

TEWKESBURY BOROUGH COUNCIL

Report to:	Council
Date of Meeting:	27 February 2024
Subject:	Gloucestershire City Regions Board
Report of:	Chief Executive
Head of Service/Director:	Chief Executive
Lead Member:	Leader of the Council
Number of Appendices:	Two

Executive Summary:

To consider the emerging form and function of the Gloucestershire City Regions Board (GCRB), the nature of its authority, terms of reference, membership and joint scrutiny arrangements.

Recommendation:

1. To AGREE:

- i. the establishment of the Gloucestershire City Regions Board; and**
- ii. that authority be delegated to the Chief Executive, in consultation with the Leader of the Council, to finalise and complete the Inter-Authority Agreement and other key documentation and to take all necessary steps to create the Gloucestershire City Region Board, including finalising the Terms of Reference for the Gloucestershire City Regions Board**

with those recommendations not being effective until all Gloucestershire Councils pass equivalent resolutions.

2. Upon the establishment of the Gloucestershire City Regions Board to AGREE to:

- i. delegate this Council's functions to the Gloucestershire City Regions Board as necessary for the delivery of the functions identified in the Terms of Reference at Appendix 1 to this report;**
- ii. confirm the appointment of Gloucestershire County Council as the Administering Authority; and**
- iii. appoint the Leader of the Tewkesbury Borough Council to the Gloucestershire City Regions Board as the nominated Member of the Board and to appoint a substitute Member to the Board.**

Financial Implications:

The inter-authority agreement provides for a contribution towards Gloucestershire County Council's Administering Authority role, which includes Committee administrative support together with the statutory officer responsibilities. Funding for Gloucestershire County Council's administering role is drawn from the shared business rates pool funding as part of the GCRB.

Gloucestershire County Council will act as Administering Authority in the overall management of the Board. This will involve Gloucestershire County Council's Democratic Services and its Legal team supporting the Committee formation process and ongoing Committee Secretariat function, plus additional lead officer input, including S151 and Monitoring Officer, as required, in support of the Council's role as Administering Authority.

Future resource requirements over and above these commitments will be duly considered through the Board.

Legal Implications:

Section 101(5) of the Local Government Act 1972 enables two or more local authorities to discharge any of their functions jointly and arrange for the discharge of those functions by a Joint Committee.

Section 9EB of Part A Chapter 2 of the Local Government Act 2000 Act enables the Secretary of State to make Regulations permitting arrangements under Section 101 (5) where any of the functions are the responsibility of the executive of the authority. The relevant regulations are the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012/1019.

Environmental and Sustainability Implications:

There are no specific implications in relation to the above matters in establishing the Board. However, the Board will consider such implications in making its decisions and in administering the SEDF.

Resource Implications (including impact on equalities):

Gloucestershire County Council will act as Administering Authority in the overall management of the Board. This will involve Gloucestershire County Council's Democratic Services and its Legal team supporting the Committee formation process and ongoing Committee Secretariat function, plus additional lead Officer input, including S151 and Monitoring Officer, as required, in support of the Council's role as Administering Authority.

Future resource requirements over and above these commitments will be duly considered through the Board.

Safeguarding Implications:

There are no direct safeguarding implications.

Impact on the Customer:

There are no direct implications arising from the report.

1.0 INTRODUCTION

1.1 Gloucestershire local authorities have worked jointly through membership of several Boards (Severn Vale, Rural Ambitions and Central Gloucestershire City Region) together with the Gloucestershire Economic Growth Joint Committee (GEGJC) for several years. Following a review of the joint working arrangements, Leadership Gloucestershire agreed that the three boards and the Joint Committee should be merged into a single forum under the name of Gloucestershire City Region Board serving the whole of the county. This report sets out the emerging form and function of the Gloucestershire City Regions Board, the nature of its authority, terms of reference, membership and joint scrutiny arrangements.

