen combined authorities use non-constituent members to deliver, and that is a good way to operate, and I think that the amendment would enhance that opportunity. Amendment 22 seeks to do so by ensuring that among the members of the CCA's overview and scrutiny committee are the chairs of the overview and scrutiny committees of the district councils within the CCA. I hope that is a proportionate way of trying to get districts involved. They have so much expertise about the area they serve that it would be foolish to discount them. They have a track record of delivery, and they know what people want because of their really close engagement with their constituents.

When we debate clause 16, will talk a little more about the fundamental role of districts, but we know that they are not likely to be formal or founder members of CCAs. Instead, the amendment effectively says that we have a very skilled group of people who lead overview and scrutiny in their local authority, who have high levels of experience, training and ability. They do it day in and day out. They are familiar with the issues, they know how to scrutinise an executive, and they know what information to read and what questions to ask. To pull them together is almost like convening an international team from the best players in the league and I have no doubt that it would be a significant success.

Amendment 22 would be a really good way of enhancing the overview and scrutiny provision while getting better engagement with the district councils. In that sense, I hope it is a bit of a two-for-one for the Minister.

Tim Farron: This seems to be a really sensible and proportionate proposal. The Conservative leader of the District Councils Network talked to us in the evidence session on Tuesday 21 June. He speaks very clearly on behalf of members of all political parties who are on district councils: Liberal Democrat, Labour, independent, Green and, of course, the leading Conservative group among district council members.

There is a concern about district councils being slowly but surely erased—and they are. In Cumbria, we are living proof of that, because some good district councils are being dismantled this year, hopefully with very good unitary authorities taking over their responsibilities and being reflective of what the local communities desire. However, if we are to move forward in this direction and if CCAs are to be the building blocks by which these decisions and the delivery of levelling up will take place, it is surely right to demonstrate to district councils that we and the Government value them—not only that we value them as district councils but, as the hon. Member for Nottingham North rightly said, that we value their expertise.

In this amendment, the Government are being asked to consider picking the people who already do this job in their home patch, so to speak, and to bring the skills, expertise and experience that they have from providing scrutiny of their own councils' business and the operation of democracy internally within their district councils to the sub-regional level.

The amendment seems to be not only a very effective and sensible practical proposal but one that would allow the Government to demonstrate to district councils that they are not being erased and that they are a very important part of our future. We talked earlier about whether symmetry mattered. If we believe that local communities are best at designing their own destiny and if they choose to maintain two-tier authorities, as many do, then reflecting that autonomy and its outcome—not begrudging it, but welcoming it—seems to me a wise thing to do. Let us have the chairs of the overview and scrutiny committees from the constituent district councils within a CCA on the overview and scrutiny committee of that CCA.

Neil O'Brien: I would say that the amendment is well-intentioned, but that would not really do it justice; I actually completely agree with the broad thrust of what Opposition Members are trying to achieve. However, I think that we should do it in a slightly different way.

Schedule 1 places a requirement on all combined county authorities to establish one or more overview and scrutiny committees, and provides for the Secretary of State to make regulations for such committees. That mirrors the provisions for combined authorities; regulations were made in 2017 that already apply to all the combined authorities.

As for the majority of the CCA model, it is our intention that the overview and scrutiny arrangements for CCAs will adopt the same broad principles as those for combined authorities. Regulations made under schedule 1 must ensure that the majority of members of overview

[Neil O'Brien]

and scrutiny committees are drawn from the CCA's constituent councils. Furthermore, an overview and scrutiny committee cannot include a member of the CCA, including the mayor.

The regulations and powers in schedule 1 enable scrutiny committees to be established with membership appropriate to the CCA, so that they are able to effectively challenge, advise and make recommendations to the decision takers. To do this, each CCA's overview and scrutiny committee needs to be flexible enough to reflect the bespoke role of the CCA, as agreed in individual devolution deals—how they are constituted, the powers they are responsible for delivering, and so on. That will affect the background and interests of the members that it would be appropriate to appoint.

2.30 pm

My only problem with the amendment is that it would introduce slightly inflexible arrangements that would make overview and scrutiny committees in some areas very ineffective and possibly non-operational. For example, in a hypothetical area with four upper-tier councils, which would be constituent members, and 15 district councils, the amendment would require all 15 chairs of the district councils' overview and scrutiny committees to be members of the CCA's scrutiny committee as well, whether their district council was involved in the CCA or not.

Opposition Members will have heard me talk earlier about the principle that we want district councils to be involved if that is what they want, but they do not have to be if they do not want to be. Placing a duty on a district council that is not involved in a CCA and does not want to be part of it would cut across the approach that district councils are encouraged but not forced to be involved in devolution deals with county areas. Some of the related issues will have another airing shortly, when we come to clause 16; there are points that I am actively exploring.

In addition, the overview and scrutiny committee would be unwieldy, if not completely ineffective. In the example I gave a moment ago, each overview and scrutiny committee would comprise 31 members, as the majority of members have to come from the constituent authorities. That clearly would not lead to an effective or efficient scrutiny function—that is much larger than the Committees we have in this place, such as this one—even if the meetings achieved quoracy.

The Bill provides flexibility to appoint district councillors to scrutiny committees if that is what the local area wants. That is the key point. Under our flexible CCA model, the CCA would be able to appoint those members of district councils with the skills and background that are needed in that CCA's scrutiny committee, given the powers and functions it has agreed in its devolution deal. We need to be able to maintain the flexibility of local choice and ensure that overview and scrutiny committees themselves remain flexible, something that could be lost with a large membership base.

I completely understand the intention of the amendment. The Opposition want to make sure that district councils that are engaged in CCAs have representation on the scrutiny committees. That is extremely sensible, but the amendment does not quite do what we would want it to and does not give us that flexibility. I hope the Opposition will withdraw the amendment.

Alex Norris: I am grateful for that answer from the Minister. I am glad to hear that we are in broad agreement. I would not necessarily say that a committee with 31 members was too large; that is smaller than many combined authorities. We heard in evidence from Mayor Andy Street that the West Midlands committee has much more than 31 members, and it seems to be functioning appropriately. Nevertheless, that should not be a sticking point.

I had not thought of the consequences of a district council choosing not to participate quite in the terms that the Minister has. I wonder whether he will reflect on this during the Bill's passage. The act of a district choosing not to take part will be the act of the executive and, presumably, a majority on the council, but a minority of members may still have an interest. The community would definitely still have an interest, because the decisions will still impact them—they will not wish themselves out of the CCA; that is not allowed.

Is there a way that a council could opt out of engagement in the executive functions, but opt in to engagement in the scrutiny functions, because those things will still matter? I worry that areas might miss out. Of course, it is a local choice, and local leaders are accountable for the choice—perhaps that is just the decision they have to make. I am happy to withdraw the amendment on the basis of the reassurances that the Minister has offered, but perhaps, during the passage of the Bill, we could think a little more about how we might add the district voice in places where district councils have chosen not to take up a seat on the executive. On that note, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Schedule 1 agreed to.

Clause 14

FUNDING

Question proposed, That the clause stand part of the Bill.

Alex Norris: I do not want the decision on clause stand part to go by without any discussion. I want some clarity from the Minister. The clause allows the Secretary of State to make regulations about how to pay for the combined county authority, with the understanding in subsection (2) that it has to be done with the consent of the constituent councils. I want to understand how the Minister thinks that will work in practice. Presumably, the Secretary of State will hope to receive a proposal from the constituent councils that they have all agreed to, rather than suggesting a model.

Neil O'Brien: Let me reassure the hon. Member by saying that clause 14 enables the Secretary of State to make regulations setting out how an individual CCA is to be funded by contributions from constituent councils. Such regulations can be made only with the consent of the constituent councils and—where one already exists—the CCA. The CCA will decide how its activities are funded and how its funding is sourced, whether that is from investment funds and other devolved funding or from contributions from constituent councils.

