**APPENDIX 4**

# DRAFT SCHEME FOR ESTABLISHMENT OF COMBINED AUTHORITY

## Establishment of Authority

1. A combined authority (CA) shall be established pursuant to Section 103 of the Local Democracy, Economic Development and Construction Act 2009 ("LDEDCA"). It shall come into existence on 1 April, 2011.

## Area of Authority

2. The CA's area shall be the whole of the following ten local government areas:-

| | |
|---|---|
| Bolton | Salford |
| Bury | Stockport |
| Manchester | Tameside |
| Oldham | Trafford |
| Rochdale | Wigan |

3. The metropolitan district councils for the above local government area shall be the CA's constituent councils.

## Dissolution of Greater Manchester Integrated Transport Area

4. The Greater Manchester integrated transport area and the Greater Manchester Integrated Transport Authority (GMITA) shall be dissolved, pursuant to Section 91 of the Local Transport Act 2009 (LTA)

## Name of Authority

5. The name of the CA shall be…… *[to be determined by AGMA Executive Board])*.

## Membership of Authority

6. The CA shall consist of ten members who are elected members of the constituent councils to be appointed in accordance with paragraph 7 below.

7. Each constituent council shall appoint one of its elected members to be a member of the CA.

8. Each constituent council shall appoint another of its elected members to act as a member of the CA in the absence of the member appointed under paragraph 7.

9. A constituent council may at any time terminate the appointment of member appointed by it to the CA.

10. Where a member of the CA ceases (for whatever reason) to be a member of the constituent council which appointed them, the member shall cease to be a member of the CA, and the constituent council shall appoint a replacement as soon as possible.

11. The CA shall in each year appoint a Chair, and may appoint Vice-Chair(s), from among its members. The appointments shall be the first business transacted at the annual meeting of the CA.

12. No remuneration shall be payable by the CA to its members (other than allowances for travel and subsistence), provided always that a constituent council may, on the recommendation of an independent remuneration panel, pay a special responsibility allowance to any member appointed by it to the CA in respect of duties and responsibilities undertaken as a member of the CA.

13. References to members in paragraphs 9 – 12 shall include substitute members.

**Voting**

*14. All members of the CA shall have one vote. The Chair of the CA shall not have a second or casting vote.*

*15. Subject to the provisions of any enactment, all questions coming or arising before the CA shall be decided by a simple majority of the members of the CA present and voting. In the case of a tied vote on any motion or amendment, the motion or amendment shall be deemed to have been lost.*

*[Alternative proposals on voting arrangements have been suggested by some district councils to the effect that some or all decisions would require seven votes to be passed. These are set out in the review document as a matter for determination by AGMA Executive Board]*

**Executive Arrangements**

16. Executive arrangements shall not apply to the CA. However, the discharge of the functions of the CA will be subject to the scrutiny arrangements set out in paragraph 40.

**Transport for Greater Manchester Executive (TfGME)**

17. Greater Manchester Passenger Transport Executive (GMPTE) shall be re-named Transport for Greater Manchester Executive (TfGME) which shall be the executive body of the CA in relation to its transport functions. It shall have all the functions of the GMPTE and such

additional functions necessary for it to act as the CA's executive body in relation to any transport functions delegated to the CA by the Secretary of State or constituent councils. It would become responsible for the duties undertaken by the ITA Policy Unit, the GM Joint Transport Unit, the GMTU and GMUTC.

**Functions – Economic Development and Regeneration**

18. The functions of the CA's constituent councils set out below shall be exercisable by the CA in relation to the combined authority's area:

18.1 **Part 1 of the Local Government Act 2000**
the power to do anything which it considers likely to promote or improve the economic, social or environmental well-being of its area, including the duty in Section 4 to produce a sustainable community strategy for Greater Manchester to which the CA would need to have regard in exercising the well-being power.

18.2 **Section 69, LDEDC Act 2009**
the duty of a local authority to prepare an assessment of economic conditions in the area.

18.3 **Section 8(1), Housing Act 1985**
the duty of local housing authorities to review housing conditions in their district and the need of the district for the provision of further housing accommodation.