2.0 THE GLOUCESTERSHIRE CITY REGION BOARD

2.1 Overall Structure and Function

The overall aims of the new Board will be to develop and deliver a vision for the future growth of the economic success for the whole of the Gloucestershire economic area. The new City Region Board will also provide an opportunity to establish the City Region as a nationally defined area that is a single economic functional area. City Regions include urban and rural areas that have inter-related economic activities which have the potential for increased success through coordinated interventions which benefit the whole. Gloucestershire is a county with significant growth aspiration and ambition which integrate with and support the national and regional growth agendas.

2.2 Principles of the Gloucestershire City Region Board

2.2.1 The proposed terms of reference set out in Appendix 1 provide details of the Board's purpose, powers and administrative arrangements.

2.2.2 The following detailed matters explain the nature of the authority given to the Board which 'empowers' the Board to make binding decisions but subject to the following governance arrangements:

1. Whilst the Board's remit is as wide as possible, partner Councils will not have 'delegated' economic development or other functions to the Board.
2. Leaders will still need to operate within the authority delegated to them by their own Councils when participating at the Board's meetings. Leaders and Officers will therefore need to work with their own Councils to secure the necessary authority to facilitate the Board's decisions.
3. A partner Council will be free to undertake any economic activity it deems necessary within its own area. Notwithstanding this, it will be necessary for partner Councils to agree a protocol that they will not decide or undertake any activity which is contrary to those decisions made by the Board.
4. In order to protect the interest of partner Councils it will be necessary to agree a protocol that although the Board's decisions are by majority, the Board will not make a decision which impacts upon one Council's area, without that Council's agreement.

2.2.3 The following principles for the operation of the Gloucestershire City Region Board were developed, following consultation and engagement with Leadership Gloucestershire and all the Gloucestershire authorities:

1. The proposed membership of the Board will be through elected representatives from each of the seven Gloucestershire Local Authorities. Each member will have an equal vote at the Board.
2. The proposal is for the Chair of the Board to be a Gloucestershire County Council Cabinet Member. This supports the government's arrangements through the levelling-up agenda where the upper tier authority in a two-tier county, such as Gloucestershire, is given the lead role in negotiation of any county devolution deals. Therefore, Gloucestershire local authorities recognise the opportunity for a county deal is more about providing devolution from central government to Gloucestershire, rather than a mechanism for realigning and removing powers from an individual Gloucestershire local authority.
3. Meetings will remain in public and external attendees will be invited to present and engage in the discussion about the economy and growth in Gloucestershire.
4. The future development of the Board will be dependent on any County Deal that is negotiated and agreed with central government.
5. The Senior Officer Group comprising of nominated Senior Officers from each of the seven Gloucestershire local authorities will continue to support the work of the Board.
6. The GEGJC Scrutiny Committee will be re-constituted and reviewed to be re-focussed on having oversight of the activities of the GCRB. This will potentially include monitoring the delivery of projects that have received investment from the Strategic Economic Development Fund (SEDF) or making suggestions to the GCRB on potential areas of future investment of the fund.

2.2.4 The proposed Board's operational arrangements between the Gloucestershire Authorities will be the subject of an inter-authority agreement. The agreement will include (amongst other things):

- the establishment of the Board (as a Joint Committee)
- agreed Terms of Reference set out in Appendix 1
- the operational arrangements mentioned above
- the Board's resourcing, the role of the County Council as administering authority
- business plan formulation
- the arrangements should the Board were to widen its powers (which would require all the Gloucestershire authorities to agree such a change)
- the overall constitutional arrangements for the Board

2.3 Strategic Economic Development Fund

2.3.1 The Gloucestershire local authorities established the Business Rates Pool which enabled part of the Pool to create the Strategic Economic Development Fund (SEDF). The former GEGJC administered the fund through an approved eligibility and project approval process in November 2018.