Where constituent councils are providing contributions, regulations under clause 14 can set out how the CCA decides the proportion of contribution from each council. Similar regulations for combined authorities usually state that that is for agreement locally but provide a default split if agreement is not reached. That underpins the very nature of the collaborative approach we are trying to support through the new CCA model. The clause will be instrumental in ensuring that combined county authorities are strong institutions with sustainable funding to which to devolve functions and flexibilities, which is essential to achieving our ambitious local leadership levelling-up mission. I commend the clause to the Committee.

Question put and agreed to.

Clause 14 accordingly ordered to stand part of the Bill.

Clause 15

Change of name

Alex Norris: I beg to move amendment 23 in clause 15, page 12, line 14, leave out "not less than two-thirds" and insert "a simple majority".

This amendment would remove the need for a super-majority to change the name of a CCA.

In preparing amendments, we had the hundreds of pages of the Bill, and hundreds of pages of explanatory notes. The delegated powers memorandum is even longer—never mind the White Paper. As a result, one started to go deep in the weeds, and I am very deep into them here.

This significant clause makes provision for the process of changing the name of a combined county authority. Subsection (2) sets out the requirements, with paragraph (c) requiring a super-majority of no less than two-thirds of CCA members to vote in favour of the rule change. That is a high bar—far higher than for most decisions that we make in Parliament. I am interested in why there is such a high bar, so, to probe that, my amendment suggests reducing it to a simple majority.

I have a couple paragraphs here that I wrote last night about "What's in a name?" I will spare the Committee those; I think we can establish what is in a name. I will say that I am not completely ignorant of the value of super-majorities. They can be very important to protect the rights of minorities, but they can also be used—the US Senate is a good example—by a concerted majority for a number of decades to protect special interests.

I am not sure why the clause requires a super-majority. We want to give these combined county authorities significant money—tens of millions of pounds, and I suspect those negotiating them want even more than that—and significant powers over things that shape our communities. If we cannot trust them to change their name on a simple majority, how can we trust them to do anything else on a simple majority basis? I am interested to hear the Minister's thoughts.

The Chair: What's in a name? I call the hon. Member for Westmorland and Lonsdale.

Tim Farron: Indeed, as we established earlier, my county is an amalgamation of Lancashire, Yorkshire, Cumberland and Westmorland. What's in a name? It may not be the most important thing in the world, but it sums up the identity of a community or series of communities. The new authority that will serve my constituency is Westmorland and Furness Council. The northern part of the area, around Penrith, was always part of Eden, so folks there rightly feel aggrieved that their identity has been somewhat stolen from them.

I will reflect on the very early part of my life. I was not following politics in those days at all, but was probably watching the noble Baroness Floella Benjamin on "Play School"—that was about as close as I got to any kind of involvement in politics at that age. I recall with some bitterness that when the reorganisation happened in the early 1970s, Yorkshire did better than Lancashire out of it because of the name. Nearly every part of Yorkshire that was turned into either a shire or metropolitan authority kept the name—for example, South Yorkshire, West Yorkshire and North Yorkshire. Part of Humberside did not have that blessing, but it was the only bit of Yorkshire that did not.

Let us think about what happened to Lancashire: it became part of Cumbria, Greater Manchester and Merseyside. It lost that identity, and a whole generation of people have grown up as Lancastrians without realising that they are. I am sure the Government will seek to establish a CCA in a meticulous and proper way, but errors will be made and there will be things about the genesis of the new bodies that we would have perhaps wished to have done differently a year or two later.

A whole bunch of different politicians might get elected to districts that form part of the CCA after three or four years—perhaps on the basis of people being concerned about their identity—yet we are told that nothing can be changed without a two-thirds majority. We changed the Fixed-term Parliaments Act 2011 with a simple majority, so we have proved that it does not really matter. No Parliament can bind its successors, and rightly so, but apparently the Government can bind the successors of local authorities. That is not democratic, and it does not allow local authorities to establish their own identity, which might morph over time.

The Chair: We were on to the war of the roses there.

Neil O'Brien: We are honoured by the depth of the forensic scrutiny that the Opposition are offering us on these clauses. They are quite right to probe all these questions, which are important. Few things are more likely to arouse the passions than names of local authorities and county authorities, as we heard in the impassioned speech from the hon. Member for Westmorland and Lonsdale. We recognise the importance of people living in an area having a strong attachment to, and identity with, that place, which is something both he and the hon. Member for Nottingham North have alluded to.

When we establish a county combined authority by regulations, we will specify the legal name of that institution. Of course, it is only right that the name can be changed to adapt to local circumstances over time, and the clause allows a CCA to change the name it is known by, subject to various safeguards and conditions, one of which is a requirement that two thirds of members of the CCA consent to the change. The threshold was chosen quite deliberately to ensure that name changes are undertaken only where they will make a real impact, rather than where they are just a rebranding exercise. Names really matter to local communities, as we have heard, and it is important that a strong majority of a CCA supports any change.

[Neil O'Brien]

The amendment is designed to reduce the consent threshold to a simple majority, which would mean that CCAs would have a lower threshold for such a change than existing combined authorities, for which the threshold is a minimum of two thirds. Two of our existing combined authorities, South Yorkshire and Liverpool city region, have already changed their names since their establishment. A lot of politics were involved in that, so clearly there is flexibility under the two-thirds arrangement to change the name when that is felt to be important. I remember that there was a lot of consideration of that choice during the run-up to the devolution deal with Sheffield city region—it is now called South Yorkshire—and likewise with Liverpool city region.

My officials are in regular contact with the mayoral combined authorities, and we have not heard of any difficulties with the existing legislative process. As we have discussed before, it is important to keep parity between the CCA and combined authority models as much as possible, including in respect of name changes. A further consideration—this is why we have the higher threshold—is that many organisations will have made legal contracts with a combined authority, and changing the name is a non-trivial thing to do, given that it will require many things to change.

Fundamentally, as Members have said, names really do matter. What's in a name? We do not want them to be something that flips over from time to time. We could end up having a tit-for-tat war whereby the majority changes the name of an authority and then it changes again. We want the name of an authority to be stable and lasting. Opposition Members have quite rightly asked why that is so, and I hope that I have given sufficient assurance that they might be willing to withdraw the amendment.

Alex Norris: I am grateful for those contributions. The debate has had a bit of lightness to it, but as the hon. Member for Westmorland and Lonsdale said, identity does matter to people. I think identity can be a big driver in levelling up, by providing that passion, commitment and love of place that makes people want to do better and tackle inequalities. That is a really positive thing and it does matter, but I do not think it is the be all and end all.

2.45 pm

I had a slight issue with the arguments from the Minister. It is up to him if he chooses to, but I do not think it is fair to rely on the argument that the provision would put combined county councils in a place different from combined authorities. The Minister did not have to make that innovation. If we were to accept that argument, then we might as well whizz through the next 60 clauses; we would not be allowed to diverge because any amendment to any clause would do that. I hope we can avoid that debate.

The point about legal contracts cannot apply here, because those entities cannot have entered into any legal contract at this stage—they do not exist. Were they to do so down the line, that would be part of the consideration under their own local decision making.

On the tit for tat on names, that would be highly undesirable and would make leaders look a bit silly. If we are worried about a tit for tat on names, that might apply to all the functions that they offer. There is going to be an element of variance and change—changes of political control do lead to change. In places where there is close contest, that can lead to change both ways frequently. It can look a bit silly for a council to go between the strong leader model and the committee system—and back and forth again. That does not seem very wise to me, but that is the nature of democracy and their choice.

Rachael Maskell: I am thinking about the work of the Electoral Commission in setting constituency boundaries and names, which goes through the adoption process without requiring a two thirds majority. Is the clause not an inconsistency, rather than a consistency, with what happens elsewhere?

Alex Norris: Yes, I think so. There is a role for supermajorities, but as an exception and with strong cases. I am not sure this provision has met that test. I have a version of my speech that included a number of paragraphs about my views on the boundary review, and the sad extension of constituency titles, which seems to be inexorably taking us to five-word constituency titles. I thought you would not thank me for including that, Mr Paisley, but at least I have now put it on the record, so I am grateful to my hon. Friend the Member for York Central.

