Draft Order laid before Parliament under section 17(2) of the Legislative and Regulatory Reform Act 2006, for approval by resolution of each House of Parliament.

D R A F T S T A T U T O R Y I N S T R U M E N T S

2015 No. 0000

REGULATORY REFORM, ENGLAND

The Legislative Reform (Combined Authorities and Economic Prosperity Boards) (England) Order 2015

Made - - - - ***

Coming into force in accordance with article 1

The Secretary of State for Communities and Local Government ("the Secretary of State") makes the following Order in exercise of the powers conferred by section 1 of the Legislative and Regulatory Reform Act 2006(**a**).

For the purposes of section 3(1) of that Act, the Secretary of State considers, where relevant, that the conditions under section 3(2) are satisfied.

The Secretary of State has consulted in accordance with section 13(1) of that Act.

The Secretary of State laid a draft Order and an explanatory document before Parliament in accordance with section 14(1) of that Act.

Pursuant to section 15 of that Act, the affirmative resolution procedure (within the meaning of Part 1 of that Act) applies in relation to the making of this Order.

In accordance with section 17(2) of that Act, the draft has been approved by resolution of each House of Parliament after the expiry of the 40-day period referred to in that provision.

Citation, extent and commencement

1. This Order—

(a) may be cited as the Legislative Reform (Combined Authorities and Economic Prosperity Boards) (England) Order 2015;

(b) extends to England and Wales only; and

(c) comes into force on the day after the day on which it is made.

(**a**) 2006 c.51.

Amendments to the Local Democracy, Economic Development and Construction Act 2009

2. The Local Democracy, Economic Development and Construction Act 2009(**a**) is amended as set out in the following articles.

3.—(1) Section 88 (EPBs and their areas) is amended as follows.

(2) In subsection (1), for "meets the following conditions." substitute—

"—

(a) meets each of conditions A to E, or

(b) meets conditions A, D and E and, in the opinion of the Secretary of State, meets condition F.".

(3) After subsection (6) insert—

"(6A) Condition F is that the area is one in which the councils that would (for the purposes of section 90) be constituent councils of the proposed EPB can collaborate effectively in the exercise of statutory functions relating to economic development and regeneration, for the purpose of promoting economic growth and administrative efficiency in the area.".

4. In section 91(1) (exercise of local authority functions), after "an area" insert "all or part of which is".

5. In section 95(2) (changes to boundaries of an EPB's area), for paragraph (a) substitute—

"(a) the area to be created by the order —

(i) meets conditions A to D in section 88, or

(ii) meets conditions A and D in section 88 and, in the opinion of the Secretary of State, meets condition F in that section, and".

6. In section 98(3) (preparation and publication of a scheme: new EPB), for paragraph (c) substitute—

"(c) either—

(i) meets conditions A to C in section 88, or

(ii) meets condition A in section 88 and, in the opinion of the authorities that have undertaken the review, meets condition F in that section.".

7. In section 99 (requirements in connection with establishment of EPB), after subsection (4) insert—

"(5) In deciding whether to make an order in a case within section 88(1)(b), the Secretary of State must have regard to the likely effect of the creation of the proposed EPB on economic development or regeneration in each local government area that is next to any part of the proposed EPB area.".

8.—(1) Section 100 (review by authorities: existing EPB) is amended as follows.

(2) In subsection (1), for "one or more EPB matters." substitute—

"—

(a) a matter in relation to which an order may be made under section 95 or 96;

(b) a matter concerning the EPB that the EPB has power to determine.".

(3) Omit subsection (3).

9.—(1) Section 101 (preparation and publication of scheme: existing EPB) is amended as follows.

(**a**) 2009 c. 20.

(2) In subsection (1), for "any one or more of sections 89, 91, 92, 95 and 96" substitute "section 95 or 96".

(3) In subsection (2), omit "or powers".