18.4 **Sections 82-84, Environment Act 1995**
the duty of a local authority to review the quality and likely future quality of air within the authority's area and designate air quality management areas.

18.5 **Section 142(2), Local Government Act 1972**
the power of a local authority to arrange for the publication within their area of information relating to the functions of the authority etc.

18.6 **Section 144, Local Government Act 1972**
the power of a local authority to encourage persons to visit their area, etc.

18.7 **Sections 15ZA, 15ZB, 15ZC, 17A, 17B, 17C, 18A, 514A and 560A, Education Act 1996, as inserted by Part 2 of the Apprenticeships, Skills, Children and Learning Act 2009 (ASCLA).**
the duty to secure that enough suitable education and training is provided to meet the reasonable needs of 16 – 19 year olds, 19 – 25 year olds who are subject to learning difficulty assessment, and persons who are subject to youth detention, and the duty to co-operate with LEAs exercising these duties.

19. The CA would be a local authority for the purpose of the Sustainable Communities Act 2007.

20. All the above functions would be exercised concurrently with the constituent councils, with the exception of the new duty under Section 69, LDEDC Act which would be exercised by the CA instead of the constituent councils.

21. The CA would become the "responsible authority" for the purposes of the multi-area agreement (MAA) pursuant of Part 7, LDEDC Act.

**Functions – Transport**

22. All the functions of the GMITA shall be transferred to the CA. All functions conferred or imposed on the ITA by any enactment relating to the functions of Greater Manchester Passenger Transport Executive (GMPTE) shall be exercisable by the CA in relation to its executive body (TfGME).

23. The CA shall exercise any function of the Secretary of State delegated to the CA by the order of the Secretary of State pursuant to Section 86, LTA and Section 104(1)(b), LDEDCA. Such functions shall be exercised, subject to any condition imposed by the order.

24. The following transport related functions of the constituent councils shall be delegated to and be exercisable by the CA, pursuant to Section 87, LTA and Section 104(1)(c), LDEDCA:

24.1 **Section 2, Road Traffic Reduction Act 1997**
duty of local authority to prepare, at such time(s) as Secretary of State may direct, reports containing assessment of levels of road traffic in their area and forecast of growth in those levels.

24.2 **Part V, Road Traffic Regulation Act 1984**
functions of local traffic authorities in relation to traffic signals (but not other traffic signs)

**Funding**

25. The CA as a levying body under Section 74 of the Local Government Finance Act 1988 shall have the power to issue a levy to its constituent councils in respect of the expenses and liabilities of the CA which are reasonably attributable to the exercise of its functions relating to transport. The amount to be raised by the levy shall be apportioned between the constituent councils in the same proportions as the GMITA levy was apportioned [*i.e. by reference to the total resident population at the relevant date of the area of each council as estimated by the Registrar General; the relevant date in relation to a levy for a financial year is 30th June in the financial year which commenced two years previously*.]

26. The levy shall be in ten equal instalments payable monthly by the end of the first ten months in the financial year.

27. The costs of the CA that are reasonably attributable to the exercise of its functions relating to economic development and regeneration (and any start up costs) shall be met by its constituent councils. Such costs shall be apportioned between the constituent councils in the same proportions determined in relation to the levy for transport expenses and liabilities as set out above.

**Transfer of Property, Rights and Liabilities**

28. All property, rights and liabilities of GMITA existing at the transfer date shall transfer to the CA, including rights and liabilities (if any) in relation to contracts of employment.

29. All property, rights and liabilities of the constituent councils relating to the ITA Policy Unit, the GM Joint Transport Unit, the GMTU and the GMUTC existing at the transfer date shall transfer to TfGME, including rights and liabilities (if any) in relation to contracts of employment.

30. Ownership by the constituent councils of the Commission for the New Economy Limited shall transfer to the CA.

**Joint Committee – Transport for Greater Manchester**

31 The CA and the constituent councils will enter into joint arrangements under Section 101(5) of the Local Government Act 1972, Section 20 of the Local Government Act 2000 and Regulations 4, 11 and 12 of the Local Authorities (Arrangements for Discharge of Functions) (England) Regulations 2000 for the discharge of specified transport functions which will include the establishment of a joint committee to be called the Transport for Greater Manchester Committee (TfGMC)

32. TfGMC will be supported by an operating agreement entered into by all eleven authorities and will be a joint committee of the CA. As such, all elected members appointed by the constituent councils will be voting members of TfGMC, even though they are not members of the CA.