I will not press the amendment to a Division because I do not think it is a totemic issue. However, I hope we can seek to use supermajorities as an exception rather than the norm. If nothing else, this has been the hors d'oeuvre for a later debate—the real substance—which is what to call a mayor when we do not want to call it a mayor. Colleagues have that excitement ahead of them. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 15 ordered to stand part of the Bill.

Clause 16

Local authority functions

Alex Norris: I beg to move amendment 24, in clause 16, page 13, line 10, at end insert—

"(aa) affected local district councils".

When I wrote my speech I thought that clause 16 was perhaps the most significant of the 60 or so clauses that establish CCAs. It was certainly the only one that had a particular debate on Second Reading, although largely among multiple members on the Minister's side.

The clause allows for functions of a local authority to be exercisable at a CCA level. There will be points at which there will be a keenness to do that. It allows for functions to be exercisable by the CCA, rather than the county council or district council. It also allows for: functions to be exercisable concurrently with the county council or district council; for the function to be exercisable by the CCA and the county council or district council jointly; and for the function to be exercisable by the CCA jointly with the county council or distract council but also continue to be exercisable by the council alone. That essentially means that councils can collaborate and share in whichever way they choose to—subsection (5)(a) requires the constituent councils' consent—with the CCA.

This has twitched my antennae a little. We have discussed some of this already. I believe that devolution as it forms part of the levelling-up agenda is about devolving power out from the centre—from the centre to sub-regions, and from local authorities to local communities. The latter, community power, is broadly absent from the Bill, and I hope we will get the opportunity to add it back later in these proceedings. On the former, the direction of travel is supposed to be towards communities—towards the lowest proper level—rather than away from them. Indeed, local authorities are already free to collaborate, and there are many good examples of that. I do not think the purpose of the new sub-regional bodies established by part 2 of the Bill is to draw powers upwards from local councils; rather, it is to draw them downwards from the centre.

I am willing to accept—if this is the case, perhaps the Minister could give us a little detail—that that might be desirable in order, perhaps from a finance point of view, to share budget arrangements, or to have lead council arrangements on spend and receipt in a certain policy area. Crucially, under subsection (5)(a), the regulations will be made only if the constituent councils of the CCA consent. Those local authorities essentially have a lock on that process: it can happen only with their consent. On that basis, who am I to stop them? I think that is fair enough.

The issue here is that all four of the scenarios under subsection (4) involve the CCA also taking on the power of district councils, which are not—this is certainly my understanding—"constituent councils" and therefore cannot consent. It looks to me—I will qualify this shortly —like district councils could have powers taken from them.

Several Members have raised concerns that this part of the Bill is about removing district councils from this sort of decision making, the argument being that current statute makes it too hard so we need to free ourselves of the district veto, which the Minister described in the evidence sessions as an

"unintended consequence of the Local Democracy, Economic Development and Construction Act 2009".—[*Official Report, Levelling-up and Regeneration Public Bill Committee,* 21 June 2022; c. 57, Q87.]

I am not sure that is necessarily true, although I am happy to be wrong. I think that the expectation at that time was that communities would proceed by consensus. That is why it is a de facto veto. It may now be deemed impractical, but I do not think it was an unintended consequence.

That poses a problem: if these bodies get up and running, and particularly if they choose to have a mayor elected to lead them, and they get off the ground already with local opposition, that will be a shame. I think that will hold back their work, build cynicism and erode public confidence. Therefore, the approach of working around districts rather than with them is perhaps the wrong one. As I have said before, districts have a proven track record of delivery. The amendment is modest: it seeks to add a provision that affected district councils must have consented to having their powers taken away. That seems reasonable to me.

I have hedged my bets a little because I am really hoping that the Minister will say that this is a moot point. In the evidence sessions, Councillor Oliver from the County Councils Network said:

"I am grateful to the Minister for clarification on some confusion around clause 16."—[*Official Report, Levelling-up and Regeneration Public Bill Committee,* 21 June 2022; c. 58, Q88.]

I confess that I did not know what he meant by that; it was not anything that was clarified on Second Reading or in the evidence sessions. I did a bit of digging and I understand—this is second hand, so I apologise to the Minister if it is not right—that the Minister may have written to the representative bodies of local government to clarify that the Government do not intend for the powers to be applied in this way. That would be a very good thing if it were true.

Neil O'Brien *indicated assent.*

Alex Norris: I can see the Minister nodding, so that gives me hope. However, I have not had any such contact, so I can only go on what is written in the Bill. If that is the case, perhaps we should tidy up what is in the Bill so that there is no doubt. Clearly, it can be read the other way, which is why there has been so much interest in it, even if that interest is happily unnecessary.

Neil O'Brien: Although many of the things we have talked about today have been interesting and thought provoking, this is perhaps the most interesting and thought-provoking amendment so far.

Clause 16 gives the Secretary of State the power to confer any local authority functions—including those of a county council, unitary council and district council—on to a combined county authority by regulations, subject to local consent and parliamentary approval. Any existing function of a local authority could be given to a combined county authority; these could be modified or have limitations and conditions attached. Functions could be specified as exercisable by the CCA concurrently with the local authority, jointly with the local authority, or instead of the local authority.

Clause 16 will enable effective co-operation between CCAs and local authorities where it is desired by the local area. Clause 16 mirrors section 105 of the Local Democracy, Economic Development and Construction Act 2009 for the conferral of local authority functions on to combined authorities. It also mirrors section 16 of the Cities and Local Government Devolution Act 2016 for the conferral of public authority functions on to an individual local authority, in terms of both the mechanism and the consent mechanisms. These powers already exist. Consequently, the consent requirements for regulations under clause 16 relate to the constituent councils and, where a CCA already exists, the CCA.

Amendment 24 seeks to make affected district councils have a say on the conferral of local authority functions. The necessary irreducible core of a county deal is a county council and any associated unitary council. Many of the powers that have been devolved through devolution deals so far have tended to be upper-tier powers. These are agreements between the Government and the upper-tier local authorities. That is absolutely not to say that district councils have no part to play in such agreements. They do—I hope they will—and we expect the devolution deal with the upper-tier local authorities to include details of how the new CCA, the county council and the districts that wish to will work together to deliver the outcomes envisaged in the devolution deal agreement.

As for providing for districts to have a say on the conferral of local authority powers, within the context I have described, they will indeed have a say, if they wish.

[Neil O'Brien]

First, they will have had discussions and reached agreements with their upper tier councils about how they will be involved in implementing the devolution deal. Secondly, powers are conferred through regulations. Before regulations to establish the CCA and confer powers on it, there must be a public consultation on the proposal, as we discussed earlier. This is an opportunity over and above the devolution deal that district councils will have to make their input, in the context that we are clear the agreement is with the upper-tier local authorities.

There is a good reason why we have taken the approach of having an agreement with the upper-tier local authorities: to avoid past experiences where one or two district councils have frustrated the wish of many in the area to have an effective devolution deal. However, we are equally clear that the appropriate involvement of district councils that wish to be involved is important and, indeed, essential to the delivery of certain outcomes that the devolution deal is seeking to achieve. It is, in short, a question of balance. We believe we have struck the right balance between an agreement with the upper-tier local authorities to establish it and flexibility so that the involvement can reflect local wishes of both the districts and the upper-tier local authorities in the area.

I know concerns have been expressed about district councils' functions being removed and transferred to a CCA. I want to put on record something I have said to local authority leaders and which we have repeatedly made clear over the years. The Government are clear that there is no intention to use this provision to reallocate functions between tiers of local authorities when there is no consent. From the start, the devolution agenda has been about power flowing down to local leaders to enable decisions closer to the public, not flowing up. To the best of my knowledge, I do not think the powers in the two Acts I mentioned earlier have been used to date.

Parliamentary scrutiny provides a very secure safeguard here. The Secretary of State cannot make any changes to the functions of an individual CCA without parliamentary approval. It has always been the case that Parliament decides where the responsibility for functions lies in local government. An individual CCA cannot exercise functions unless it has been given them in regulations by the Secretary of State following parliamentary approval. A CCA cannot take power from a district or any council. One tier of local government cannot legally usurp the powers of another.

