

Manchester City Council Report for Resolution

Report to: Resources and Governance Scrutiny Committee – 12 October 2017

Subject: Greater Manchester Combined Authority Governance

Report of: The City Solicitor

Summary

To provide an overview of the powers and responsibilities of the Greater Manchester Combined Authority (“GMCA”) and its Mayor and of the governance arrangements the GMCA has in place.

Recommendations

That the Committee note the contents of the report.

Wards Affected: All

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Local Democracy, Economic Development and Construction Act 2009
- Greater Manchester Combined Authority Order 2011
- Greater Manchester Combined Authority (Election of Mayor with Police and Crime Commissioner Functions) Order 2016

- Greater Manchester Combined Authority (Functions and Amendment) Order 2016
- Greater Manchester Combined Authority (Transfer of Police and Crime Commissioner Functions to the Mayor) Order 2017
- Greater Manchester Combined Authority (Fire and Rescue Functions) Order 2017
- Greater Manchester Combined Authority (Functions and Amendment) Order 2017

1.0 Introduction

1.1 The devolution of further powers from central government to the GMCA, alongside the election of a directly elected Mayor of the GMCA, has necessitated corresponding development of the GMCA's governance arrangements. The purpose of this report is to provide an overview of the powers and responsibilities of the GMCA and its Mayor and of the governance arrangements that are in place to enable the effective discharge of its functions.

2.0 Background

2.1 When the GMCA was established in April 2011 its remit was originally limited to the functions of the former Greater Manchester Integrated Transport Authority, alongside an economic development and regeneration role. Following devolution negotiations with central government significant new powers were transferred to the GMCA and its functions can now be summarised as falling within the following broad categories:

- Transport
- Economic Development, Regeneration and Housing
- Policing
- Fire and Rescue
- Health
- Waste Disposal (from April 2018)

2.2 Throughout the devolution of powers from central government to the GMCA an important principle has been that local authorities at district level should not lose any of their own powers to the GMCA. In some areas the GMCA does have concurrent functions with the constituent councils, but this does not prevent those councils from operating those functions independently.

3.0 GMCA Governance

3.1 When the GMCA was established it comprised 10 members, each appointed by one of the ten constituent councils (who also each appointed a substitute member). Since the GMCA's inception the appointed members have all been leaders (or elected mayor's) of the constituent councils.

3.2 As part of the further devolution of powers to the GMCA it was agreed that there should be an eleventh member of the GMCA, who would act as its Chair. Initially this was an Interim Mayor appointed by the GMCA and subsequently an elected Mayor chosen by the local government electorate of Greater Manchester at the 4 May 2017 mayoral election. The ten other members of the GMCA acts as the Mayor's cabinet, with each having a specific portfolio responsibility allocated to them by the Mayor. Sir Richard Leese has been appointed as the Deputy Mayor.

- 3.3 The functions of the GMCA are by default exercisable by the eleven members of the GMCA collectively (“non-Mayoral functions”). However, where specified by law certain functions are exercisable only by the mayor of the GMCA rather than the GMCA itself (“Mayoral functions”).
- 3.4 Where a matter falls to be decided by the GMCA the default position is that it shall be decided upon by a majority vote of the GMCA members present and voting on the matter at the meeting. However, there are a number of specific instances in which a different voting threshold will apply. As these arrangements are quite detailed they are set out in the Appendix to this report, in the form of an excerpt from the GMCA’s Constitution, for the reference of members of the Committee.
- 3.5 Except where it is required to take a decision itself (e.g. major strategic and financial matters) the GMCA may choose to delegate its functions to its committees and officers (including Transport for Greater Manchester (“TfGM”), which is treated as an officer for these purposes). It may also delegate its functions to joint committees or other local authorities.
- 3.6 Except where required to take a decision personally the Mayor may delegate “general Mayoral functions” (i.e. those mayoral functions that are not Police and Crime Commissioner (“PCC”) functions) to another member of the GMCA, to a committee established by the Mayor to discharge such functions (where an Order permits this), or to an officer of the GMCA (including TfGM, which is treated as an officer for these purposes).
- 3.7 In respect of Mayoral PCC functions, unless there is a requirement that the Mayor must take the decision personally, the Mayor may delegate to a Deputy Mayor for Policing and Crime or other persons as permitted by the Greater Manchester Combined Authority (Transfer of Police and Crime Commissioner Functions to the Mayor) Order 2017. Baroness Beverley Hughes has been appointed by the Mayor as Deputy Mayor for Policing and Crime. She is an officer, rather than a member, of the GMCA.
- 3.8 Further detail on the functions of the GMCA and a summary of those functions that are non-Mayoral and those that are Mayoral is contained in section 4 of this report.
- 3.9 A central aspect of the GMCA’s governance is provided for by the statutory requirement for it to have in place one or more overview and scrutiny committees. This supersedes the previous voluntary arrangements for overview and scrutiny of the GMCA’s functions. The new overview and scrutiny arrangements adopted by the GMCA include a number of notable features, including the following:
- The GMCA has chosen to establish three overview and scrutiny committees, designated as follows:
 - Corporate Issues and Reform
 - Economy, Business Growth and Skills

