

## Chief Executives' Group – North Yorkshire and York

5 February 2015

### Report of Directors of Development and sub-regional devolution

#### **1.0 Purpose of the report**

- 1.1 To advise the Chief Executives Group of the establishment and early work of the Directors of Development Group: and specifically in relation to recent and proposed consultancy analysis undertaken on the case and appetite for the establishment of a Combined Authority arrangement within the sub-region; proposals to enhance the effectiveness of LGNYY partnership governance structures, including to enable the establishment of a Joint Committee; and the recommended preparation of a YNYER Spatial Plan.

#### **2.0 Background**

- 2.1 The Directors of Development Group (DoDs) has now met twice, firstly during late November 2014 and subsequently on 23 January. The Group has established and agreed Terms of Reference, and will meet at least 5 times per year providing support to yourselves. Chairmanship of the group will be reviewed annually, with the responsibility for coming year sitting by agreement with North Yorkshire County Council (David Bowe). The County Council is also providing a secretariat /support role during this time. Following agreement at the first meeting, the membership of the group has been widened to include the East Riding of Yorkshire Council and the Homes and Communities Agency (HCA). This better enables the group to operate effectively across the YNYER LEP area geography.
- 2.2 The focus of the group's work to date has very much been the sub-regional devolution agenda. The Group has considered the YNYER Combined Authority Analysis report recently completed by Les Newby Associates. The comments of Directors are set out below, alongside proposals for further detailed work upon which the views and guidance of the Chief Executive's Group is sought. Directors have also undertaken an initial review of the LGNYY partnership governance structures, both in terms of their current fitness for purpose but also how they might be made more effective, including to enable and support a Joint Committee arrangement across YNYER. Again, the report below sets out the findings of this review and seeks views and guidance from Chief Executives.

#### **3.0 Sub-regional devolution**

- 3.1 Directors of Development considered the YNYER Combined Authority Analysis undertaken by Les Newby Associates (copy attached) at their meeting on 23 January, although having only received copies the day before. The general view was that the study is a helpful piece of work and a good starting point. However, whilst it is clear that there remains a strong case for YNYER to be seen as a credible and justifiable Functional Economic Area, Directors noted that there did not seem to be a high level of enthusiasm expressed for establishing a Combined Authority (CA) at this time. Instead, the driving consideration seemed to be a worry about what might be lost if we fail to establish one. The issue is that the prize is

currently somewhat 'hazy' and greater clarity about the benefits and costs is needed.

- 3.2 Whilst YNYER was still felt to be a coherent Functional Economic Area, there are clearly alternative geographies across which collaborative arrangements could be established seeking devolved powers. The critical inter-relationship of York and North Yorkshire was widely recognised, although a number of local authorities have yet to fully settle on any one preferred option. For example, whilst some can see a compelling argument as to why it might be advantageous for them to be part of a West Yorkshire based CA arrangement, they have not yet seen the same compelling case from YNYER but would like to do so. In its absence they may prefer to 'look both ways', perhaps by seeking to become members of a WYCA but also being members of a Joint Committee elsewhere (eg YNYER). This would point to a need for further detailed work to be undertaken to assess the financial benefits and costs for all local authorities across YNYER of establishing, or indeed not establishing, a YNYER CA.
- 3.3 Directors also noted a distinction between devolution and governance. For example the East Riding of Yorkshire Council has suggested that much wider powers ought to be open to devolution than is currently the case, including around 'blue-light' services and health and social care. However, Directors also consider that, even in the absence of significant new devolved powers, there is much to be gained from making the best of existing (or perhaps better refined) governance arrangements. Chief amongst these could be the development of a spatial plan for the sub-region. This matter is addressed in some detail at Section 5 below.
- 3.4 Directors of Development would therefore welcome the views of Chief Executives in relation to the findings of the Les Newby Associates report (attached at Appendix 1).
- 3.5 Directors of Development would also seek the approval in principle of the Chief Executives Group for the commissioning, at an appropriate point in time to be determined, of a further piece of work in relation to the wider benefits and associated costs of establishing a YNYER CA. Directors have taken the opportunity to ask Les Newby Associates to scope out what a brief for this work should contain. However it is important to stress that the view of the Directors of Development is that should it be procured, this work would need to be undertaken by one of the major and nationally recognised firms if it is to be widely accepted as independent and credible. Chief Executives are therefore invited to consider and discuss the initial draft brief attached at Appendix 2, as well as the timing and funding issues associated with any further work.

#### **4.0 Enhancing partnership governance including for a joint committee**

- 4.1 Reference has already been made above to the review of partnership governance structures undertaken by the DoDs. The aim of this was to assess current levels of fitness for purpose, and any changes necessary to address weaknesses, but moreover to consider how a suitable structure could be developed to support a Joint Committee arrangement, especially if developed in the short term. The three structure charts attached at Appendix 3 summarise thinking.
- 4.2 The current structure involves the Housing Board and the Spatial Planning and Transport Board supporting the LGNYY Leaders together comprising the decision-making tier of the partnership. In turn these are supported by an executive tier of

officer groups headed by the Chief Executive's Group. In summary, Directors advise that:

- The housing side of the structure is generally working well. The role of the Housing Board has recently been widened to address cross-tenure delivery; membership has been widened to include housing providers including representatives of the private sector; and greater alignment with the YNYER LEP, including through collaborative working with the HCA, has been achieved. The Board is well supported by the Chief Housing Officers Group.
- The spatial planning side of the structure is not working effectively. The Spatial Planning and Transport Board meets very infrequently and, although it does provide a helpful function in relation to enabling local authorities to implement the Duty to Cooperate in plan-making, it has failed to seek to drive forward strategic planning approaches across the sub-region or to fully support the growth agenda. Moreover the Board has not been strongly supported by the Technical Officers Group which is tasked with doing so, in part due to the lack of sufficient seniority of its members. The North Yorkshire Planning Officers Group (NYPOG) clearly has a more limited geographical focus, but more importantly has no connection or requirement to report to the wider LGNYY partnership structure, and has not been required to provide leadership support to the Spatial Planning and Transport Board. Primarily NYPOG has a development management focus.
- The Economic Development Officers Group does meet but is not formally connected to the wider governance structure with no clear line of reporting upwards.