I understand and hear the concerns being that are being expressed about issues relating to the clause. I wish to reassure the Committee that I will take these issues away and readily consider how we might reflect the role of district councils in devolution deals. I hope that gives sufficient reassurance for amendment 24 to be withdrawn. We will think further about this important issue.

Alex Norris: I am grateful for that full answer and happy to withdraw the amendment on that basis. The Minister was as explicit as possible about how he envisages things working. I hope that, in his reflections, he will consider whether what is in the Bill needs to catch up and is as clear as it might be. I hope he will continue to engage with us in such conversations and, if he has engaged with those bodies in writing, that he will make a copy of the letter available in Committee or in the Library, so that we have full information for continued consideration. On the basis of the response provided by the Minister, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 16 ordered to stand part of the Bill.

Clause 17

Other public authority functions

Question proposed, That the clause stand part of the Bill.

3 pm

Alex Norris: Clause 16 dealt with the conferral of local authority functions on CCAs. Further clauses, such as the ones between 30 and 37, deal with the conferral of police and crime commissioner functions, and clauses 19 and 20 confer transport, highways and traffic functions. With clause 17, I wondered what the Minister's understanding of "Other" might be. What ideas does he have in mind?

Neil O'Brien: I will have to come back to the hon. Member in slower time on that. To explain a little about the clause, it is in essence the devolution clause that will enable the CCA to take on the functions of public bodies, including Ministers in central Government, the Greater London Mayor and Assembly, and agencies such as Homes England. Broadly, the clause allows devolution to happen. On his specific point, I will have to write to him.

Question put and agreed to.

Clause 17 accordingly ordered to stand part of the Bill.

Clause 18

Section 17 regulations: procedure

Alex Norris: I beg to move amendment 26, clause 18, page 14, line 35, at end insert—

> "(1A) But notwithstanding subsection (1)(b), if a CCA prepares and submits a proposal for conferred powers under section 17(1) and the Secretary of State has already made provision for another CCA to be granted identical powers, the Secretary of State must consent to that proposal."

This amendment would require the Secretary of State to accept an application for conferred powers from a CCA where they have already accepted an identical application from another CCA.

At the end of the previous sitting, the Minister started the debate on this issue, which is a point of distinction, so I think the amendment will be an interesting one to discuss. Notwithstanding the sorts of functions that the Minister has in mind, which he will follow up with, the clause sets the rules by which county combined authorities can receive more powers from central Government. We are supportive of that: we want to move powers from Whitehall to our town halls, but in doing so the Bill can be improved.

I touched a little on the asymmetry of the devolution of power in England, and it is worth covering something of that. Metro Mayors hold powers over spatial planning, regional transport, the provision of skills training, business support services and economic development. The detail of the powers and budgets devolved, however, varies massively between areas.

For example, in Greater Manchester and West Yorkshire the powers of the police and crime commissioner have been merged into the mayoral role, but not in other mayoralties. The Greater Manchester Combined Authority oversees devolved health and welfare budgets, working in partnership with the lead Whitehall Departments, but other combined authorities do not have such powers. All Mayors can establish mayoral development corporations, except for the Mayor of Cambridgeshire and Peterborough. All Mayors can raise a council tax precept, except in the West of England.

That is an odd hotchpotch. If we were to sit down and plan a devolved settlement, which we are doing quite a bit of, we would never pick a model that is quite as uneven and such a mishmash. That is what happens when settlements are negotiated case by case behind closed doors, on the basis of what Ministers judge communities are ready to have. Furthermore—this is part of what we are addressing today—those disparities in power do not even account for the fact that vast swathes of the country do not even have combined authorities; they just have their council.

We are in the odd situation where Manchester gets to elect a Mayor with a PCC, but in Nottingham we cannot vote for a Mayor—we don't have one; we do not have a combined authority in the county terms yet—but we vote for councils and a PCC. That gets very hard to explain to constituents, and means that different parts of the country get access to different powers. I think we should do better there.

The Minister characterised that position as being for either a one-size-fits-all model or moving at the pace of the slowest. I am not saying that. My dissatisfaction with asymmetry aside, I live in the real world; we have an asymmetric settlement and it would not be practical or desirable to change that. Where those combined authorities are motoring along, they must keep doing so; they are doing crucial and impressive work, and of course we would not want to change that. However, we have the power to ensure that the combined county authorities, which cover big parts of the country, and will hopefully bring devolution to the bulk of the country, have some sense of commonality in the powers that they are able to access, but not have to access—not a floor but a ceiling.

I do not think that I am actually asking the Minister to do anything more than has already been set out by the Government. The White Paper itself sets out those three tiers of powers. We will get to the point about the governance structures at a later date, and as the hon. Member for Westmorland and Lonsdale said earlier, I also completely dispute the point that we should have to accept a Mayor in order to get tier 3 powers.

Nevertheless, the Government have established a common framework—a common menu, as it were—from which to pick. This is the significant point of difference: I believe that should be a local choice. It should be the local leaders and local public deciding what powers they want. I must say that I think the bulk will want something towards the upper end, because they will understand that decisions will be made better locally and that they will have a better understanding than the centre about what they want for their communities and how to get it. The Government's approach—the approach of the past 12 years—is to pick and choose, depending on the qualifications, or otherwise, they think the local leaders have. I think that is a significant mistake.

Amendment 26 seeks to improve that. Essentially, it would prevent the Secretary of State from doing a blizzard of different side deals with different communities, based on the powers they confer on a CCA by saying that, if they confer a certain power on the CCA, then an identical application from another CCA must also be accepted. That is saying that, if new ceilings are set, then everyone should have access to that. As I said, that will not result in perfect symmetry—anything but—that is not the intention of the amendment. However, it will mean that all communities have access to the same powers.

I am interested in what the Minister says to that and will listen carefully. If, in practice, the way in which the amendment is worded does not deliver that effect but, in the Minister's view, there is a better way of doing it, then I would accept that heartily—it is the substance, rather than the amendment itself, that means something to me. However, it is a very important point.

This is the moment, on county combined authorities, to say that we are going to break free from this individual deal-by-deal way of devolution, and say that we just think the powers are better exercised locally—we should be explicit about that because it is a good thing to say—and that in doing so, everybody gets access to them, not just the ones that are deemed to be good enough. I think that would be a significant step forward for this legislation.

Tim Farron: I think this is where we get to find out who devolution is for. Is it for the benefit of Whitehall or communities? I have no desire to see—in fact, I have a revulsion to the idea—contrived symmetry from the centre. I am very happy for there to be asymmetrical devolution, so long as that is the choice of the people within those communities. This is where we get the opportunity to see whether this grassroots taking back control from the centre or the centre, in a rather patronising way, throwing a few crumbs to the local community.

People living in Cornwall, Northumberland, Devon and Cumbria have the same rights and the same expectations about the quality of services as people in Manchester, the west midlands and London—no more, but definitely no less. It would therefore seem very wrong if services and powers that are devolved to London and Greater Manchester are not devolved to Cumbria, or at least are not offered to it so that the community can choose whether to take them.

This is about not just the powers that should be devolved, but the preconditions that the Government choose to impose. Obviously, we are talking about Mayors, or Mayors by any other name. I have absolutely no problem with communities that want a Mayor having one as part of their devolution deal, but I have an enormous problem with the Government saying, "You can have these powers, but only if you have the form of local government that we tell you to have." That is not devolution. It is certainly not what people in my part of the far north-west of England want, and I suspect it is not what people want in other parts of the country. This is an opportunity for the Government to declare that devolution is for the people and not for their own convenience.

Rachael Maskell: I wholly concur with the previous two speeches on amendment 26. We have to think about the people in our communities, and if we ask any of them who currently does what in governance terms—

[Rachael Maskell]

whether it is Parliament or local councils—they will often struggle to identify exactly where those powers rest. When we introduce another tier of government, people need clarity about it. Particularly if they are living on the borders of the new CCAs, they will be looking one way and saying, "Well, they have powers that we haven't got here." We have to be careful that we do not introduce confusion into our governance and accountability systems.

