EXPLANATORY MEMORANDUM TO

THE GREATER LINCOLNSHIRE COMBINED COUNTY AUTHORITY REGULATIONS 2025

2025 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 Minister McMahon, Minister of State at the Ministry of Housing, Communities and Local Government confirms that this Explanatory Memorandum meets the required standard.

2.2 Evi Bell, Deputy Director of the Governance, Reform and Democracy Unit at the Ministry of Housing, Communities and Local Government confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Matthew Brannen at the Ministry of Housing, Communities and Local Government gradsubmissions@communities.gov.uk can be contacted with any queries regarding the instrument.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 These Regulations provide for the establishment, including governance arrangements, of the Greater Lincolnshire Combined County Authority ('GLCCA') comprising of the three upper tier local authorities in Lincolnshire; Lincolnshire County Council, North Lincolnshire Council, and North East Lincolnshire Council. These Regulations provide for a directly elected mayor for the GLCCA, for certain functions of local and public authorities to be conferred on GLCCA, and for certain specified functions of GLCCA 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 has emphasised its commitment to transferring power out of Westminster and into local communities, handing power to those with local knowledge and skin in the game. As part of this, government committed to introducing an English Devolution Bill as part of the King's Speech on 17 July 2024.

5.2 On 22 November 2023, a devolution agreement was agreed between the previous government and the constituent councils.

5.3 The Greater Lincolnshire Combined County Authority Regulations 2025 implement this agreement and establishes a combined county authority (CCA) for the area. They also establish the office of the GLCCA mayor, with the first mayoral elections taking place on 1 May 2025.

5.4 The purpose of the proposed Regulations, in accordance with the agreement, is to confer transport, planning, housing and regeneration, and economic functions, which currently sit with central government and other public and local authorities, onto GLCCA. Functions on adult education, skills and training set out in the agreement – including the devolution of the adult education budget – will be conferred by future Regulations made by the Secretary of State for Education, subject to readiness conditions being met.

5.5 The Regulations confer a number of local authority and public authority functions on the GLCCA to be exercised in relation to the GLCCA area. Certain functions are to be exercisable only by the mayor, and others by the GLCCA (which is chaired by the mayor). This is in accordance with provisions in the 2023 Act which allow for the creation of CCAs, and for CCA areas to agree to the establishment of a directly elected mayor and for functions within the CCA area to be exercised by the mayor and their office.

What was the previous policy, how is this different?

5.6 This is the first devolution agreement implemented within the Greater Lincolnshire area. The purpose of the Regulations, in accordance with the agreement, is to establish GLCCA and its governance arrangements, and confer transport, planning, housing and regeneration, and economic functions onto it. The GLCCA will be made up of the local authorities of Lincolnshire County Council, North Lincolnshire Council and North East Lincolnshire Council. The Regulations also confer a number of local authority and public authority functions on the GLCCA to be exercised in relation to the GLCCA area. The constituent councils have consented to the making of the Regulations.

5.7 Further powers on adult education, skills and training – including the devolution of the adult education budget – set out in the agreement will be devolved by future Regulations, subject to readiness conditions being met to provide assurance for the administration of these functions and budget. Most of the provisions of the Regulations will come into force on the day after the day on which the Regulations are made.

5.8 Responsibility for the vast majority of public service delivery will remain with the constituent councils. The GLCCA will mainly use the functions conferred onto it to develop and implement strategic economic policies and programmes within the GLCCA's area. There may be a small element of service delivery, such as subsidised transport.

Part 2 Establishment of the Combined Authority

5.9 Part 2 of the Regulations provides for the establishment and naming of the combined county authority, and defines generically its functions.

5.10 Schedule 1 of the Regulations outlines the constitution of the GLCCA. It sets out the membership, voting arrangements, and payments of allowances for the members of the CCA.

Part 3 Election of Mayor

5.11 Part 3 of the Regulations provides for there to be an election for the mayor for the area of the CCA and sets the date of the first and subsequent dates of this election.

Part 4 Housing Regeneration and Planning

5.12 Part 4 of the Regulations relates to the housing, regeneration and planning functions under the Housing and Regeneration Act 2008 to be conferred on the GLCCA, exercisable concurrently with the Homes and Communities Agency[1]. Powers will be exercisable only within the area of the constituent councils of the LCCA and apply to the providing of housing, regeneration of land, land acquisition and disposal. Powers are to be exercised for the purpose of: improving the quality and supply of housing; securing the regeneration of land or infrastructure; the development and or continued well-being of communities; and achieving sustainable development and good design.