10. After section 101 insert—

"101A Application in respect of change to constitution, functions or funding: existing EPB

(1) Any one or more of the authorities to whom this section applies may, in relation to an existing EPB, apply to the Secretary of State in respect of one or more EPB matters.

(2) This section applies to—

(a) the EPB;

(b) a county council whose area, or part of whose area, is within the area of the EPB;

(c) a district council whose area is within the area of the EPB.

(3) For the purposes of this section an "EPB matter" is—

(a) a matter in relation to which an order may be made under any of sections 89, 91 and 92; and

(b) a matter concerning the EPB that the EPB has power to determine.

(4) An application to the Secretary of State under subsection (1) must—

(a) be made in writing;

(b) specify how the exercise of the power to make an order under any one or more of sections 89, 91 and 92 would be likely to improve—

(i) the exercise of statutory functions relating to economic development and regeneration in the area of the EPB, or

(ii) economic conditions in the area of the EPB.

(5) An application may be made under this section only if every authority to whom this section applies consents to the making of the application.".

11.—(1) Section 102 (requirements in connection with changes to existing EPB arrangements) is amended as follows.

(2) In subsection (1), after "section 101," insert "or an application made under section 101A (as the case may be),".

(3) In subsection (2)(a), after the words " authorities mentioned in section 100(2)" insert "or section 101A(2) (as the case may be)".

(4) After subsection (3) insert—

"(4) In deciding whether to make an order under section 95 in a case within section 95(2)(a)(ii), the Secretary of State must have regard to the likely effect of the change to the EPB's area on economic development or regeneration in each local government area that is next to any part of the proposed EPB area.".

12.—(1) Section 103 (combined authorities and their areas) is amended as follows.

(2) In subsection (1), for "meets the following conditions." substitute—

"—

(a) meets each of conditions A to E, or

(b) meets conditions A, D and E and, in the opinion of the Secretary of State, meets condition F.".

(3) After subsection (6) insert—

"(6A) Condition F is that the area is one in which the councils that would (for the purposes of section 85 of the Local Transport Act 2008 as applied by section 104(2) of this Act) be constituent councils of the proposed combined authority can collaborate effectively

in the exercise of statutory functions relating to economic development, regeneration and transport, for the purpose of promoting economic growth and administrative efficiency in the area.".

13. In section 104 (constitution and functions: transport), after subsection (2) insert—

"(2A) An order under subsection (1)(c) may include provision for a function exercisable by a local authority in relation to an area all or part of which is comprised in the combined authority's area to be exercisable by the combined authority in relation to the combined authority's area.".

14. In section 106 (changes to boundaries of a combined authority's area), for subsection (2)(a) substitute—

"(a) the area to be created by the order—

(i) meets conditions A to D in section 103, or,

(ii) meets condition A and D in section 103, and, in the opinion of the Secretary of State, meets condition F in that section, and".

15. In section 109 (preparation and publication of scheme: new combined authority), for subsection (3)(c) substitute—

"(c) either—

(i) meets conditions A to C in section 103, or

(ii) meets condition A in section 103 and, in the opinion of the authorities that have undertaken the review, meets condition F in that section.".

16. In section 110 (requirements in connection with the establishment of combined authority) after subsection (4) insert—

"(5) In deciding whether to make an order in a case within section 103(1)(b), the Secretary of State must have regard to the likely effect of the creation of the proposed combined authority on economic development, regeneration or transport in each local government area that is next to any part of the proposed combined authority area.".

17.—(1) Section 111 (review by authorities: existing combined authority) is amended as follows.

(2) In subsection (1), for "one or more combined matters." substitute—

"—

(a) a matter in relation to which an order may be made under section 106 or 107;

(b) in relation to the combined authority or any executive body of the combined authority, where that body exists at the time of the review, a matter concerning the combined authority or the executive body that the combined authority has power to determine.".

(3) Omit subsection (3).

18.—(1) Section 112 (preparation and publication of scheme: existing combined authority) is amended as follows.

(2) In subsection (1), for "any one or more of sections 104 to 107" substitute "section 106 or 107".