I therefore think that the point about having a more à la carte approach is right, as devolution grows and we get used to new functions of government, so that we can see what can be achieved. If the Government dictate limitations on the ability of authorities to exercise their powers in one area, and a neighbouring authority has those extensive powers, undertaking partnerships between two CCAs could be quite challenging, and it could also limit the opportunities.

We have to look further ahead. We are in this process of development and evolution, which is fantastic, but we do not want to end up with patchwork Britain. We do not want Parliament to be left legislating over a small number of authorities because not every devolved area and CCA has those powers. We could end up with two or three CCAs without the powers that all the others have, and the national Parliament will then have to legislate over certain functions. That seems ludicrous in itself. We would not see fairness in patchwork Britain. We will talk again about the postcode lottery that we see emerging. The areas of greatest deprivation are probably those that would see the fewest powers. We have to think more strategically about how we apply that. That is why the amendment does justice to the issue. It enables the CCAs to take on these additional powers, but it does not mandate that.

It was clear from the presentations from the Mayor of the West Midlands, Andy Street, and the Mayor of West Yorkshire, Tracy Brabin, that the M10 Mayors are working incredibly closely together. They are inspiring one another to address the challenges of where they can take devolved powers, and that presents opportunities to the people they represent. That will of course be an evolving picture as more people come into the M10. I guess we are heading towards the M20, or wherever it may end—not the M25, as Members are suggesting, because it would simply go round in circles.

We need to make sure we are not seeing a denial in the differentiation of the powers that emerge. Ultimately, this is about the impact that they have on locality and local areas. It is really important that we think about where it could travel to. It clearly has implications for this place—its future and what it does—but we also want local decision making. I think there is a consensus across the House that we want decisions to be made closer to people, and if we devolve certain opportunities to some areas, the intersection of those powers can create more than the sum of their parts, which is something that really stood out from the evidence we heard. There could be a real benefit in devolving those powers, because we do not want a metro Mayor or a CCA coming back to Parliament every few years, saying, "I need more powers. We need more primary legislation looking at this issue." We want a deal that is underpinned by the flexibility to drive change, and we will see that change come about through shared practice.

3.15 pm

Ultimately, we have to think about where Parliament is going to be left at the end of the process. If a few authorities are dependent on Parliament while the rest of the authorities have those powers themselves, that will create challenges for this place. There must be a tipping point somewhere in the Minister's mind: the point at which he would move to an à la carte approach to those devolved powers or, indeed, would pass those powers on. From what the Minister has said about the Bill so far, I am not clear where that tipping point sits, so I would be interested to hear the Minister explain that.

As we work through the stages of devolution, we are dealing with different systems of politics, so there are real opportunities here, and I do not want those opportunities to be denied. Obviously, there are live negotiations around North Yorkshire and the opportunities that will present to us in York, but I do not want those opportunities to be choked off. I do not want to be looking across the Pennines at Manchester and constantly saying, "They've got it all", when we have not got those powers. Manchester is going to move ahead economically, which will have social benefits, but we will be left behind. It is important that we are afforded those opportunities, even if that means taking on those powers one by one during the process of growing our confidence. I will be interested to hear the Minister's response.

Neil O'Brien: We have had asymmetric devolution in this country since 1998, when the Labour Government introduced devolution for London, Scotland and Wales, but not the rest of the country. In 2010, when we came into power, London was the only part of England that had a devolution deal; that was great for London, but the problem was that other areas of the country were not enjoying the same advantages. It was not even the case that there was symmetry between Scotland and Wales: there were differences in the name of the legislative body—Parliament versus Assembly—and in tax-raising powers, so the revealed preference of the last Labour Government was to have asymmetric devolution. I think that was justified by the different levels of readiness.

Rachael Maskell: We are all learning on this issue, but does the Minister acknowledge that that approach has brought us a call for an English Parliament from some quarters and, from other quarters, a greater propensity to want independence? We have to be careful that we do not break up the Union, or the federation, by what is being created in this Bill, and ensure that we maintain those ties that still bind us together.

Neil O'Brien: I do not want to critique the decisions of the last Labour Government; I am merely pointing out that there was an acceptance of asymmetric devolution throughout that time, for all kinds of reasons of practicality.

The hon. Member for Nottingham North said earlier in the debate that the default should be alignment. We fundamentally do not agree with that, for reasons of localism; it is not what every local area wants. He also asked why these devolution deals are different, and mentioned two examples: the West of England not having a precept, and Cambridgeshire and Peterborough not having development corporations. The reason why those areas are different from the others is that that is what local people wanted, and it is what local leaders

would agree to. That was their choice. That is localism, and that is generally the case for most of the variations in devolution agreements. It is about what local political leaders wanted to agree to—it is fundamentally about localism.

However, that is not the only reason why devolution agreements differ between areas. I will be candid: there are things that make it possible to go further in some areas than in others. It is partly about geography; does an area's combined authority—the CCA, potentially—fit with the governance of the thing for which the area is trying to devolve powers? Is there geographic alignment, or will it take time to achieve in respect of various public services? Are local partners—perhaps the NHS, in the case of Greater Manchester's health devolution agreement—ready to work with an area? Has an area been working on it for a long time prior to the devolution agreement?

In some cases, there is a tie to whether an area has a directly elected leader. We are clear that we prefer the direct accountability and clarity that comes with the directly elected leader model, which is why the framework we have set out enables places to go further if they choose to go with that model. In some cases, in respect of things such as the functions of a police and crime commissioner, we are not legally able to devolve powers to someone who is not directly elected.

I said earlier in the debate that, fundamentally, we will not make progress and the devolution agenda will not make progress if we have to move in lockstep—if a power offered to one place has to be offered to all. To quote the great Tony Blair,

"I bear the scars on my back"

from negotiating all these devolution agreements in Whitehall. It is no small thing to get elected Ministers of the Crown to give up their powers to people in different political parties. It is the case that different places are ready to do different things, and it is important for them to do different things.

It is not the case that there is no framework—a framework is set out on page 140 of the levelling-up White Paper—but it is clear that there will be variation within that. It is a basic framework. Indeed, the White Paper includes principle three, on flexibility:

"Devolution deals will be tailored to each area"—

they will be bespoke—

"with not every area necessarily having the same powers."

It does, though, set out what may comprise a typical devolution deal at each level of the framework. It is clear from our experience that we can add to devolution deals over time, that areas will have more ideas about the things they want to pursue, that they will get ready to do new things and that we can go further over time. It is an iterative process, not a once-and-for-all deal.

The hon. Member for Westmorland and Lonsdale asked who this is for—is it for Whitehall or for the people? I put it to him that our flexible model is for the people, not for Whitehall. Tidy-minded Whitehall officials would love nothing more than to have a rigid framework in which "Each of these things must mean exactly the same. If one's got it, everyone must have it. We'll put you in a grid. Oh, the matrix is not right!" I assure the hon. Gentleman that Whitehall would love that. It would absolutely adore that—it is what Whitehall would fundamentally like. Our approach rejects that bureaucratic approach and instead gives people what they want locally and what they are ready for in an area. Doing that enables us to make iterative progress.

I am not having a go at the Opposition, but we inherited a situation in which there was no devolution in England outside London. We have been able to make progress partly because we have been able to work iteratively. If we had said in 2014, "If you are offering these new and novel powers to Greater Manchester, you must offer them to every other single place in England," we would never have got anywhere. It is as simple as that. We have to work iteratively, and by doing so we have made good progress.

Mrs Emma Lewell-Buck (South Shields) (Lab): I am a little confused. My understanding was that the amendment does not say it has to be the same everywhere. It simply says that if an area requests a power that people have elsewhere, the Secretary of State should grant that request. I think the Minister misunderstands what the amendment is about.