- Housing, Planning and Environment
 - Each committee consists of fifteen members drawn from the constituent councils, with at least one member from each.
 - The committees must be politically balanced so as to reflect as far as reasonably practicable the balance of political parties prevailing among members of the constituent councils considered as a whole.
 - The chair of each committee must be a member of a constituent council who is not a member of the same political party as the mayor.
 - The GMCA's overview and scrutiny committees have powers in relation to the GMCA broadly equivalent to those that district-level overview and scrutiny committees have in relation to their own authorities.
- 3.10 There is now also a statutory requirement for the GMCA to have an Audit Committee. This replaces the previous voluntary arrangements operated by the GMCA. The GMCA's Audit Committee comprises two co-opted independent members and four co-opted elected members of the constituent councils.
- 3.11 The GMCA has chosen to have a Standards Committee (chaired by a co-opted independent member), to deal with matters relating to member conduct and ethical standards. It has also established a Resources Committee to consider issues relating to the establishment and implementation of human resource processes and policies of the GMCA and to oversee issues relating to the effective and efficient use of ICT and property resources for the GMCA.
- 3.12 The mayor has decided to establish a Fire Committee. This is further detailed in paragraph 4.5 below.

4.0 Functions of the GMCA

- 4.1 As stated in paragraph 2.1 the functions of the GMCA fall into the following broad categories:
- Transport;
 - Economic Development, Regeneration and Housing;
 - Health;
 - Policing;
 - Fire and Rescue;
 - Waste Disposal (from April 2018).

Functions in these areas are further detailed below:

4.2 Transport functions

The Greater Manchester Combined Authority Order 2011 abolished the Greater Manchester Integrated Transport Authority and transferred its functions to the GMCA. These functions included:

- the development of policies for the promotion and encouragement of safe, integrated, efficient and economic transport to, from and within the Greater Manchester area;
- exercise of the functions required to implement those policies;
- preparation of a local transport plan (LTP) [NB: constituent councils also have a duty to carry out their functions to implement the GMCA's policies and LTP];
- the appointment of the Director-General and Board of the Passenger Transport Executive known as Transport for Greater Manchester ("TfGM");
- the formulation of policies with respect to the provision, availability and convenience of public passenger transport services for the area and ensuring that these are secured by TfGM;
- approval of creation and development of concessionary travel schemes, ticketing schemes and quality partnership schemes;
- approval of new transport schemes to be funded by the Greater Manchester Transport Fund; and
- approval of the transport budget and issue of the transport levy to constituent councils in respect of expenditure reasonably attributable to GMCA's transport functions (which is not raised by other means).

Other transport functions include:

- the power to enter into agreements with constituent councils and Highways England for the construction, improvement and maintenance of roads;
- the power to give grants to bus operators;
- under the Bus Services Act the GMCA enhanced (Mayoral) powers in relation to buses, including the power to regulate bus services through a franchising scheme; and
- certain transport functions delegated to the GMCA by the constituent councils.

4.3 Economic Development, Regeneration and Housing

The 2011 Order gave the GMCA various economic development and regeneration functions, being functions of the constituent councils to be exercised concurrently with those councils. The functions included:

- the power to promote and improve the economic, social and environmental well-being of the area;
- the promotion of tourism;
- consideration of housing needs and housing conditions in the area;

- local air quality management; and
- post-16 education and training.

The Functions Orders made pursuant to the various devolution agreements give the GMCA a range of additional economic development and regeneration functions. These new functions include:

- a duty to prepare and publish a spatial development strategy for GM;
- powers to provide, or facilitate the provision of, housing and infrastructure;
- powers to develop and regenerate land;
- powers to acquire land, compulsorily or by agreement;
- powers to designate areas of land as mayoral development areas leading to the establishment of mayoral development corporations (MDCs);
- additional powers in relation to skills, adult education and training.

4.4 Health

Subject to the Greater Manchester Combined Authority (Public Health Functions) Order 2017 being approved by Parliament, the GMCA, concurrent with the duty on constituent Councils, will have a duty to take such steps as it considers appropriate to improve the health and wellbeing of people in Greater Manchester.

