

# Southend-on-Sea Borough Council

Agenda  
Item No.

**10**

Report of Corporate Director for  
Place

to  
Cabinet

on  
20<sup>th</sup> January 2015

Report prepared by: Scott Dolling, Head of Economy,  
Regeneration and Tourism

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## Combined Authority / Economic Prosperity Board consultation

Place Scrutiny Committee  
Executive Councillor: Councillor Ron Woodley  
Part 1 (Public Agenda Item)

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### 1. Purpose of Report

- 1.1 The Government is consulting on proposals to use a Legislative Reform Order to give local authorities greater flexibility in forming a Combined Authority or Economic Prosperity Board. This report proposes a response to these proposals from Council and provides background on the context of Combined Authorities.

### 2. Recommendations

- 2.1 That Cabinet agree the response attached at Appendix 1.
- 2.2 That the response is submitted to Government before 26 January 2015
- 2.2.1 That Council signals its intention to work with Thurrock Council to pursue a Combined Authority for South Essex

### 3 Background

- 3.1 At full Council on 11<sup>th</sup> December 2014, it was agreed to work with Thurrock Council and other partners to put in place alternative partnership arrangements once the Thames Gateway South Essex Partnership ends on April 1<sup>st</sup> 2015.
- 3.2 Two types of economic development partnerships have been put in place recently in England: Combined Authorities (CA) and Economic Prosperity Boards (EPB). Combined Authorities, established in places like Greater Manchester, West Yorkshire and the North East are a legal structure that may be set up by two or more local authorities. They are a mechanism to promote and support economic growth and enable alignment and coordination of functions such as economic development and transport. Despite its name a Combined Authority is not merging Council services, but creating conditions to

bid for additional delegated functions from central government. The ambition would be to deliver transport and economic policy more effectively over a wider area adding value to the original establishment of TGSEP. Economic Prosperity Boards generally have similar objectives but do not have transport functions. Both CA and EPB are covered by the Local Democracy, Economic Development and Construction Act 2009.

3.3 The 2009 Act sets out a number of statutory tests that must be met before a CA or EPB can be established:

A Combined Authority is likely to improve:

- The exercise of statutory functions relating to transport in the area
- The effectiveness and efficiency of transport in the area
- The exercise of statutory functions relating to economic development and regeneration in the area; and
- Economic conditions in the area

An Economic Prosperity Board is likely to improve:

- The exercise of statutory functions relating to economic development and regeneration in the area; and
- Economic conditions in the area

3.4 Between April and June 2014, Government consulted on five proposed changes to the provisions in the 2009 Act designed to help ensure that local authorities '*place growth at the heart of all they do*'. Government is consulting again on legislative changes that are intended to ensure that local authorities are able to collaborate across functional economic areas, to maximise economic development and regeneration in their areas. The closing date for comments is 26 January 2015.

3.5 The proposals if approved and made, would amend the provisions in the Local Democracy Economic Development and Construction Act 2009 to:

- enable councils with non-contiguous boundaries to form or join combined authorities or economic prosperity boards;
- enable a county council to become a member of a combined authority with respect to a defined part of its area; and
- simplify the administrative processes involved in making constitutional, membership or funding changes to an existing combined authority or economic prosperity board.

3.6 These proposals are important for Southend-on-Sea and future partnership options across South Essex. One option is for Southend-on-Sea and Thurrock Councils to form a CA or EPB. The proposed changes to the Act would allow that, whilst the current arrangements do not. The changes would also enable part of a county council area to become part of a CA or EPB. This would enable district councils that are currently within TGSEP (Basildon, Castle Point and Rochford), along with Essex County Council, to become part of a South Essex CA or EPB.

3.7 Appendix 1 to this report proposes responses to the questions posed in the Government's consultation and therefore allows us this option which is currently excluded. Cabinet is asked to agree appendix 1 and for it to be submitted to Government and shared with partners by 26<sup>th</sup> January 2015.

#### **4. Other Options**

4.1 Other informal options will continue to be explored however this government consultation amendment, if approved, provides a nationally accepted framework for a partnership.

#### **5. Reasons for Recommendations**

5.1 The ability to enter into a formal partnership (Combined Authority) would appear to be the natural next step for the revised Thames Gateway South Essex Partnership to be formed upon. This consultation response will provide the ability to do this which is currently unavailable.

#### **6. Corporate Implications**

6.1 Contribution to Council's Vision & Corporate Priorities

6.1.1 The development of the growth agenda supports our prosperous and excellent priorities.

6.2 Financial Implications

6.2.1 There are no immediate financial implications however the advantage of a strengthened TGSEP through a formal arrangement will benefit funding bids and economies of scale in joint working.

6.3 Legal Implications

6.3.1 The implications as they arise from the Local Democracy, Economic Development and Construction Act 2009 are set out in the report. The legal implications would be fully addressed during the process of preparing the case for a Combined Authority.

6.4 People Implications

6.4.1 There are no people implications.

6.5 Property Implications

6.5.1 There are no property implications.

6.6 Consultation

6.6.1 The process has been discussed and is supported by TGSE – now chaired by Private sector and Thurrock Council.

## 6.7 Equalities and Diversity Implications

6.7.1 There are no Equality or Diversity implications.

## 6.8 Risk Assessment

6.8.1 If the consultation concludes and there is no change to legislation, there is a risk around future ability to formalise an economic partnership model for South Essex.

## 6.9 Value for Money

6.9.1 There are no value for money impacts as a result of this report.

## 6.10 Community Safety Implications

6.10.1 There are no community safety implications as a result of this report.

## 6.11 Environmental Impact

6.11.1 There are no environmental impacts as a result of this report.

## 7. Background Papers

7.1 Background to the full consultation can be found at <https://www.gov.uk/government/consultations/proposal-to-use-a-legislative-reform-order-in-forming-a-combined-authority-or-economic-prosperity-board>,

## 8. Appendices

8.1 Appendix 1 outlines the proposed response to questions raised through the consultation.