Neil O'Brien: I think I have directly addressed that point. I reject the Opposition statement that "The default should be alignment." I have taken on quite directly the point that it is about not just each area wanting different things but different places having different geographies that do or do not fit with different local partners. It is the case that different places do or do not have the agreement of local institutional partners and it is the case that some places are more or less ready and have further institutional maturity and, indeed, that we continue to add to that. I am not hiding or running away from the fact that part of this is about a view of what is achievable, along with, most importantly, what local places want. I am grateful to the hon. Lady for giving me the chance to take that on directly. I will not hide from the fact that that is one of the reasons for variation. My final point is that one reason why we are able to make progress is that we can move the convoy not at the speed of the slowest.

Alex Norris: This has been a really good discussion. As the hon. Member for Westmorland and Lonsdale said, the fundamental question is, "Who is this for?"—that is exactly the question posed by the amendment—and I would add, "Who decides?". At the moment, we will have devolution as long as it is what Ministers want—that is disappointing. Sadly, it is why, as the hon. Gentleman said, preconditions will be put on access to powers that do not relate to the exercise of those powers,

My hon. Friend the Member for York Central made an important point about patchwork Britain. As I have said, we are willing to live with local choice provided that it is the local choice—that is perfectly legitimate. I actually think that most communities will turn to the highest levels of power. I was perhaps too bashful to say this at the outset, but we need only set the operation of the powers against the Government's record over 12 years. I do not think many councils will be thinking, "Please let this Government keep doing more things for me because it is going so well"—those that do will be very limited in number.

Yes, there has been asymmetry. I am glad that the Minister accepts the brilliance and goodness of Tony Blair. I must correct the Minister, though: he keeps saying the "last Labour Government", but it is only the previous

[Alex Norris]

Labour Government—there is nothing final about it! *[Laughter.]* In all seriousness, this has to be about what communities want, not what Ministers want. The Minister said that for some communities, it is not the right time. Okay, but if the common ground for decisions to be made locally is the alignment of public services—that point was well made—could geographies that do not match naturally be converged if that is what local people want? I would support that, but it would take time. Provision should be included to allow them to access the powers when they want to. They should not have to rely on further regulations.

Neil O'Brien: I am grateful to the hon. Gentleman for giving way at what is probably quite an annoying time for me to intervene, but I want to highlight mission 10 of the missions that we discussed earlier. It states:

"By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement."

I think that makes it clear that our intention is for the powers and the scope of devolution to move upwards over time. That has been the direction of travel since 2014.

Alex Norris: I am grateful to the Minister for that intervention because he has made an excellent case for my amendment. That is what it would do: all communities would have access to the highest level of power. The Minister used the word "bespoke", but how does that fit? Why would we have a series of bespoke arrangements if we wanted all local communities to have access to the highest powers? Those two things do not sit together naturally.

The point I made earlier about the default position being one of alignment was in relation to the constitution of CCAs. Let us say that ten deals are done and ten sets of regulations are made. The default should be that those regulations say the same thing, unless there is a really good reason for them not to. I am not saying that for the entire settlement. As I have said, things will move over time, but access should be to the highest level of power.

This is not about moving in lockstep; I am sure that there will be different paces. I dare say that although I do not have the Minister's perspective—I do not work with local communities on this day to day—I have a lot more confidence in local communities to take the powers on more quickly. They only have to beat the Government of the day, and I have a lot of confidence in them in that respect.

Certainly, I do not disagree with what the Minister said about the White Paper, but I am not willing to rely on it in lieu of a better alternative in the Bill. I must rely on what is in the Bill, so I will press the amendment to a Division.

Question put, That the amendment be made.

The Committee divided: Ayes 6, Noes 9.

Division No. 4]

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 18 ordered to stand part of the Bill.

Clause 19

Integrated Transport Authority and Passenger Transport Executive

3.30 pm

Rachael Maskell: I beg to move amendment 50, in clause 19, page 15, line 37, at end insert—

"(2A) Regulations under subsection (1) must require that all CCAs impacted by a transfer of functions under this section collaborate on all routes that cross relevant CCA boundaries, including—

(a) any changes to routes,

(b) any changes to fares, and

(c) the formation of new routes."

This amendment would require Combined County Authorities with an Integrated Transport Authority to work collaboratively on fares and routes that cross CCA boundaries with other CCAs impacted.

There must be recognition in the legislation of the challenges relating to transport routes that cross CCA boundaries. Bus routes, for example—but this could also apply to trams—often go beyond the political boundaries that we are debating. Collaboration between authorities is crucial to achieve the inter-area connectivity that is required. Rather than having long-protracted negotiations, we should encourage collaboration; it could be transformative for bus routes, fares, services, infrastructure, and even ticketing arrangements. Certainly, devolved authorities are taking inspirational initiatives to develop their transport system. They could, however, be in proximity to a CCA that takes a different approach.

The office of the Mayor of London, which is trying to extend routes, has long pleaded on this subject. The radial routes from London do not stop at the boundary of Greater London; they cross into the suburbs. Of course, the transport systems in the suburbs can be very different. A lack of flexibility at the border could have a real impact on who is able to travel across the borders. Seamless travel will encourage more people to take public transport, and to engage in active travel.

We also need to think about where there can be smoothing across boundaries and jurisdictions on issues such as fares. There can be deals on fares. I think that we are all excited to see Andy Burnham's step forward for Manchester in his new deal on transport, how that will achieve modal shift, and draw people out of cars and on to public transport, which is absolutely necessary if we are to address the climate challenges ahead of us. Clearly, though, there will be implications for anyone who lives just over the boundary.

When it comes to transport routes, is not just what happens when a person is on a piece of infrastructure or mode of transport that matters; it is how they get there. Seamless travel is important. There will be negotiation, but will negotiation with private bus companies will be protracted? That could be what ends up happening, because

a private bus company has a profit motive. It may say, "We prefer not to run that route, because we are on a different system. We are looking at profitability, so we will not send a bus into the neighbouring CCA." A devolved authority may have objectives—on issues such as air pollution, connectivity and economic opportunity—that the neighbouring CCA does not benefit from; also, a CCA may have a model that involves a private transport provider that does not have any interest whatever in those things. The amendment considers how we achieve sound integration between the different CCAs to make sure that there is no pain at the boundaries, which is often the case.

In terms of other modes of transport, we should consider the investment in trams. In the UK we have a small prevalence of tram use compared with other European countries, but their use can be transformative in modal shift. If we see trams as the arteries of a transport system, the capillary routes that feed on to that will determine how somebody travels. Better bus connectivity at the end of a tramline is an example. In a rural CCA adjacent to a more urban-based CCA, there could be a determination that buses stop at 6 o'clock at night, whereas people want a tramline to run into the evening, because that is of benefit to people on the route. The availability of connecting buses may well have an impact on the establishment of a tramline and determine whether it is viable and value for money. Such discussions will be very important.

Such connectivity is also important to active travel. As a keen cyclist, I am excited about the Beelines network that is being developed in Manchester. That is transformative, and I want to see active travel opportunities available right across the country. For that type of travel to truly have a benefit, however, one must have good infrastructure to feed cyclists into the Beeline. That could make the difference between people jumping into their cars or engaging on those active travel routes. That choice will have an impact on the environment of, say, Manchester, should people drive into the city centre, compared with the environment of a neighbouring CCA, perhaps more rural, where there may be cleaner air, but not necessarily the same transport benefits.

We must think of the end-to-end journey. The amendment highlights that consideration, and is designed to achieve that better connectivity. That is the big challenge across our transport system. Whether we are discussing routes, fares, or future infrastructure, making those wise choices can make a real difference to personal choices about which mode of transport people select. I hope that the Minister sees the value in the amendment.

Alex Norris: I support my hon. Friend's excellent amendment. The clause could be described as a "people before boundaries" clause. My hon. Friend referred to pain at the boundaries, which is always going to be a challenge and we must draw a line somewhere. It is right that there should be an expectation that where such lines are drawn, however, there must be an understanding that they are administrative boundaries set by us, rather than the public. It is our duty to seek to do whatever we can—or in this case, the leaders of CCAs to do what they can—to ameliorate the impact of such boundaries. In this case integration would obviously be a good idea, for the very benefits that my hon. Friend has outlined. I am very keen to support the amendment.

