EXPLANATORY MEMORANDUM TO

THE CUMBRIA COMBINED AUTHORITY ORDER 2026

2026 No. [XXXX]

1. Introduction

1.1 This explanatory memorandum has been prepared by the Ministry of Housing, Communities and Local Government and is laid before Parliament by Command of His Majesty.

1.2 This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Declaration

2.1 Miatta Fahnbulleh, Parliamentary Under Secretary of State for Devolution, Faith and Communities at the Ministry of Housing, Communities and Local Government confirms that this Explanatory Memorandum meets the required standard.

2.2 Tim Bowden, Deputy Director for English Devolution, Oversight and Governance, at the Ministry of Housing, Communities and Local Government confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Officials at the Ministry of Housing, Communities and Local Government can be contacted with any queries regarding the instrument via NewDevoDeals@communities.gov.uk telephone: 0303 444 0000.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 This Order provides for the establishment, including governance arrangements, of the Cumbria Combined Authority ('CCA') comprising the two local authorities in Cumbria; Cumberland Council and Westmorland and Furness Council. This Order provides for a directly elected mayor for CCA, for certain functions of local and public authorities to be conferred on CCA, and for certain specified functions of CCA to be exercisable only by the mayor.

Where does the legislation extend to, and apply?

4.2 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is England and Wales.

4.3 The territorial application of this instrument (that is, where the instrument produces a practical effect) is England only.

5. Policy Context

What is being done and why?

5.1 The Government is committed to transferring power out of Westminster and into the hands of those who know their areas best. Devolution means that key decisions about transport, strategic planning and housing, adult skills and employment support, and

economic regeneration will be made locally by local leaders who understand local needs and priorities and are answerable to local voters.

5.2 In July 2024, the government invited areas without devolution arrangements to put forward proposals for how they would like to take on devolution in their area. Following the publication of the English Devolution White Paper on 16 December 2024, these areas had the opportunity to apply to join the government's Devolution Priority Programme. This Programme was aimed at providing a fast-track to creating mayoral combined authorities or combined county authorities. The local council leaders from Cumberland Council and Westmorland and Furness Council applied to join the Devolution Priority Programme to establish a mayoral combined authority over these council areas. The area of the CCA will be made up of the areas of Cumberland Council and Westmorland and Furness Council. These constituent councils have consented to the making of the Order.

5.3 Following public consultation, the Minister for Local Government and English Devolution considered that the statutory tests had been met and decided to make this Order establishing the CCA. (Further details on the consultation are given in section 7).

5.4 The purpose of the proposed Order is to establish the CCA, provide for the election of a mayor for the area. The Order confers an initial set of local and public authority functions onto CCA, anticipating that standardised set of further mayoral Combined Authority functions will be conferred onto them and their mayor via the English Devolution and Community Empowerment Bill (EDCEB) when it comes into force, subject to parliamentary approval and Royal Assent. The Order also establishes the office of the CCA mayor, with the first mayoral elections scheduled to take place on 6 May 2027.

5.5 Certain functions are to be exercisable only by the mayor, and others by CCA (which will be chaired by the mayor). This is in accordance with provisions in the Local Democracy, Economic Development and Construction Act 2009 ("the 2009 Act") which allows for the creation of Combined Authorities (CAs), for areas to agree to the establishment of a CA, the election of a mayor and for functions within the CA area to be exercised by the mayor.

What was the previous policy, how is this different?

5.6 This is the first devolution agreement for Cumbria. This Order will establish a new CA for Cumbria, led by an elected mayor. The new CA will be the first such institution over the Cumbria geography and will be the body to which functions and funding will be devolved from central government. The purpose of the Order is to establish CCA and its governance arrangements and confer some transport functions so that the CA can operate effectively as soon as it is established.

5.7 Most of the provisions of the Order will come into force on the day after the day on which the Order is made. mayoral functions will come into force the day the mayor assumes office i.e. 10 May 2027 (this date being the first Monday after the 2027 mayoral elections). The election date was amended from 2026 to 2027 at the request of the areas.

5.8 Responsibility for the vast majority of public service delivery will remain with the constituent councils, for example, social care and refuse collection. There may be a small element of service delivery taken forward at combined authority level, such as subsidised transport (e.g. local bus services that are currently subsidised by the councils).

Part 2 Establishment of the Combined Authority

5.9 Part 2 of the Regulations provides for the establishment of the Combined Authority and defines where its functions are derived from. It also modifies the CA's financial reporting requirements until the end of March 2027.

Part 3 Election of mayor

5.10 Part 3 of the Order provides for election of the mayor for the area of the CA and sets the date of the first and subsequent dates of this election. It also provides for the appointment of a political adviser.

Part 4 Transport

5.11 Part 4 of the Order gives CCA a range of powers and functions to take responsibility for local transport planning in CCA area. CCA will take on the local transport plan powers and functions currently held by the constituent councils, allowing for progressively stronger alignment between strategic spatial, economic and transport planning functions, ultimately delivering better outcomes for people and places. These powers and functions include the responsibility to develop and implement a Local Transport Plan. CCA also has powers to pay grants to constituent councils.

5.12 This Part includes transitional arrangements running to 31 March 2027 for powers to create a Local Transport Plan. During this transition period these functions will be held concurrently by CCA and the constituent councils. The transition period provides flexibility for CCA to continue exercising existing functions and services and choose the appropriate time to transfer these functions from constituent councils to the new institution, rather than having to transfer them immediately. This will enable the new institution to exercise these functions effectively in step with its development of capacity and capability. After the transition period, functions related to the Local Transport Plan and power to pay grant will be held by, and be exercisable by CCA until the mayor takes office, at which point the functions become exercisable only by the mayor under Part 5.

