

Public Document Pack



Dear Councillor

COUNCIL - WEDNESDAY 29 NOVEMBER, 2023

Please find attached the additional information as outlined in the agenda relating to the item below.

Agenda No	Item
7	LANCASHIRE DEVOLUTION (Pages 1 - 98)

Yours sincerely

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Director of Governance and Partnerships

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Appendix 7a: LANCASHIRE DEVOLUTION

Summary

As part of the Autumn Budget Statement on 22 November 2023, the Government announced the opportunity for a devolution deal for Lancashire and proposed the creation of a Combined County Authority for the administrative area covered by the three upper tier councils, Blackburn with Darwen Council, Blackpool Council and Lancashire County Council. The Deal Document is available here <http://www.gov.uk/government/publications/lancashire-devolution-deal>

To progress the potential devolution deal, under the Levelling-up and Regeneration Act 2023, a consultation is required on the draft Combined County Authority (CCA) Proposal ('the Proposal'). The Proposal is attached at Appendix 7b.

Following consultation, the three Councils will need to submit their final Proposal to Government, which will take account of the outcome of the consultation, and which, if appropriate, will formally propose the creation of the CCA.

Council is asked to approve the draft Proposal and agree to consult formally upon it with the residents and other stakeholders of the wider CCA area for a period of 8 weeks commencing on 1 December 2023.

It is anticipated that a further meeting of each of the three Councils in March 2024 will consider the results of the consultation and agree whether or not to formally submit the final Proposal to Government.

All three Councils are considering the same report and recommendations at respective Full Council meetings at the end of November 2023.

Briefings from the Chief Executive and Director of Strategy / Assistant Chief Executive have been arranged separately with the two political groups in advance of the November Council meeting to provide members with an overview of the proposals and considerations for Blackpool.

Recommendations

That Council be asked to agree:

- i. to note the Deal Document as announced by the Government, linked here <http://www.gov.uk/government/publications/lancashire-devolution-deal>
- ii. the draft Proposal attached at Appendix 7b to this report to create a Lancashire Combined County Authority (CCA) for the administrative areas of Blackburn with Darwen, Blackpool and Lancashire
- iii. a formal consultation on the draft Proposal with the residents and other stakeholders of the wider CCA area, in a partnership between Blackburn with Darwen Council, Blackpool Council and Lancashire County Council
- iv. the approach to the consultation as set out in the Proposal document
- v. to delegate authority to the Chief Executive to approve any minor amendments to the draft Proposal or consultation arrangements. This delegation is to be exercised in consultation with the Leader of the Council and is conditional upon such amendments being agreed by all three upper tier Councils
- vi. the draft Equality Impact Assessment at Appendix 7c

- vii. to receive and consider the results of the consultation and whether to formally submit a final Proposal document to Government at a meeting of Full Council in March 2024 and
- viii. to agree to cancel the ordinary meeting of the Council scheduled for 27 March 2024 and instead hold a special meeting of the Council on 14 March 2024 at 6pm.

Background

In February 2022, the Government published its White Paper on Levelling Up, a significant set of proposals which sought to address geographical disparities in funding, productivity and growth across England.

The resulting legislation, the Levelling-up and Regeneration Act 2023, allows for the creation of new Combined County Authorities (CCAs) that require the agreement of upper-tier Local Authorities in the area.

Securing a devolution deal has been a long-standing ambition for Leaders across Lancashire to address years of historically low investment in the area whilst providing a platform for accelerated growth.

Following the publication of the White Paper, the three upper tier Councils agreed to cooperate at pace on the creation of a new devolution deal that would cover the Lancashire area by establishing a CCA. The Leaders of the three Councils have overseen extensive negotiations between officers and Government officials to agree the basis of a proposed devolution deal. The Deal document sets out the basis for the deal, including the key powers to be devolved, main objectives of the proposed CCA and the governance principles.

The Deal document has been further developed into a Proposal document, attached at Appendix 7b. This Proposal document will be subject to an extensive consultation process across the area in accordance with the statutory requirements. The full consultation arrangements, setting out how the Councils will seek the views of the public and stakeholders are set out in the Proposal document.