Tim Farron: I, too, support this wise and important amendment. I am thinking again about my community in Cumbria. Many bus routes that serve the county cross boundaries including, indeed, regional boundaries, because many of Cumbria's routes are through to: Northumberland and Durham, a different region; into North Yorkshire, a different region; and to Scotland, a different nation—not necessarily a matter for this Committee, I am afraid. We are bounded on one side by the sea and then at the bottom there is Lancashire—the same region, but very likely to be in a different CCA, if that is the direction in which the Government and the community seek to move.

Bus services cross boundaries, and of course people work in different communities. People in the south end of Cumbria will look to work in Lancaster and further south. Towards the eastern end, the dales part of my community will look towards Leeds or Skipton. Further north, people will work in Carlisle and Penrith, and so on. Bus services rightly do not respect artificial boundaries, and it is important that we regulate fairly.

It is also worth bearing in mind, though, that there are far too few bus services to regulate and they are far too expensive. In a rural community like mine—in fact in most communities, urban or rural—bus services do not make much money, if they make money at all. Rather than thinking about the burden on the taxpayer of a subsidy that we might ask for, we need to consider public transport as a crucial investment in the oiling of a community, and of an economy.

As we move towards CCAs, part of the ambition that I would like them to have, as they are integrated with transport authorities, is to be able to bring more services. It seems odd that we are in a country where most local authorities are forbidden from being operators themselves. We should allow authorities to become bus operators and make their own luck, and indeed to compete properly in order to provide services to their communities.

For people living in a rural community such as mine—living off the A6, the A591, or the A590—on those arterial routes there will be a very expensive bus service. Often, there will not even be an expensive bus service; there might be one a week if people are lucky. Giving power to local communities, and putting in a provision and an expectation that they will co-ordinate, regulate and make sure that there is fairness and continuity across boundaries, should also go hand in hand with ensuring that there is sufficient investment, so that we have more buses and indeed more light rail serving our communities, particularly in rural areas that are so remote and where the distances to travel are that much greater.

Neil O'Brien: I agree with so much of what has been said by Members on the Opposition Benches. I agree about the importance of co-operation across boundaries. I have been very pleased to see the way that the West Midlands Combined Authority has improved transport even beyond its boundaries. Places that are negotiating devolution deals with us at the moment, from the south-west to the north-east, are thinking about that very actively.

I agree with what the hon. Members for Westmorland and Lonsdale and for York Central said about the importance of integration. It is one of the reasons that

[Neil O'Brien]

we have been keen to support bus franchising where people want that. I remember it being advocated to me nearly 22 years ago by the hon. Member for Blackley and Broughton (Graham Stringer), who is a former leader of Manchester City Council. He spoke about the advantages of integration through having that London-style bus franchising, which we would be able to approach in different ways through devolution.

Our approach is to achieve voluntary co-operation, rather than setting a requirement or duty to co-operate. We always try to encourage co-operation wherever we can—indeed, to the point of the hon. Member for Westmorland and Lonsdale revealing that he had encouraged it across the England-Scotland border, through the wonderful borderlands growth deal.

Rachael Maskell: Will the Minister acknowledge that many of those negotiations can take a significant amount of time, and can be not only incredibly painful when it comes to making progress, but at times quite conflictual, because there are conflicting interests at play, depending on the model of bus ownership and franchise that is operating?

Neil O'Brien: I absolutely agree. That is one reason why we are resisting the amendment—there are profound choices and it should be for local areas to make those choices.

The devolution framework absolutely recognises the importance of neighbouring authorities working together. Clearly, that is very important in CCAs being able to deliver their transport functions properly and to exercise control over local transport plans, and specifically to use these powers and controls to deliver high-quality bus services, as the hon. Member for York Central and the hon. Member for Nottingham North have said.

The amendment is unnecessary. There is already extensive collaboration between local transport authorities. Under current arrangements, there is a formal duty to co-operate, but not in the way that the amendment proposes. The current framework for local transport planning and guidance issued following the national bus strategy recently encouraged the joint development of bus service improvement plans. Examples exist in the West of England Combined Authority and North Somerset—two different areas—and also in Lancashire, with Blackburn and Darwen again working across the boundary of two top-tier local authorities. Those examples offer some further positive models of collaboration between local transport authorities in relation to planning local bus service improvements, which will include fare levels and service patterns, and all the other key issues.

We would expect CCAs to take the same collaborative approach with their neighbouring authorities, and I have to say that all the signs from the discussions we have had so far suggest that they want to take the same collaborative approach. We therefore feel that the existing mechanisms are sufficient to deliver and ensure the co-operation between authorities that we are talking about. As such, this amendment is unnecessary.

I hope that, given those assurances, the hon. Member for York Central will withdraw the amendment.

3.45 pm

Rachael Maskell: I thank hon. Members for their contributions. I think we have to recognise that we are on a journey around the devolution of our transport systems. What came across powerfully in the evidence sessions last week was how transport is the biggest issue the devolved areas are currently dealing with. Therefore, transport is the dominant economic opportunity for the future. My friend the hon. Member for Westmorland and Lonsdale made important points about integration being essential. Encouraging more services is at the heart of the issue. The more services we have, the more of a modal shift we will see.

My hon. Friend the Member for Nottingham North spoke of how this is about people before boundaries. These boundaries, which we will be debating more, do get in the way of conversations about natural people flows, which are crucial to ensuring that communities work in the most efficient and appropriate way. I am happy to withdraw my amendment, but I hope the Minister will reflect on the comments made in this debate and continue the conversation, not only through the devolution process but also with the Transport Secretary to ensure we get better connectivity across our transport system. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Alex Norris: I beg to move amendment 27, in clause 19, page 16, line 2, at end insert—

"(3A) The Secretary of State must prepare and publish an annual report setting out—

(a) any differences in integrated transport authority functions conferred on CCAs,

(b) the reasons for those differences, and

(c) the extent to which economic, social and environmental well-being factors were considered in coming to decisions to confer different powers."

This amendment would require the Secretary of State to publish an annual report explaining any differences in integrated transport authority functions conferred on CCAs.

The Chair: With this it will be convenient to discuss amendment 28, in clause 20, page 17, line 17, at end insert—

"(9A) The Secretary of State must publish an annual report setting out—

(a) any differences in highway and traffic functions conferred on CCAs,

(b) the reasons for those differences, and

(c) the extent to which economic, social and environmental well-being factors were considered in coming to decisions to confer different powers."

This amendment would require the Secretary of State to publish an annual report explaining any differences in highway and traffic functions conferred on CCAs.

Alex Norris: The amendments are about two shared interests. One is a belief that devolution and the exercise of integrated transport powers are crucial to the effective operation of county combined authorities. The second is a strong belief that all county combined authorities should have access to the same powers as those who have the greatest. Given that those points are the topics of the two previous debates, I do not think there is an awful lot to add.

The case for the importance of transport connectivity has been ably made by my hon. Friend the Member for York Central. The debate has been had on access to powers, and I do not think it needs repeating. The only thing I would say is that the amendments put a limited obligation on the Secretary of State. If we are in a situation where—the Minister says this is likely, and I would concede that—some areas would be more ready, some geographies would be more natural or the leaders would be keener to receive these powers than others, there should be some account of that publicly.

Rather than saying, "These are just the two the Government have chosen and decided are good enough to receive these powers", these amendments would mean the Secretary of State would provide another reason. That could be the geography or simply that the local leaders do not wish to receive the powers, in which case it would be a simple statement for the Secretary of State to make, but it would be an important statement and would demonstrate that the decision is being made public and is not happening behind closed doors.

Tim Farron: I will be brief. As the hon. Gentleman has said, these issues have been discussed previously. It is worth bearing in mind that some of the infrastructure—highways infrastructure in particular—might seem to be of local consideration only, but they are of national strategic importance. I am bound to pick on my own area.