33. TfGMC will have 33 members appointed by the constituent councils on the following basis:

| | | | | | |
|---|---|---|---|---|---|
| Bolton | - | 3 | Salford | - | 3 |
| Bury | - | 2 | Stockport | - | 4 |
| Manchester | - | 5 | Tameside | - | 3 |
| Oldham | - | 3 | Trafford | - | 3 |
| Rochdale | - | 3 | Wigan | - | 4 |

34. The principles of political balance as set out in the Local Government and Housing Act 1989 will apply to such appointments.

35. A constituent council may, on the recommendation of an independent remuneration panel, pay special responsibility allowances to members appointed by it to TfGMC in respect of duties and responsibilities undertaken as a member of TfGMC

36. The CA will arrange for the discharge by TfGMC of those transport functions inherited from GMITA. In the case of most of those functions, TfGMC will have delegated authority to act on behalf of the CA; in respect of the more strategic functions or where legally the CA is unable to delegate, TfGMC would make recommendations to the CA. The same principles will apply to those transport functions delegated to the CA by the Secretary of State (provided that the conditions of the delegation so allow), and to those transport functions delegated to the CA by the constituent councils.

37. The functions which would be referred (but not delegated) to the TfGMC would probably include making recommendations in relation to:

- the budget and transport levy
- borrowing limits
- major and strategic transport policies
- the local transport plan
- operation of Greater Manchester Transport Fund and approval of new schemes
- appointment of Director General/Chief Executive of TfGME

In relation to these functions, the recommendations of TfGMC would need to be approved by the CA.

38. The following functions of the constituent council will be delegated directly to TfGMC and not through the CA:

38.1 **Sections 16-17, Traffic Management Act 2004**
duty of local traffic authority to manage their road network with a view to securing the expeditious movement of traffic on its own roads and facilitating the same on other authorities' roads.

38.2 **Section 39, Road Traffic Act 1988**
duty of local authority to prepare and carry out programme of measures to promote road safety, including road safety studies, accident prevention schemes and provision of information and advice.

39. TfGMC will elect its own Chair and Vice Chair and will be able to establish such sub-committees as it thinks necessary for the discharging of its functions. Votes on TfGMC and its sub-committees will be decided on the same basis as with the current ITA.

## Scrutiny Arrangements

40. The constituent councils and the CA will establish a joint overview and scrutiny committee (JOSC) to exercise scrutiny functions over the CA TfGMC, TfGME and CNE. Each constituent council will appoint three of its elected members to the joint overview and scrutiny committee.

41. The JOSC will have the power to appoint sub-committees to deal with specific matters within its remit.

42. Chapter 2 of Part 1, LDEDCA (if brought into force) would apply to CA as if it were a principal local authority.

43. There should be a provision similar to that in Section 41, Local Government Act 1985 for a constituent council's representative on the CA and one of the council's representatives on TfGMC to answer questions on CA and TfGMC business at full council meetings of the constituent authorities.

## Partner Bodies

44. The Chair and Vice-Chair of TfGMC, the GM Police Authority, the GM Fire and Rescue Authority, the GM Waste Disposal Authority [and such other elected members, as the CA may determine] shall have access to all agendas and reports for meetings of the CA, enhanced attendance rights for Part B items and speaking rights at meetings.

45. A partnership board shall be established consisting of members of the CA, the Chair of TfGMC and senior members of neighbouring authorities to discuss matters of common interest.

## Review of Arrangements

46. The CA and its constituent councils will undertake a joint review of the arrangements pursuant to Section 111, LDEDCA, to be commenced, whichever is the earlier of:-

    (a) the fifth anniversary of the commencement date of the arrangements or,

    (b) immediately after notice is given by a constituent council requesting a joint review, provided that such notice is not given before the third anniversary of the commencement date.

    This commitment is without prejudice to the statutory rights of one or more individual authorities to undertake their own review at any time.