5.13 Part 4 of the Regulations also confers powers on to the GLCCA under the Towns and Country Planning Act 1990 and the Housing Act 1985 for the acquisition and appropriation of land for planning and public purposes. These powers are exercisable concurrently with the GLCCA's constituent councils.

5.14 For any compulsory land acquisition to take place, the consent of the lead GLCCA member, or substitute member, representing the constituent council the land sits in will be required. Consent of the affected district council will also be required.

Part 5 Mayoral Development Corporations

5.15 Part 5 of the Regulations grants the mayor the same functions the Mayor of London has in relation to Mayoral Development Corporations (MDCs) to create, run and dissolve MDCs within GLCCA's area, subject to the modifications set out in Schedule 3 to this Order. The consent of the lead member for any constituent council whose area contains any part of the land to be designated as a Mayoral development area.

Part 6 Transport

5.16 Part 6 of the Regulations gives GLCCA a range of functions currently held by the constituent councils that will allow it to take overall responsibility for planning, delivering, maintaining and improving transport infrastructure and services in the GLCCA area. The provisions set out which functions are CCA functions, and which are mayoral. These powers and functions include; the responsibility to develop and implement a local transport plan; responsibilities relating to local transport services and ticketing; selected highways and traffic authority functions; and grant paying powers to bus operators and constituent councils. By assuming these functions and powers, GLCCA will become the local transport authority for the area, with the constituent councils remaining the local highways and traffic authority for their respective areas.

[1] In 2018, the trading name of the Homes and Communities Agency became Homes England.

5.17 With the exception of the functions set out in 5.18 and 5.20 below, all transport functions being transferred to the GLCCA in these Regulations under the Transport Act 1985 and Transport Act 2000 will be subject to a transition period ending on 31 March 2026, during which these functions will be held concurrently by the GLCCA and the constituent councils. The transition period provides flexibility for GLCCA to choose the appropriate time to transfer individual functions from constituent councils to the new institution, rather than having to transfer them immediately or all at the same time. This will enable the new institution to exercise the functions in step with its development of capacity and capability. After the transition period, these functions will be held by, and be exercisable exclusively by, GLCCA.

5.18 Lincolnshire County Council are the sole owner of Transport Connect Ltd which provides demand responsive transport and special education transport needs services for the council. To support the operations of Transport Connect Ltd, the following functions under the Transport Act 1985 will be held concurrently by the GLCCA and constituent councils:

- Those related to public transport companies (Sections 63 -79)
- Those related to grants for transport facilities and services (Section 106 and 106A). In addition, GLCCA will need the consent of constituent councils before exercising functions under Sections 106 to 106A.

5.19 GLCCA will hold the following local transport functions under part 2 of the Transport Act 2000. Holding these functions means that GLCCA will be responsible for:

- The creation and delivery of the area's local transport plan (Sections 108 to 113B). This function of the combined authority is exercisable only by the mayor
- Bus partnerships (Sections 113C to 123 and 138A to 138S) and ticketing schemes (Sections 134-138)
- Bus franchising schemes, if they are introduced (Section 123A to 123X). The power to introduce a bus franchising scheme is exercisable only by the mayor; and
- Paying grants to bus service operators (Section 154(1), Transport Act 2000) for eligible bus services operating within the GLCCA area. The power to pay grants is exercisable only by the mayor.

5.20 GLCCA will hold the functions of a licensing authority for workplace parking levy schemes (Chapters 2 and 3 of Part 3, Transport Act 2000). These functions will be held concurrently with the constituent council(s) where the function is to be exercised.

5.21 Constituent councils will remain the highway and traffic authorities for the area. The following highways and traffic authority functions in relation to the GLCCA area will be held concurrently by GLCCA and constituent councils, exercisable by GLCCA only with the consent of the constituent council(s) where the function is to be exercised:

- To enter into agreements related to works on highways (Sections 6 and 8, Highways Act 1980)
- To issue penalty charge notices in respect of moving traffic and bus lane contraventions (Part 6 of, and paragraphs 9 and 10 of Schedule 8 to, Traffic Management Act 2004)
- To operate a permit scheme designed to control the carrying out of works in the GLCCA area (Sections 33, 33A and 26, Traffic Management Act 2004). Part 3 of the 2004 Act applies in this regard with the modification set out in Schedule 4 to the Regulations.

5.22 Section 24 of the 2023 Act enables GLCCA to establish a Key Route Network of key strategic local authority roads in its area. These Regulations gives the mayor the power to direct constituent councils, who are the local highway authorities, in the exercise of their highway powers in relation to roads on a Key Route Network. The mayor must consult the relevant constituent council(s) before this power is used. GLCCA must meet the costs of a constituent council when a direction requires the council to exercise its highway powers.