Things that are under the aegis of Highways England, which are national roads, so to speak, and supported directly by the Department for Transport, are one matter. Some of the strategic road network, the layer down from that, which is looked after by local authorities, is clearly of national strategic significance. The A591 in my constituency links the motorway from junction 36 right up to Keswick and back to the north lakes. It is not part of the national strategic network belonging to the English highways agency.

That is absolutely fine, but we need to recognise that if a local authority or a collection of local authorities is going to have responsibility for such an important road—the main arterial route through the middle of the Lake district, which is the biggest visitor destination in the country after London—it needs to be adequately resourced. It may need to be resourced across more than one CCA, depending on what boundaries are considered. This is important because I want to make sure the Government are held to account for the resource that they do—or do not—provide CCAs, so that communities such as mine are not basically providing and maintaining a road for 20 million visitors on whose behalf the Government contribute nothing.

Rachael Maskell: This is an important amendment. Having served as a shadow Transport Minister, I know the importance of getting a system in place to ensure connectivity and reliability, as well as modal shift. These amendments would hold the Secretary of State to account through the requirement to set out the reasons for any inequality in the transport functions conferred on CCAs. Ultimately, the public have a right to understand the Secretary of State's thinking on such matters, particularly as it could well have an impact on them.

As we will debate further as the Bill progresses, the national development management policies will be making particular demands around transport infrastructure in our country. I am sure that will be a major area of contentious debate, but if we are looking at some authorities having the means to address their local transport system and other local authorities not having equal means, that will create even more discontent and inequality.

Ultimately, our transport system is a national system because our connectivity across the country has to connect—that might seem an obvious point. My fear is that this inequality could mean a more stop-start approach to transport planning, as opposed to the smoothing that we know the road and bus industries—and indeed the transport sector as a whole—are calling for. Accountability for any differentiation of powers is important, and that is what these amendments call for. It is also important to understand the Secretary of State's thinking about how they are putting the transport system together across our country.

I appreciate the Minister's role, but what happens in what I described earlier as the capillary routes, as opposed to arterial routes, is of equal importance, because people will not maximise the opportunity of those routes if they cannot reach them. There has to be joined-up thinking that stretches beyond the remit of the Minister, but which is crucial to the Bill.

Neil O'Brien: These amendments would require the Secretary of State to publish an annual report setting out any differences in transport, highway and traffic functions conferred on CCAs, the reasons for those differences and the extent to which economic, social and environmental wellbeing factors were considered in coming to decisions to confer different powers. The reports that the amendments seek are unnecessary as the information will already be available. The hon. Member for Nottingham North said that there should be an account, and I am happy to say that there will be.

Following a successful devolution deal negotiation, the devolution deal document and councils' proposal will set out any transport and highways roles that the CCA will have, the intended outcome and the difference these will make to the area. Whatever functions to be conferred, including any on transport and highways, will be set out in regulations, which are considered by Parliament and must be approved by Parliament before they can be made. Parliament will have an explanatory memorandum explaining which transport powers are being conferred, and why, the views of the consultees and how the conferral meets the statutory test of improving economic, social and environmental wellbeing—the exact set of issues that the Opposition are keen to hear more about.

There will be differences, as I have said, to reflect the bespoke nature of devolution deals that address the needs of an individual area, seeking to maximise local opportunities to drive levelling up. At the moment, there are no integrated transport authorities in place, but the possibility of establishing one remains. Parliament will have all of this information available through other means; this amendment would create unnecessary bureaucracy.

Alex Norris: I am happy on the basis that this information will be available to Parliament. I hope that, if it is debated, Ministers will be as candid as the Minister has been throughout today's proceedings and explain the precise reasons for any differences. That is an important part of effective scrutiny. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 19 ordered to stand part of the Bill.

Clause 20

DIRECTIONS RELATING TO HIGHWAYS AND TRAFFIC FUNCTIONS

Question proposed, That the clause stand part of the Bill.

Alex Norris: These are significant powers. We have talked about the importance of devolving highway and traffic functions to CCAs. The clause allows those powers to revert and the Secretary of State to direct. I want an assurance from the Minister that those powers would be used only in very exceptional circumstances, because I cannot believe that that ministerial lock is that necessary if we are really intending to devolve these powers.

Neil O'Brien: I should reply to that, Mr Paisley. I cannot think of any instances where these powers have been used so far. Of course, there is a scenario in which a CCA was wound up. There are some issues in a particular case in the north-east at the moment about moving from a combined authority that covers part of the area to one that covers all of the metropolitan area. It might be that there are some legal powers one needs to make that happen, which is the will of the local authorities. However, in general, it is not our intention to suck powers upwards, but to devolve them.

Question put and agreed to.

Clause 20 accordingly ordered to stand part of the Bill.

Clause 21

CONTRAVENTION OF REGULATIONS UNDER SECTION 20

Question proposed, That the clause stand part of the Bill.

Alex Norris: The clause concerns contraventions of the directions in clause 20. I know these powers have not been used and they mirror powers in the Local Democracy, Economic Development and Construction Act 2009. However, I wonder whether the Minister would understandably think that there would be some sort of arbitration before these powers were perhaps used to their fullest. Of course, finance is involved in this clause.

Neil O'Brien: I am sure there would be a lot of discussion before one came to these kind of steps, which are pretty dramatic. I am happy to discuss that further with the hon. Member for Nottingham North.

Question put and agreed to.

Clause 21 accordingly ordered to stand part of the Bill.

Clause 22

CHANGES TO BOUNDARIES OF A CCA'S AREA

Alex Norris: I beg to move amendment 31, in clause 22, page 19, line 15, at end insert—

"(14) Where the Secretary of State makes provision under subsection (1)(b) to remove a local government area from a CCA, they must publish a statement setting out how that local government area that will have access to the powers they have lost in the future."

This amendment would require the Secretary of State to explain how a local government area will in future have access to the powers they have lost as a result of removal from a CCA.

The Chair: With this it will be convenient to discuss amendment 32, in clause 23, page 19, line 35, at end insert—

"(5) Where the Secretary of State makes provision under subsection (1) to dissolve a CCA's area, they must then publish a statement setting out how the relevant local government area or areas will have access to the powers they have lost in the future."

This amendment would require the Secretary of State to explain how a local government area will in future have access to the powers they have lost as a result of the dissolution or abolition of a CCA.

Alex Norris: The amendments alter clauses 22 and 23. Clause 22 allows the Secretary of State, with the consent of the relevant local authorities in the CCA, to change a CCA's boundaries. I would not expect it to be a frequently used power or, certainly, to be used soon after Royal Assent, but given the Minister's earlier example of north and south of Tyne, I can understand that there could be a context, perhaps for a combined county authority, where something similar could happen.

Similarly, clause 23 allows for dissolution. Again, there might be a context where a CCA does not leave the husk body—I think that was how the Minister characterised it earlier. What is important, and what I am probing with these amendments, is that there will be some sense that this is not about the end of the devolution settlement for those areas and that they will not lose powers, but rather there will be a confirmation that these communities still have access to the same powers. The amendments would require the Secretary of State to provide an explanation of how those communities will still get access to those powers.

Neil O'Brien: Although we have not yet established any combined county authorities, we need to look to the future and anticipate some scenario in which an established CCA wishes to change its boundary, or a CCA needs to be abolished. If that happens, Parliament will receive a statement and an explanatory memorandum explaining the boundary change or dissolution, any conferral of powers, the views of the consultees, and how it meets the statutory tests of improving economic, social and environmental wellbeing. It will then be considered in a debate. In addition, the Secretary of State may make regulations changing the area of a CCA only if that is something that the area consents to, and a CCA cannot be abolished without the consent of a majority of its members and of the Mayor, if there is one. It cannot be imposed.

Alex Norris: I am grateful for the Minister's reply, which gives me some confidence that things will happen as we would have hoped. On that basis, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

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

4.1 pm

Adjourned till Tuesday 5 July at twenty-five minutes past Nine o'clock.

Written evidence reported to the House

LRB10 World Heritage UK
LRB11 Federation of Master Builders
LRB12 Law Society of Scotland