(3) In subsection (2), omit "or powers".

19. After section 112 insert—

"112A Application for change to constitution, functions or funding: existing combined authority

(1) Any one or more of the authorities to whom this section applies may, in relation to an existing combined authority, apply to the Secretary of State in respect of one or more combined matters.

(2) This section applies to—

(a) the combined authority;

(b) a county council whose area, or part of whose area, is within the area of the combined authority;

(c) a district council whose area is within the area of the combined authority.

(3) For the purposes of this section a "combined matter" is—

(a) a matter in relation to which an order may be made under section 104 or 105;

(b) in relation to the combined authority or any executive body of the combined authority, where that body exists at the time of the review, a matter concerning the combined authority or the executive body that the combined authority has power to determine.

(4) Any application to the Secretary of State made under subsection (1) must—

(a) be made in writing;

(b) specify how the exercise of the power to make an order under section 104 or 105 would be likely to improve—

(i) the exercise of statutory functions relating to transport in the area of the combined authority,

(ii) the effectiveness and efficiency of transport in that area,

(iii) the exercise of statutory functions relating to economic development and regeneration in that area, or

(iv) economic conditions in that area.

(5) An application may be made under this section only if every authority to whom this section applies consents to the making of the application.".

20.—(1) Section 113 (requirements in connection with changes to existing combined arrangements) is amended as follows.

(2) In subsection (1), after "section 112" insert ", or an application made under section 112A (as the case may be)".

(3) In subsection (2)(a), after the words "authorities mentioned in section 111(2)" insert "or section 112A(2) (as the case may be)".

(4) After subsection (3) insert—

"(4) In deciding whether to make an order under section 106 in a case within section 106(2)(a)(ii), the Secretary of State must have regard to the likely effect of the change to the combined authority's area on economic development, regeneration or transport in each local government area that is next to any part of the proposed combined authority area.".

Signed by authority of the Secretary of State for Communities and Local Government

Name
Parliamentary Under Secretary of State
Date Department for Communities and Local Government

EXPLANATORY NOTE

(This note is not part of the Order)

The Order is made under the provisions of the Legislative and Regulatory Reform Act 2006 (c. 51) to remove burdens in the Local Democracy, Economic Development and Construction Act 2009 (c.20) ("the 2009 Act") on local authorities wishing to set up an economic prosperity board or combined authority or review the arrangements of an existing economic prosperity board or combined authority. Economic prosperity boards and combined authorities may be formed in local government areas in England.

Articles 3 and 12 enable local authorities that do not have contiguous boundaries to form economic prosperity boards and combined authorities where the Secretary of State considers that the local authorities can collaborate effectively in the exercise of the specified statutory functions.

Article 4 allows an economic prosperity board to exercise a function of a county council for a county where either all or part of the county is in the economic prosperity board's area.

Articles 5 and 14 enable economic prosperity boards and combined authorities consisting of local authorities that do not have contiguous boundaries to make changes in boundaries.

Articles 6 and 15 enable local authorities that do not have contiguous boundaries to the prepare and publish of a scheme for a new economic prosperity board or combined authority.

Articles 7 and 16 set out the criteria the Secretary of State must consider when determining whether or not local authorities that do not have contiguous boundaries may form an economic prosperity board or a combined authority.

Articles 8, 9, 11, 17, 18 and 20 amend sections 100 and 111 of the 2009 Act to remove the requirement that a combined authority must undertake a review if it wishes to make a change to the constitution and functions of a combined authority in relation to transport, economic development and regeneration. Articles 10 and 19 insert, as an alternative procedure, sections 101A and 112A to require local authorities that wish to make changes to the constitution, functions or funding to make an application directly to the Secretary of State.

Article 13 allows a county council to delegate its transport function to a combined authority where the combined authority area includes only part of the county council's area.

An impact assessment has not been produced for this instrument as no impact on the costs of business or the voluntary sector is foreseen.

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