Devolution will not change the position of NHS services in GM in relation to the NHS Constitution and Mandate - all of the services will remain firmly part of the National Health Service. However, the new duty will enable the GMCA to work in partnership with the constituent councils, Clinical Commissioning Groups and NHS bodies to better integrate health and social care provision across GM, improving outcomes for residents and ensuring the financial sustainability of the health and social care system within GM.

A Strategic Partnership Board, made up of representatives of the 37 partner organisations responsible for health and social care provision in Greater Manchester, is responsible for overseeing the £6bn health and social care budget.

4.5 Police, Fire and Waste Disposal functions

The functions of the Greater Manchester Police and Crime Commissioner ("PCC") transferred to the elected mayor on 8 May 2017. The statutory powers of the PCC can be delegated to the Deputy Mayor for Policing and Crime, with the exception of the duty to set a budget, the duty to prepare a Police and Crime Plan, and the appointment and removal of a Chief Constable. The Elected Mayor has responsibility for the totality of policing in Greater Manchester and is held to account by the Greater Manchester Police and Crime Panel. The GMCA's Overview and Scrutiny Committees do not scrutinise the exercise of the Mayor's PCC functions.

The functions of the Greater Manchester Fire and Rescue Authority transferred to the GMCA on 8 May 2017, with the GMCA becoming the fire and rescue authority for Greater Manchester for the purposes of the Fire and Rescue Services Act 2004, and the elected Mayor responsible for discharging the functions of the Fire Authority. Those functions, with the exception of those the Mayor must by law exercise personally, may be delegated by the Mayor to a Fire Committee consisting of 15 members with at least one representative from each of the 10 constituent councils.

The functions of the GM Waste Disposal Authority will transfer to the GMCA from 1 April 2018 and the GMWDA will be abolished on that date. Waste disposal functions will not be exercisable in respect of Wigan, which will remain its own waste disposal authority.

4.6 Mayoral and non-Mayoral functions

All functions are GMCA functions, but some functions are only exercisable by the Mayor. Functions are deemed non-Mayoral unless specified as being Mayoral in an Order or other enactment.

Mayoral functions include:

- PCC functions;
- Fire and Rescue functions;
- preparation of a spatial development strategy (subject to approval of all 10 other GMCA members);
- preparation of a Local Transport Plan and supporting policies (subject to approval of at least 7 other GMCA members);
- designation of Mayoral Development Areas (requires consent of the GMCA member(s) for the area(s) concerned);
- approval of compulsory purchase orders (requires consent of the GMCA member(s) for the area(s) concerned);
- control of “earn back” monies (£30 million per annum);
- control of housing investment fund (£300 million); and
- functions in relation to bus services under the Bus Services Act 2017.

5.0 The role of constituent councils in the governance of the GMCA

- 5.1 While individual members of the constituent councils may be members of the GMCA or sit as members of its Overview and Scrutiny Committees, its Audit Committee or the Mayor’s Fire Committee, they do so as part of the GMCA’s own governance arrangements. The constituent councils do not have a direct role.

- 5.2 It is open to an overview and scrutiny of a constituent council to consider the decisions or actions of the GMCA if:
- a) those decisions or actions affect the area of the constituent council or its inhabitants; and
 - b) the decisions or actions being considered relate to matters coming within the remit given by the constituent council to the overview and scrutiny committee concerned.
- 5.3 It should be noted that if a constituent council overview and scrutiny committee were to consider a GMCA-related matter in the manner described above the committee's powers would be limited to making reports or recommendations on the matters concerned to the constituent council or its Executive. It should also be noted that a constituent council overview and scrutiny committee would have no power to compel officers or members of the GMCA to appear before it, although it could invite them.

APPENDIX – EXCERPT FROM GMCA PROCEDURE RULES

13. Voting

- 13.1 **Subject to sub-paragraphs 13.5 to 13.11, any questions that are to be decided by the GMCA are to be decided by a majority of the Members or Substitute Members, acting in place of Members, present and voting on that question at a meeting of the GMCA.
- 13.2 **Each Member of the GMCA, or Substitute Member acting in that Member's place, is to have one vote and no Member of the GMCA or Substitute Member is to have a casting vote.
- 13.3 Whenever a vote is taken at meetings of the GMCA it shall be by a show of hands. On the requisition of any member of the GMCA, supported by two other Members who signify their support by rising in their places, and before the vote is taken, the voting on any question shall be recorded so as to show whether each Member present gave their vote for or against that question or abstained from voting.
- 13.4 **A Member of the GMCA, or Substitute Member acting in that Member's place may demand that his/her vote be recorded in the Minutes of the meeting.
- 13.5 **Questions that are to be decided by the GMCA relating to the following matters require that at least 8 Members of the GMCA, or Substitute Member(s) acting in place of Member(s), vote in favour for any vote to be carried:-
- (a) the adoption, approval, amendment, modification, revision, variation, withdrawal or revocation of a plan or strategy of the following descriptions –
 - (i) a sustainable community strategy;
 - (ii) ...
 - (iii) approving the capital programme of the GMCA and TfGM and approving new transport schemes to be funded by the Greater Manchester Transport Fund;
 - (iv) such other plans and strategies as may be determined by the GMCA from time to time;
 - (b) the preparation of a local economic assessment under section 69 of the Local Democracy, Economic Development and Construction Act 2009 (LDEDCA);
 - (c) ...
 - (d) the approval of the budget of the GMCA;
 - (e) the approval of borrowing limits, the treasury management strategy and the investment strategy;
 - (f) the setting of a transport levy;
 - (g) the acceptance of arrangements to delegate the functions or budgets of any person to the GMCA;
 - (h) the amendment of these Rules of Procedure of the GMCA;
 - (i) the approval of a transport policy developed by the Mayor under section 108 (1) (a) of the Transport Act 2000

