



**Agenda Item No: 6**

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**Title:** Leeds City Region Leaders' Board

**To:** Council

**Date:** 9 January 2007

**Service Area:** Legal and Democratic Services

**Author:** Mike Rice, Head of Service – Legal and Democratic Services

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**1 Purpose of Report**

- 1.1 The purpose of the report is to enable the Council to consider and comment on the proposed agreement for the establishment of a Leeds City Region Leaders' Board.

**2 Recommendation(s)**

- 2.1 **That the Council considers the proposed Agreement, and the comments within this report, and replies accordingly to the Board's Secretariat.**

**3 Executive Summary**

- 3.1 The Leeds City Region is the area covered by five West Yorkshire districts – Bradford, Calderdale, Kirklees, Leeds and Wakefield; Craven, Harrogate, Selby and York in North Yorkshire; and Barnsley in South Yorkshire. This area has a culturally and ethnically diverse population of nearly 2.8 million of which 1.4 million are economically active; is home to over 70,000 businesses; sits astride nationally-strategic east-west and north-south transport corridors; and has a striking mix of rural and urban environments and areas of outstanding countryside.
- 3.2 As Councillors will be aware, the political Leaders of the eleven Partner Councils (which include North Yorkshire County Council who have strategic responsibilities in three of the districts) made a collective commitment some months ago to work together for the benefit of the city region and to deliver

sustainable economic growth and improved competitiveness. To that end the Partnership previously agreed a city region concordat setting out the mission to

**‘Work together differently: to develop an internationally recognised city region; to raise our economic performance; to spread prosperity across the whole of the our city region, and to promote a better quality of life for all of those who live and work here.’**

3.3 Some clarity regarding city region governance arrangements is now required to enable pursuit of the ambitions of the city region set out in the Leeds City Region Development Programme (CRDP), which includes the long-term Vision for Transport. Accordingly, the city region Leaders agreed on 11 September 2006 to develop a formal structure, a proposal for which is outlined in the attached Agreement.

3.4 The new governance proposals are set within the context of a number of key principles, namely:

- The city region agenda should focus entirely on furthering the economic competitiveness of the area, and therefore governance proposals should be constructed solely around economic matters, based on the CRDP and the long term Vision for Transport.
- Proposals should focus on identifying what needs to be done/can be done better at a city region level and should not seek to duplicate the existing roles/responsibilities of constituent authorities; proposals should also be complementary to the roles of Yorkshire Forward and the Yorkshire and Humber Assembly;
- The new partnership body should be capable of engaging effectively with Government and Regional Bodies on issues such as on Regional Funding Allocations.
- A mayoral system is not supported.

## **4 The Report**

4.1 A copy of the proposed Agreement is attached as Appendix 1, which sets out the details that have been agreed by city region Leaders. There are some outstanding points which are highlighted later in the report.

4.2 The Agreement establishes the Board and provides a framework for its operation. Detailed Standing Orders, and other documentation dealing with operational matters, will be formulated by the Board itself.

- 4.3 **Voting Arrangements**  
The Board will be constituted on a one-member-one-vote arrangement. Decisions will therefore be determined by a majority of the representatives present at any meeting.
- 4.4 **Local Authority Obligations**  
Each Partner authority will appoint the Leader to represent their authority on the Board. In the event that a Leader cannot attend a meeting of the Board, a senior Member substitute such as a Deputy Leader or Executive Member will be allowed.
- 4.5 Although the Agreement provides for the Board to discharge the function of promoting the improvement of economic wellbeing in the City Region, this will not preclude or constrain member local authorities from promoting economic wellbeing in their own areas – even where this entails the adoption of a position at variance with that of the city region.
- 4.6 **Panels**  
Whilst the Board will be empowered to appoint and delegate powers to sub-committees and officers, Leaders are of the view that all executive decision-making should reside with the Board in the first instance. Accordingly, it is likely that the Board will appoint theme-based Working Groups (to be referred to as Panels) to oversee specific city region work.
- 4.7 The Panels will be Chaired by a Member of the Board and will primarily comprise Board Members / Member representatives, although senior representatives of relevant organisations may be invited onto the Panels. The Panels will be able to establish multi-agency task groups to support them and the Board. Unlike the Board, Access to Information provisions will not apply to these Panels and Task Groups.
- 4.8 **Resources**  
Current revenue spend on City Region work is primarily related to staffing of the Secretariat; undertaking research; preparing published documents such as the CRDP, and organising events such as the national and regional launches of the CRDP. Currently, staffing costs are primarily borne by Leeds City Council, with financial and “in-kind” contributions from West Yorkshire Capacity Building, The Northern Way and a range of partner authorities.
- 4.9 It is not envisaged that additional resources will be required in the next financial year 2007/08, as ongoing arrangements can continue to be utilised. The Board will consider longer- term resource requirements, and it has been agreed that any future council contributions should be in proportion to respective population levels.
- 4.10 **Review**  
The operation of the Agreement will be reviewed by the Board after 12 months and annually thereafter.