- 2.3.2** At the GEGJC's final meeting in September 2023, Members welcomed the reported growth of the Business Rates Pool and fund. The GEGJC asked whether a more strategic approach could be taken when considering and allocating SEDF funding. The fund operated under the GEGJC on an ad hoc approach – on a first come first served basis. GEGJC noted that projects are not always strategic in nature which risks funding being allocated to projects that may not maximise economic benefit and growth to the county.
- 2.3.3** The proposal is for the Board to administer the SEDF. This will enable the Board to reconsider the approach to the allocation of bids by developing a longer vision and a portfolio approach to assessing funding bids in the pipeline. This will enable the Board to apply a more rigorous selection of projects that would deliver and add value in supporting the growth of the local economy through a more strategic approach.
- 2.3.4** The former GEGJC considered it was important to establish a new strategic process in advance of the inauguration of the City Region Board. It was suggested that this strategic approach could be lined up with the economic dashboard data and the emerging Countywide Economic Strategy.
- 2.3.5** The former Joint Committee Senior Officer Group proposed an approach to the Board's administration of the SEDF Fund as set out in Appendix 2, which will be considered at the Board's inaugural meeting.

2.4 Scrutiny Arrangements

- 2.4.1** The activities of the previous GEGJC were scrutinised by the GEGSC. Through consultation with all Gloucestershire authorities, it has been agreed that a joint scrutiny function will continue to exist to scrutinise the work of the GCRB. As before each local authority will be able to nominate a representative to that committee.
- 2.4.2** The creation of a new GCRB provides a timely opportunity to undertake an appropriate review of the GEGSC to ensure that it aligns with the future activities of the GCRB.
- 2.4.3** It is proposed that, subject to all Gloucestershire authorities agreeing to establish the GCRB, that a review of the GEGSC is undertaken and supported by the Senior Officer Group in conjunction with the Chair and members of the Scrutiny Meeting.
- 2.4.4** The review of the scrutiny function is proposed to include (not an exhaustive list):
- Scope of the Committee
 - Review of scrutiny's oversight and monitoring of SEDF Bid
 - Development of devolution and the implementation of any agreed County Deals
 - Monitoring outcomes and benefits through the implementation of the Gloucestershire Economic Strategy.
- 2.4.5** It is proposed that following this review a report is provided to the GCRB and Leadership Gloucestershire to ratify and agree the future scope and activities of the GEGSC.

3.0 OTHER OPTIONS

- 3.1** As part of the development of the GCRB, alternative options were discussed and discounted. Retaining both a GCRB and a GEGJC was deemed to create significant duplication and would not be effective. Disbanding any joint governance for Gloucestershire authorities to operate individually was also not considered as an option. Without a collective decision-making forum to invest pooled business rates funding via the SEDF and Gloucestershire Authorities would be significantly financially worse off without a joint forum in place. In addition, disbanding a joint decision-making forum and not proceeding with the GCRB would likely limit Gloucestershire's ability to proceed with and secure further devolution and county-wide powers.

4.0 CONSULTATION

- 4.1** None

5.0 ASSOCIATED RISKS

- 5.1** If the GCRB is not established there will be no mechanism to take decisions on the investment of SEDF

If the GCRB is not established, it will limit Gloucestershire's potential for future devolution.

If the GCRB is not established there will be no Gloucestershire-wide forum to support and drive and monitor the implementation of the Gloucestershire Economic Strategy.

6.0 MONITORING

- 6.1** The Gloucestershire Economic Growth Scrutiny Committee will provide overarching scrutiny of the work of the Board and the Scrutiny's overall remit will be taken forward as set out in Paragraph 2.5

7.0 RELEVANT COUNCIL PLAN PRIORITIES/COUNCIL POLICIES/STRATEGIES

- 7.1** None.

Background Papers: None

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Appendices: Appendix 1 - Terms of Reference and Constitution for the Gloucestershire City Regions Board.

Appendix 2 - Principles for the administration of the SEDF Fund