4.3 Whether or not a Joint Committee is established, the effectiveness of the LGNYY governance structure could be enhanced by (and as set out on the second structure chart of Appendix 3):

- Establishing a new Heads of Planning Group with specific terms of reference requiring it to provide leadership support to the Spatial Planning and Transport Board reporting through DoDS and Chief Executives as necessary. The Heads of Planning Group should have a strategic and spatial planning focus in order to support the wider drive towards growth. The new group would replace the existing Technical Officers Group and potentially the North Yorkshire Planning Officers Group, although there may be value in it continuing but outside of the LGNYY partnership structure.
- Revisiting the terms of reference of the Spatial Planning and Transport Board in order that economic growth is clearly established as a key driving purpose of the Board.
- Embedding the existing Economic Development Officers group and revisiting its terms of reference such that it reports through the DoDs and Chief Executives and supports both the Housing Board and Spatial Planning, Transport and Economy Board as necessary.

4.4 The final structure chart at Appendix 3 outlines a proposed structure that could support a YNYER Joint Committee, particularly should there be a wish to establish one in the short term. The proposal is based upon the existing and further refined structures described above. The proposal:

- Has clear decision-making, advisory and executive structures.
- Has clear support structures for both the YNYER Joint Committee and YNYER LEP Board.
- Has clearly focused responsibility for the YNYER Joint Committee to lead on delivery of LEP Strategic Economic Plan Objectives 4 (successful and distinctive places) and 5 (transport and connectivity); and for the LEP Board in terms of 1 (profitable small and micro businesses), 2 (food manufacturing and the bio-economy), and 3 (inspired people / skills).
- Clearly identified outputs, namely: a Housing Strategy; Transport Strategy; Spatial Plan; Skills Plan; and Business Growth Plan.
- A clear role for the Chief Executives supported by the Directors of Development at the top of the executive structure, providing strategic leadership and helping to ensure a coordinated approach at all times working across thematic areas.

4.5 Chief Executives are invited to discuss and comment upon the proposed amendments to the LGNYY partnership structure, and in particular whether and when work should commence to establish the structures necessary to support a YNYER Joint Committee.

## **5.0 Towards a YNYER spatial plan**

- 5.1 The sub-area is covered by a number of Local Plans of varying ages or at various stages of development. Since the abolition of Regional Spatial Strategies there has not been a strategic level plan looking across administrative boundaries. Indeed there is no statutory level of planning between national and local.
- 5.2 That is not to say however that there are not considerable benefits to be gained from having a non-statutory sub-regional Spatial Plan. Being non-statutory, any such plan does not require the lengthy and costly formal stages of evidence building, consultation and public examination that is required for Local Plans. Indeed the East Riding of Yorkshire Council led the preparation of a Humber Spatial Plan during the second half of last year using existing resources sitting alongside those of its partnering local authorities.
- 5.3 Directors feel that a YNYER Spatial Plan is central to our sub-region being able to move forwards coherently. It would tell a story about where we want to be; what our strengths and opportunities are both now and for the near future, as well as the priority investments that are needed to enable them. It would join-up thematic areas such as housing, transport and skills which otherwise run the danger of being addressed in relatively isolated and discreet ways. It would provide confidence to Government and potential investors that we have a vision for our area and know what we are looking for. In time it could provide a framework to shape through consensus the future direction of Local Plans, although critically it would not (and indeed could not) dictate them. Critically though, a Spatial Plan could assist the process of securing adopted Local Plans as it provides a further vehicle through which to address, and evidence, cooperation on cross-boundary strategic planning matters as required under the Duty to Cooperate.
- 5.4 If work to prepare a YNYER Spatial Plan was supported then it is suggested that this could initially be a key focus of a revitalised Spatial Planning, Transport and Economy Board to develop and maintain. However a Joint Committee or CA

arrangement would provide a more robust structure through which to progress and implement such a strategic and collaborative approach.

- 5.5 The Directors of Development therefore seek the support and commitment of Chief Executives for the preparation of a YNYER Spatial Plan, and are invited to discuss how its preparation might be resourced.

## **6.0 Decisions requested**

- 6.1 Chief Executives are requested to note the progress made in establishing the LGNYY Directors of Development Group.
- 6.2 Chief Executives are invited to discuss and comment upon the findings of the Les Newby Associates report set out at Appendix 1.
- 6.3 Chief Executives are requested to consider and discuss the initial draft brief set out at Appendix 2 for a detailed econometric and spatial study in relation to the benefits and costs of establishing a YNYER Combined Authority, as well as the timing and funding issues associated with any further work.
- 6.4 Chief Executives are invited to discuss and comment upon the proposed amendments to the LGNYY partnership structure, and in particular whether and when work should commence to establish the structures necessary to support a YNYER Joint Committee.
- 6.5 Chief Executives are requested to support the principle of the preparation of a YNYER Spatial Plan, and are invited to discuss how its preparation might be resourced.

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Appendices:

Appendix 1: York, North Yorkshire and East Riding Combined Authority Analysis 21  
January 2015

Appendix 2: Draft YNYER economic analysis and business case brief

Appendix 3: Structure charts