4.11 **Support Services Authority**

Leeds City Council will be the initial Support Services Authority for the Board, continuing the existing city region support arrangements.

- 4.12 The new arrangements for the Leeds City Region Leaders' Board will take effect on 1 April 2007. The first meeting of the Board will take place on 2 April 2007.

Comments on the draft Agreement

- 4.13 I have continuing concerns about the potential impact of the draft Agreement, for SDC.

- 4.14 The relevant clauses in the draft Agreement to which Councillors are particularly referred are

- 2(a)
- 5
- 7(a)
  - (b)
  - (c)

plus the explanatory note attached at Appendix B which was circulated with the papers for the Leaders' meeting on 1 December 2006.

- 4.15 Clause 2(a) of the current draft gives the Board wider powers than set out in the draft which was agreed and submitted by the respective Councils' legal officers.

- 4.16 The current clause 2(a) provides for the Board to be

**“empowered to discharge on behalf of the Councils the function of doing anything it (my underlining) considers likely to achieve the....”**

**The draft clause 2(a) agreed by the legal officers provided for the Board to be empowered to discharge on behalf of the Councils such function as the respective Councils shall determine .....” (my underlining)**

- 4.17 The proposal is that each member authority can continue to promote the economic well-being of its own area even if this is at variance with the stance taken by the City Region Board.

This raises several concerns:

- a) Such a decision by an individual member council presupposes that it would disagree with the majority decision of the Board.**

**In that case would the Council which disagrees still have to meet its share of the costs of the Board's decision?**

- b) **The question was raised at the Legal Officers' meeting whether a budget limit should be set for the Board. This question has not yet been answered.**
- c) **It is assumed, although not yet confirmed, that the agenda and proposals for consideration by the Board will be considered by each member council before the meeting of the Board and that the respective representatives would be mandated to vote in accordance with their individual council's views on the topic.**

**This would not necessarily resolve the issue of the Board then voting, by a majority, to new expenditure and whether, then, the Council voting against would be bound to meet its share of the cost of that decision.**

**Is it feasible to write into the Board's constitution that all decisions involving expenditure must have a unanimous vote?**

- 4.18
- a) Clause 7 of the current draft Agreement provides for a council to withdraw from the Agreement.
  - b) In that event, the remaining councils determine the terms for withdrawal.
  - c) An exit strategy needs to be agreed before the Council signs up to the Agreement. The Council needs to be able to calculate the repercussions of withdrawing.

#### Other issues

- 4.19 The Board's terms of reference have yet to be promulgated. It is understood that these are currently being drafted by the member councils' policy advisors.

#### Summary

- 4.20 The Council needs to consider and comment on:
- a) Clause 2(a) of the draft Agreement the proposed powers of the Board.
  - b) The percentage contributions.
  - c) Whether there should be a budget limit on the Board's expenditure.
  - d) Whether a dissenting council should nevertheless pay its contribution to the expenditure incurred by the Board.

- e) Whether all decisions of the Board which incur expenditure should require a unanimous vote.

## **5 Financial Implications**

- 5.1 Leeds City Council is currently meeting the cost of the Secretariat for the Board meetings and it is not envisaged that additional resources will be required in 2007/08.
- 5.2 It is not yet clear however, what the longer- term resource requirements might be and this needs to be considered in the light of the comments made in the report.

## **7 Link to Corporate Plan**

7.1

## **8 How Does This Report Link to the Council's Priorities?**

8.1

## **9 Impact on Corporate Policies**

<b>9.1</b>	<b>Service Improvement</b>	<b>Impact/No Impact</b>
<b>9.2</b>	<b>Equalities</b>	<b>Impact/No Impact</b>
<b>9.3</b>	<b>Community Safety and Crime</b>	<b>Impact/No Impact</b>
<b>9.4</b>	<b>Procurement</b>	<b>Impact/No Impact</b>
<b>9.5</b>	<b>Risk Management</b>	<b>Impact/No Impact</b>
<b>9.6</b>	<b>Sustainability</b>	<b>Impact/No Impact</b>
<b>9.7</b>	<b>Value for Money</b>	<b>Impact/No Impact</b>

## **10 Background Papers**