5.23 GLCCA will have the power to pay grants to its constituent councils (Section 31, Local Government Act 2003). This will enable GLCCA to pay funds to constituent councils, including any local transport funding and highways maintenance funding which GLCCA receives from Government. GLCCA must have regard to the desirability of ensuring that the constituent councils have sufficient funds to facilitate the effective discharge their highways functions. GLCCA may also use this function to fund the delivery of any local transport schemes it chooses to delegate to a constituent council. This function is exercisable concurrently by the mayor and a Minister of the Crown only.

5.24 These Regulations provide that North East Lincolnshire Council and North Lincolnshire Council will be removed as members of Transport for the North. Discussions are being held about how GLCCA's view in relation to the Rail North Committee is represented and, in parallel, Lincolnshire County Council will be replaced by the GLCCA as a member of Midlands Connect.

Part 7 Mayoral Functions

5.25 This part of the Regulations specifies those functions that are exercisable only by the mayor; provides that the mayor may enter into arrangements jointly with the constituent councils and local authorities for the discharge of the general functions of GLCCA which are exercisable only by the mayor; provides that the members and officers of GLCCA may assist the mayor in the exercise of general functions; and, that for the purposes of the exercise of these general functions, the mayor may do anything that GLCCA may do.

Part 8 Funding

5.26 Under the Regulations, the constituent councils are required to meet the reasonably attributable costs of the GLCCA in the exercise of its functions, to the extent that these costs are not met by other resources. Constituent councils must also meet the costs for the expenditure reasonably incurred by the mayor. The amount payable by each constituent council will be determined by apportioning costs between them in agreed proportions or, if agreement cannot be reached, in equal proportions. The mayor must agree with the GLCCA the total expenditure on mayoral functions to be met by the constituent councils in advance of incurring such expenditure. The mayor may also issue a precept which must be taken into account when calculating the contributions to be made by the constituent councils. The cost of functions relating to transport may be met by a levy issued by the GLCCA to its constituent councils.

5.27 This part provides that the GLCCA is to have in relation to its area functions corresponding to the functions that the Greater London Authority has under the Business Rate Supplements Act 2009 to levy a "business rate supplement" to raise money for expenditure on projects that GLCCA is satisfied will promote economic development in its area. The functions are exercisable only by the mayor.

Part 9 Additional Functions

5.28 The Regulations provide that the GLCCA is given functions to prepare an assessment of the economic conditions of the area. It also confers data sharing functions on the GLCCA. These functions are exercisable concurrently with the constituent councils.

5.29 Part 9 also confers on the GLCCA the local authority general power of competence function in relation to economic development and regeneration.

5.30 This part of the Regulations also makes incidental provisions as if the GLCCA were a local authority, to give it powers under the Local Government Act 1972; for example, the power to prosecute and defend legal proceedings. The LCCA also has the power to undertake research and collect information under section 88 of the Local Government Act 1985. Section 13 of the 1989 Act (voting rights of members of certain committees) has effect for the GLCCA.

5.31 The section also provides for employees of GLCCA to be part of the pension scheme administered by North Lincolnshire Council.

Schedules

5.32 Schedules 2 to 4 make the necessary modifications to apply, or disapply legislation to the GLCCA in consequence of the provisions above.

6. Legislative and Legal Context

How has the law changed?

6.1 Section 9 of the 2023 Act provides for the establishment for a CCA for an area that is wholly within England and consists of at least one two-tier county council and another upper tier local authority, such as a unitary authority. CCAs 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. Prior to the 2023 Act coming into force, the concept of a CCA did not exist in law, and it was not possible to establish one.

6.2 Section 45 of the 2023 Act provides that, where one or more authorities wish to establish a CCA, they may prepare a proposal and submit this to the Secretary of State. Before submitting their proposal, they must conduct a public consultation on the proposal and have regard to the results of the consultation in preparing their proposal for submission to the Secretary of State. The proposal must include details of the purposes to be achieved by the establishing of the CCA.

6.3 Section 46 of the 2023 Act also provides that the Secretary of State may make regulations to establish a CCA 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;
- the Secretary of State considers that doing so will achieve the specific purposes of the CCA set out in the proposal submitted by the relevant authority or authorities;
- the constituent councils consent; and
- any consultation required has been carried out.

6.4 The Secretary of State has reviewed the responses to the consultation and taken the view that these tests have been met and that no further consultation is required.

Why was this approach taken to change the law?

6.5 This is the only possible approach to implementing both the agreement between the constituent councils making up the area and government, and subsequent proposal submitted to Secretary of State by the constituent councils following a public consultation which Secretary of State considers meets the statutory tests.