- (j) the approval of a local transport plan prepared by the Mayor under section 108 (3) of the Transport Act 2000
 - (k) approval of the alteration or replacement of a local transport plan as proposed by the Mayor under section 109 (1) or (2) of the Transport Act 2000
- 13.6 **Questions that are to be decided by the GMCA relating to road user charging require that all 11 Members of the GMCA, or Substitute Members(s) acting in place of Member(s), vote unanimously in favour for any vote to be carried.
- 13.7 **The following plans may be amended by a vote in favour by at least 7 members (excluding the Mayor), or substitute members acting in their place, present and voting on that question at a meeting of the GMCA:-
- (a) a draft policy or draft local transport plan prepared by the Mayor under section 108 (1) (a) or (3) of the Transport Act 2000, or
 - (b) a draft alteration or replacement of the local transport plan under sections 109 (1) and (2) of the Transport Act 2000
- 13.8 **Questions relating the following functions in connection with the spatial development strategy (SDS), exercised pursuant to Part 8 of the Greater London Authority Act 1999 as applied by the GMCA Orders require a unanimous vote in favour by all members (or substitute members acting in their place), appointed by the constituent councils to be carried:-
- (a) Section 335 (preparation of draft SDS)
 - (b) Section 336 (withdrawal of proposed SDS)
 - (c) Section 337 (publication of the SDS)
 - (d) Section 341 (alteration or replacement of the SDS)
- 13.9 **Questions relating to expenditure in respect of statutory contributions payable by Constituent Councils to the Mayor under article 14 (4) (a) of the 2016 Order require at least 7 votes (excluding the Mayor) in favour by members (or substitute members acting in their place) to be carried.
- 13.10 **Questions relating to the use of “earn back” budget cannot be carried without the vote of the Mayor or the deputy mayor acting in the place of the Mayor.
- 13.11 **Any decision to veto the Mayor’s draft general budget (or revised general budget) and approve the Mayor’s draft budget incorporating the GMCA’s recommendations must be decided by a two-thirds majority of the members of the GMCA (excluding the Mayor), or substitute members acting in their place, present and voting on the question at a meeting of the GMCA.
- 13.12 ** A proposal by the Mayor to acquire land compulsorily pursuant to:-
- (a) Section 17 of the Housing Act 1985
 - (b) Section 226 of the Town and County Planning Act 1990, or

(c) Section 9 (2) of the Housing and Regeneration Act 2008,

requires the consent of all members of the GMCA (or substitute members acting in their place) whose area contains any part of the land subject to the CPO, such consent to be provided at a meeting of the GMCA.

13.13 ** A proposal by the Mayor to:-

- (a) Designate any area of land as a mayoral development area (MDA)
- (b) Alter the boundaries of an MDA so as to exclude an area of land, or
- (c) Decide that a mayoral development corporation (MDC) should be the local planning authority for the purposes set out in section 202 (2) to (4) of the Localism Act 2011,

requires the consent of all members of the GMCA (or substitute members acting in their place) whose local government area contains any part of the area to be designated or excluded or in respect of which the Mayor wishes to decide that the MDC should be the local planning authority, such consent to be provided at a meeting of the GMCA.

13.14 ** A proposal of the Mayor under paragraph 13.13 (a) may be rejected by the GMCA in accordance with the provisions of section 197 of the Localism Act 2011 as modified by the 2017 Order, but only if a motion to reject has been considered at a meeting of the GMCA and agreed to by two-thirds of the GMCA members (or substitute members acting in their place) present and voting on that motion.

13.15 **The proceedings of GMCA are not invalidated by any vacancy among its Members or Substitute Members or by any defect in the appointment or qualifications of any Member or Substitute Member.