The Combined County Authority

The main elements of the Proposal (if approved) are as follows:

- Lancashire County Council, Blackburn with Darwen Council and Blackpool Council will form a Combined County Authority, to provide overall vision and leadership, seek the best value for taxpayer's money, and be accountable to local residents.
- The arrangements will include the integration of the relevant functions of the Lancashire Local Enterprise Partnership (LEP) into the CCA, ensuring that there continues to be a strong and independent local business voice in the form of a Lancashire Business Board which informs local decision making and strategic economic planning. In absorbing the role and functions of the Growth Lancashire Company, LEP Growth and Skills and Employment Hubs, LEP Investment Team, and destination management/visitor economy, the Lancashire CCA will deliver a number of functions on behalf of the central government departments.
- The CCA will have new powers to better shape local skills provision to ensure these meet the needs of the local economy. This will include devolution of adult education functions and the core Adult Education Budget, and the opportunity to further refine the Local Skills Improvement Plan.
- There will also be new powers to improve and better integrate local transport, including the ability to develop the Bus Service Improvement Plan (BSIP) partnership and strengthen co-ordination of local transport functions.

- Subject to funding, policy and delivery considerations at the next Spending Review, Government's expectation is that delivery responsibility for the UK Shared Prosperity Fund (UKSPF), a flexible funding pot, will be aligned with devolution deal responsibilities. This would mean that the proposed CCA could have such responsibilities from 2025/26. In carrying out this role, the proposed CCA and the constituent councils will work closely with the Lancashire District Leaders Forum in an advisory capacity. Delivery of these functions will build on existing district-led delivery arrangements for UKSPF and align with the Lancashire 2050 strategy, as agreed by all Local Authorities in Lancashire, to ensure that the needs of residents can be effectively addressed.
- The CCA will have the ability to exercise compulsory purchase powers to help drive the regeneration of the area and to build more affordable homes, subject to the agreement of the Constituent Council and the Local Planning Authority where the relevant land is located.
- The area will receive up to £20 million capital funding in the current Spending Review period to support innovation led growth (including assets to maximise the benefits of National Cyber Force) and net zero ambitions across Lancashire. This investment is subject to agreement of the relevant business cases.
- The CCA will strengthen the local visitor economy, reinforcing Lancashire's attractive and vibrant cultural and creative sector through the formation of a Local Visitor Economy Partnership to help further develop the region's visitor economy. It will also deliver innovation-led growth, including working with Government to capitalise on Lancashire's economic potential in growing the Energy and Low Carbon sector.

Additional funding for Lancashire

The Deal includes up to £20 million capital funding in the current Spending Review period to support innovation led growth and net zero ambitions across Lancashire. This investment is subject to agreement of the relevant business cases. The portfolio of capital regeneration projects will drive growth and levelling up across Lancashire and includes:

- Assets to maximise the benefits of the National Cyber Force and a proposed Innovation Hub in Lancashire
- Blackburn Tech Innovation Quarter (TIQ)
- Silicon Sands, Low Carbon Data Centre Demonstrator, Blackpool Airport Enterprise Zone
- Cosy Homes in Lancashire (CHiL) - additional capital investment for extending an existing domestic retrofit scheme

The recent Network North announcement also suggests that:

- The proposed CCA will receive a proportion of the £2.5 billion announced as part of Network North to transform local transport in areas in the North outside of the big city regions.
- The proposed CCA will receive a proportion of the £770 million of funding for Bus Service Improvement Plans in the North.
- The proposed CCA will receive a proportion of the £3.3 billion funding to fix potholes in the North.

How the CCA will work

A Combined County Authority is a way for the three upper tier Authorities in Lancashire to work more closely together, and to receive devolved powers from the Government. It is not an additional tier of

local government; it is a way for existing locally elected representatives to have more say over decisions that affect the area. In order to deliver this, the proposed arrangements are outlined below.

The CCA Board will be made up of up to 8 members:

- Four elected members, consisting of a lead/executive member for each constituent council and one further member appointed by Lancashire County Council.
- Two non-constituent members, who will be nominated by the district and borough councils to represent the interests of district and borough councils on the CCA
- Up to two further associate or non-constituent members, to be appointed by the CCA.

The voice of business will be a critical component in the future proposed CCA, given that a key area of focus would be economy, industry, and business. The proposed CCA will appoint an Associate Member who can represent the views of business on the proposed CCA.

The proposed CCA, in partnership with Government, will ensure that the Lancashire Police and Crime Commissioner (PCC) is invited to attend and participate in CCA meetings as an observer, or as a non-constituent member. This will ensure close collaboration and productive joint working between the CCA and PCC.