5.13 CCA will replace Cumberland Council and Westmorland and Furness Council within the interpretation section of The Sub-national Transport Body (Transport for the North) Regulations 2018. This will make CWCA a constituent authority for the sub-national transport body Transport for the North.

Part 5 mayoral Functions

5.14 Part 5 of the Order specifies those functions that are exercisable only by the mayor and provides that the members and officers of CCA may assist the mayor in the exercise of general functions. This Part only comes into force once the mayor has been elected.

Part 6 Funding

5.15 Part 6 provides that the constituent councils must ensure that the costs of the CCA that are reasonably attributable to the exercise of its functions are met.

5.16 Constituent councils will also be required to meet the costs of expenditure reasonably incurred by the mayor in relation to mayoral functions, where the mayor has not decided to meet those costs from other resources available to CCA. Total expenditure related to mayoral functions to be met by constituent councils must be agreed by CCA in advance, and expenditure cannot be incurred which has not been previously agreed. The mayor may also issue a precept which must be taken into account when calculating the contributions to be made by the constituent councils.

5.17 The amount payable by each constituent council to ensure the costs of the CCA and expenditure reasonably incurred by the mayor are met will be determined by apportioning costs between them in agreed proportions or, if agreement cannot be reached, in proportion of the total resident population of each constituent council.

Part 7 Additional Functions

5.18 The Order provides for the conferral of data sharing functions on CCA. These functions are exercisable concurrently with the constituent councils. This Part also details incidental provisions relating to employee pensions, general power of competence for the purpose of economic development and other operational functions.

Schedule

5.19 The Schedule sets out the constitution of CCA. It sets out the membership, voting arrangements, and payments of allowances for the members of the CA.

6. Legislative and Legal Context

How has the law changed?

6.1 Part 6 of the 2009 Act provides for the establishment of Combined Authorities for the areas of two or more local authorities in England. Combined Authorities are "bodies corporate" which may be given powers to exercise specified functions of a local authority, and powers to exercise specified functions of any other public authority.

Why was this approach taken to change the law?

6.2 This is the only possible approach to make the changes outlined.

7. Consultation

Summary of consultation outcome and methodology

7.1 Section 110(2) of the 2009 Act requires the Secretary of State to carry out a public consultation before making an order establishing a CA.

7.2 Section 110 of the 2009 Act also provides that the Secretary of State may make an Order to establish a CA only if:

- the Secretary of State considers that doing so is likely to improve the economic, social and environmental well-being of some or all of the people who live and work in the area;
- the Secretary of State considers that doing so is appropriate having regard to the need to secure effective and convenient local government; and to reflect the identities and interests of the local communities; and
- the constituent councils consent.

7.3 The Ministry of Housing, Communities and Local Government (MHCLG) ran an eight-week consultation. The consultation methods utilised by MHCLG included an online survey on the creation of the CCA, with options for participants to respond in writing, by email and post. A range of engagement activity was undertaken by MHCLG, including; an person event in Penrith, stakeholder run events attended by officials, a ministerial visit and dissemination of physical assets such as posters and flyers, to provide information on the consultation.

7.4 In total, 1,325 individuals and organisations participated in the consultation. The consultation summary was published on GOV.UK[1] on 17 July 2025.

7.5 The Secretary of State has reviewed the responses to the consultation and taken the view that the tests outlined in paragraph 7.2 have been met.[2]

8. Applicable Guidance

8.1 This Instrument does not require or implement any guidance.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because there is no impact, or a low level of impact on businesses.

Impact on businesses, charities and voluntary bodies

9.2 There is no, or no significant, impact on business, charities or voluntary bodies because this Order does not relate to legislation governing the establishment or running of businesses, charities or voluntary bodies and does not impose any requirements on these organisations.

9.3 The legislation does not impact small or micro businesses, charities and voluntary bodies.

9.4 The impact on the public sector is that conferring functions on the CCA should lead to operational efficiencies that could lead to reduced costs. The statutory tests require the Secretary of State to consider that establishing the CCA and conferring the functions onto the CCA is likely to improve the economic, social and environmental well-being of some or all of the people who live or work in the area, and the Secretary of State is required to have regard to the need to secure effective and convenient local government, and reflect the identities and interests of local communities. The Secretary of State is satisfied that these tests are met in relation to the provisions of the Order.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The approach to monitoring this legislation is the accountability system described in the English Devolution Accountability Framework[3]. This system requires local authorities to put in place mechanisms to ensure that local leaders and institutions are transparent and accountable, work closely with local businesses, seek the best value for taxpayers' money, and maintain strong ethical standards.

[1] https://www.gov.uk/government/consultations/cumbria-devolution/outcome/cumbria-devolution-consultation-response
[2] https://questions-statements.parliament.uk/written-statements/detail/2025-07-17/hcws848
[3] https://www.gov.uk/government/publications/english-devolution-accountability-framework

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 Section 105B(9) of the 2009 Act provides that, at the same time as laying a draft of a statutory instrument containing an Order under section 105A of the 2009 Act before Parliament, the Secretary of State must also lay a report explaining the effect of this Order, and why the Secretary of State considers it appropriate to make the Order. That report is published alongside this memorandum.

11.2 There are no other matters of special interest to Parliament

12. European Convention on Human Rights

12.1 Miatta Fahnbulleh, Parliamentary Under Secretary of State for Devolution, Faith and Communities, has made the following statement regarding Human Rights: "In my view the provisions of the Cumbria Combined Authority Order 2026 is compatible with the Convention rights."

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023.