7. Consultation

Summary of consultation outcome and methodology

7.1 Section 46 (3) of the 2023 Act requires that the Secretary of State must carry out a public consultation on a proposal for a combined county authority and its functions unless the constituent councils have done so, have provided a summary of responses to the Secretary of State, and the Secretary of State deems no further consultation is necessary. In accordance with those requirements, the Secretary of State has reviewed the consultation and summary of responses provided by the constituent councils and is of the view that no further consultation is necessary. The Secretary of State is satisfied that the consultation was sufficient in terms of its length (eight weeks), and the mechanisms used (online, email, telephone and paper responses, and direct communication with stakeholders) to elicit responses from a diverse range of stakeholders across the CCA's proposed area, and is of the view that no further consultation is necessary.

7.2 The consultation methods utilised by the constituent councils included an online survey on the creation of the GLCCA, with options to cater for participants needs (e.g. translations, paper copies). Engagement events with stakeholders, including local businesses and the voluntary sector, included: 22 public roadshows held across the whole area, in accessible locations on a mix of days and times; face-to-face and online briefings held across 23 organisations and business networks; face-to-face and online meetings/briefings with 31 community groups, including seldom heard groups; and an online town/parish council forum. These events reached 360 people.

7.3 To ensure that the consultation process was robust and accessible, the constituent councils undertook an equality impact assessment to inform engagement. In total, 4,101 people participated in the consultation; this included 3,887 participating via the online platform and 214 through other channels. 64% of responses were from those living within the boundaries of Lincolnshire County Council, 20% within North Lincolnshire Council, and 16% within North East Lincolnshire Council.

7.4 On homes and communities, of the 4,010 participants who provided a response agreeing or disagreeing with the proposals relating to homes and communities, 48% of the 4,010 respondents agreed with these proposals, with 37% disagreeing. Respondents expressed support for town centre regeneration, with some expressing concern that towns across the area had been neglected. While respondents supported proposals for homes and communities, they highlighted the importance of the simultaneous development of services and infrastructure, as well as emphasising the general need for more affordable housing to reduce inequalities in housing opportunities between different socio-economic groups.

7.5 On education and training, of the 4,008 participants who provided a response agreeing or disagreeing with the proposals, 57% of resident respondents were in favour and 31% opposed. Comments expressed concerns about whether school and college

curriculums were aligned to the needs of employers, expressed approval for the increased provision of career information, advice, and guidance for adults and young people, encouraged investment into increased skills development for young people, and expressed support for affordable adult education provision and an increase to Special Educational Needs and Disability provision.

7.6 On roads, buses and transport, of the 4,017 participants who provided a response agreeing or disagreeing with the proposals, 57% were supportive, whilst 33% were opposed. Respondents called for more affordable, reliable, and expanded public transport within the area, particularly within rurally dispersed communities, expressed agreement with the proposed road improvements and maintenance, and supported a greater focus on green transport solutions.

7.7 On new jobs and business growth, of the 4,013 participants who provided a response, 53% were supportive with 32% opposed. Comments from residents and stakeholders included calls to strengthen industrial and agricultural capabilities, concerns around the impact of artificial intelligence on low and medium skilled jobs, calls for increased support for local businesses, and calls to develop all-year tourist options to boost economic activity.

7.8 On the environment, of the 4,008 participants who provided a response, 57% were supportive, whilst 31% were opposed. Respondents expressed concern that there was insufficient attention to different energy sources, called for further measures on climate change adaptation and mitigation, further conservation measures and the protection of greenfield sites for development.

7.9 A link to the consultation summary is here: https://www.nelincs.gov.uk/devolution/#consultation-results-

8. Applicable Guidance

8.1 This S.I. 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 these Regulations do 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.

9.4 The impact on the public sector is that conferring functions on the GLCCA should lead to operational efficiencies that could lead to reduced costs. The statutory tests require the Secretary of State to consider that conferring the functions onto the GLCCA 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 Regulations.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 CCAs are required under the devolution agreements reached with the government to put in place an extensive programme of evaluation, agreed with HM Treasury.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 Section 20(6) of the 2023 Act provides that, at the same time as laying a draft of a statutory instrument containing regulations under section 19(1) of the 2023 Act before Parliament, the Secretary of State must also lay a report explaining the effect of these Regulations which confer public authority functions on the CCA, and why the Secretary of State considers it appropriate to make the regulations. That report is published alongside this memorandum.

12. European Convention on Human Rights

12.1 The Minister of State at the Ministry of Housing, Communities, and Local Government, Jim McMahon, has made the following statement regarding Human Rights:

"In my view the provisions of the Greater Lincolnshire Combined County Authority Regulations 2025 are compatible with the Convention rights."

13. The Relevant European Union Acts

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 ("relevant European Union Acts").