Proposals for decisions by the CCA may be put forward by any constituent member. All constituent members will have one vote. Constituent members will work towards the principle of unanimity of all key decisions. Other questions that are to be decided by the CCA are to be decided by a simple majority of the members present and voting, unless otherwise provided for in legislation. Decisions requiring unanimity amongst the constituent members will include:

- Approval of the CCA's budget, including significant financial decisions.
- Approval of the policy framework, which will include:
 - Corporate Strategy
 - Economic Growth Strategy
 - Skills and Employment Strategic Framework
 - The Local Transport Plan, Bus Service Improvement Plan (BSIP) and the Local Cycling and Walking Infrastructure Plan (LCWIP)
- Appointment of the Chief Executive
- Approval of and significant amends to the Constitution.

The following decisions will require the consent of the lead member of the relevant constituent council, or substitute members acting in their place, in whose area the decision will apply:

- Compulsory purchase of land or buildings by the CCA
- The exercise of compulsory purchase power will also require the consent of the relevant planning authority
- Any decision by the CCA that could lead to a financial liability falling directly upon that constituent council, or significant material impact on Blackpool Transport Services Ltd
- Such other matters as may be contained within the CCA constitution.

The constituent councils recognise the importance of local consensus in relation to matters that could impact companies wholly owned by those councils, and they have resolved to require Blackpool Council's consent for any decision which may have a significant, material and direct impact on Blackpool Transport Services Ltd.

In accordance with the Levelling Up and Regeneration Act (2023), the proposed CCA would have the power to grant voting rights to the non-constituent members. The responsibility for agreeing any such rights would rest with the constituent members of the CCA and would be set out in the CCA's constitution. The Levelling Up and Regeneration Act 2023 does not allow associate members to vote.

The CCA will be responsible for agreeing its own constitution, including chairing arrangements, meeting procedures and decision-making processes. Whilst the work to develop a constitution will not be finalised until the outcome of the consultation is known and the decision made on whether to formally proceed, some aspects have been agreed in principle, including that Lancashire County Council will Chair the CCA, and that this and the rest of the constitution will be subject to annual review. The CCA will have a Scrutiny Committee, as well as an Audit Committee. In addition, the CCA may establish sub-committees or advisory boards as it deems necessary.

Blackpool Transport Services Ltd

Under the terms of this Proposal, ownership and operation of Blackpool Transport Services Limited (BTS) and all associated assets, including the Bus and Tram fleet, will remain with BTS. BTS will remain as an arm's length company owned by Blackpool Council.

Blackpool Transport Services (BTS) will continue to operate tram services in Blackpool and the surrounding area and Blackpool Council will retain the relevant powers to manage BTS. Maintenance of tram infrastructure and assets will continue to be the responsibility of Blackpool Council in partnership with Lancashire County Council.

Blackpool Transport Service also provides vital bus services to Blackpool and the surrounding area. BTS will continue to deliver bus services locally.

District Council involvement

The Combined County Authority model, as established by the Levelling-up and Regeneration Act 2023, says that only Upper Tier Local Authorities can be constituent members. However, it is recognised that it will be essential to ensure that the voice of the district councils in Lancashire is heard.

To achieve that, district councils will be invited to nominate two "non-constituent" members to serve as members of the CCA. The Act gives the CCA the right to grant voting rights to the non-constituent members. The responsibility for agreeing any such rights rests with the constituent members of the CCA and would be set out in the CCA's constitution.

In addition, Districts will also be invited to nominate representatives to the CCA Audit and Scrutiny Committees. It is proposed that these nominations are made by the District Leaders Forum, as a body which commands the consent of all 12 districts in Lancashire. The nominating body may change, in consultation with the districts, if an alternative nominating body which represents the interests of all districts in Lancashire, is preferred.

Business Voice

The involvement of business will be essential to delivering the CCA's aims and ambitions. To achieve this, a "Business Board" will be established. Whilst it will not be a formal part of the CCA's own governance structure, it will link closely to the CCA on matters connected to business, economic growth, skills and investment, and its views will be sought by the CCA on these and other issues.

A business representative will also have a seat at the CCA table as an associate member.

Consultation

In accordance with the Levelling-up and Regeneration Act 2023, the next step towards the potential creation of the CCA is a full consultation on the Proposal. During this consultation, the three authorities intend to actively seek the views of the public and key stakeholders in order to inform the Councils' decisions on the final proposals. The consultation will run for 8 weeks in December 2023 and January 2024.

The results of the consultation will be considered by further meetings of all three Councils in the new year.

The full details about the proposed consultation are included in the Proposal document.

Next Steps

If a consultation on the Proposal is agreed by all three upper-tier Councils, then the results of the consultation will be considered in March 2024 when the Councils are asked to agree the final Proposals for submission to government.

In light of the timescales outlined in this document, it is now clear that consideration of the next stage decision by the Council following the consultation period is required earlier than the ordinary meeting of the Council scheduled for 27 March 2024. It is also necessary that this meeting date is coordinated with the other Councils - Blackburn with Darwen Council and Lancashire County Council and the timescales set by Government. The Director of Governance and Partnerships recommends that a special meeting of the Council is called for 6pm on Thursday 14 March 2024 (to tie in with the other Councils and avoid other meeting clashes) to focus on this item. If this meeting is confirmed then consequently the ordinary meeting on 27 March 2024 would be cancelled (see recommendation viii).

The devolution agreement and creation of the Combined County Authority will then be subject to formal parliamentary approval in summer and autumn 2024.

Financial Advice

If the decision is taken by the Secretary of State to establish the proposed CCA then the Establishment Order will indicate that the proposed CCA will be funded by the three Constituent Councils. Funding of £1m has been secured as part of the deal from central Government to cover the financial years 2024/25 and 2025/26. In addition, the proposed CCA would consider whether to seek the power to borrow and explore the extent of these powers. In practice it is expected that the running costs of the proposed CCA will be met by either continued central Government support or with funding from the Constituent Councils.

The general powers the proposed CCA is intended to have around finance and funding are expected to be substantially the same as local authorities enjoy generally. However, it will not have the power to raise a precept. That means that the CCA will not be able to raise money through increasing Council Tax.

It is difficult to estimate whether any government funding will be sufficient for the running costs of the CCA and that will partly depend on the design of the operating model for the Combined County Authority which will not be completed until the outcome of the consultation is known. When there is greater clarity on any potential contribution required there will be a need to recognise this additional cost and individual Council approval will be sought, if necessary, at that time.

Legal Advice

The Levelling-up and Regeneration Act 2023 establishes a new type of combined county authority. The creation of a new combined county authority is subject to public consultation, the consent of the Constituent Councils affected to submit a formal Proposal to Government and approval of secondary legislation.

The Proposal document includes a Table of Powers setting out the formal legal powers that it is proposed that the CCA would have.

The "Gunning principles" set out the common law principles which must be met when conducting a consultation:

- Proposals are still at a formative stage - A final decision has not yet been made, or predetermined, by the decision makers.
- There is sufficient information to give 'intelligent consideration' - The information provided must relate to the consultation and must be available, accessible, and easily interpretable for consultees to provide an informed response.
- There is adequate time for consideration and response - There must be sufficient opportunity for consultees to participate in the consultation. In the absence of a prescribed statutory period, there is no set timeframe for consultation, though it is considered that an eight-week consultation period is sufficient in this case. The adequacy of the length of time given for consultees to respond can vary depending on the subject and extent of impact of the consultation.
- 'Conscientious consideration' must be given to the consultation responses before a decision is made. Decision-makers should be able to provide evidence that they took consultation responses into account.

In coming to a decision, the Councils must also have regard to the Public Sector Equality Duty (PSED) under the Equality Act 2010. The PSED requires public authorities to have "due regard" to:

- The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010 (section 149(1a)).
- The need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it (section 149(1b)). This involves having due regard to the need to:
 - remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic (section 149(3)(a));
 - or take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it (section 149(3)(b)); and
 - or encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low (section 149(3)(c)).

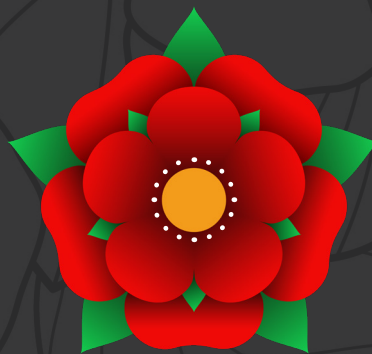
A draft Equality Impact Assessment (EIA) has been prepared and is appended to this report at Appendix 7c. The Councils must have due regard to this report to ensure that they are satisfied that any adverse impact and the proposed mitigation allows them to meet the legal obligations set out above. The draft EIA will be reviewed as a result of the Consultation process and updated and finalised accordingly.

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Appendix 7b

LANCASHIRE COMBINED COUNTY AUTHORITY

DRAFT PROPOSAL



November 2023

Page 9

This document has been prepared by
Lancashire County Council,
Blackburn with Darwen Council
and **Blackpool Council.**



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EXECUTIVE SUMMARY

This document outlines our Proposal for a Combined County Authority (“CCA”) model of local government. It has been prepared by the three upper tier councils of Lancashire County Council, Blackburn with Darwen Council and Blackpool Council which have negotiated a proposed Devolution Deal with Government. If the proposals are accepted, Government would give additional powers and funding to the Lancashire CCA and more control over the decision-making that affects Lancashire’s residents and businesses.

The proposed CCA is intended to work collaboratively with the 12 district councils across Lancashire and would cover the whole Lancashire area. The creation of the CCA would not result in the merger or take-over of councils in the Area.

Objectives

The objectives for the Proposal reflect regional and national strategy and are designed to ensure a positive future for our county and its people. Together they offer a bold and strategic framework so that:

- Lancashire competes better for its share of national resources and investment
- Lancashire’s public, private and voluntary sectors collaborate better to maximise the best use of our resources
- Lancashire has a strong and clear voice that responds innovatively to new opportunities and challenges
- Lancashire has a rich, meaningful and strategic dialogue with central government about the future of our county
- Lancashire is better positioned to respond to Government’s

Levelling Up objectives:

- Boosting productivity, pay, skills, jobs and living standards
- Spreading opportunities and improving public services
- Restoring a sense of community, local pride and belonging
- Empowering local leaders and communities.

Context

A thriving Lancashire remains one of the prerequisites to a successful economy in the North of England. With a population of 1.53 million residents and a GVA of £35 billion, Lancashire already makes a major contribution and offers enormous potential to UK PLC. It has over 55,000 businesses providing over 728,000 jobs. It is a coherent economic area and has a range of significant future-looking sectors with potential for growth, including advanced manufacturing and engineering (one of the world's largest aerospace clusters), cyber, digital and low carbon, as well as traditional strengths in areas such as tourism and food production.

However, alongside this, the CCA Area also experiences challenges which impact on productivity and employment levels and the ability to grow. The historic structure of Lancashire's economy has a range of sectors which are gradually losing jobs. Economic shocks can hit harder and take longer to bounce-back from than in neighbouring economies. There are clear and profound disparities in skill levels, health, economic productivity measures and resident prosperity across the county which, in turn impact more widely on people's life chances.

The Proposal

Our vision is for the 1.53 million people in Lancashire to be able to enjoy greater health, prosperity and wellbeing through the opportunities available to them within an inclusive and confident Lancashire.

We propose to use devolution to build upon Lancashire's substantial strengths in delivering benefits for its residents. This initial Proposal, if approved by the Secretary of State, will focus on the following priorities and will also establish our case for enhanced future deals.

Innovation, Trade, and Investment

We will work with local and national stakeholders to become a globally recognised and sustainable economy, distinguished by its quality of life, connectivity, and access to opportunities.

Skills

We will work collaboratively with employers, skills and training providers, local authorities and other stakeholders to support people to develop their skills throughout their lives and attract business to Lancashire because of our highly skilled workforce.

Transport

We will work with transport providers inside and outside Lancashire to create better connected infrastructure that links opportunity to need and delivers travel choices that are safe, inclusive, affordable and low carbon.

Net Zero and Climate Change

We will work across Lancashire to meet our low carbon ambitions, promote clean energy, and enhance our natural environment. Our ambition is that Lancashire becomes internationally recognised as a leader in the creation of 'green jobs', building upon our world class engineering and manufacturing capabilities.

Digital and Cyber

We will work across Lancashire to continue to transform our digital infrastructure and knowledge-based sectors to balance and modernise our industrial base.

Culture and Tourism

We recognise the fundamental importance of our culture and tourism assets and will work with stakeholders across Lancashire to strengthen these. This work includes the creation of a Local Visitor Economy Partnership to help further develop the region's visitor economy.

Housing and Land

We will support the delivery of decent, affordable and low carbon housing for every community. High quality housing will benefit existing residents, as well as attract and retain the people required to drive the economy over the long term.

The county is again on the cusp of another transformative chapter in its industrial and commercial history.

Delivery

We will implement streamlined governance and decision-making arrangements with a strong business voice to address the big opportunities and challenges for Lancashire¹.

The Proposal includes up to £20 million capital funding in the current Spending Review period to support innovation led growth (including assets to maximise the benefits of the National Cyber Force in Samlesbury) and net zero ambitions across Lancashire .

¹ Subject to agreement of the relevant business cases.

Principles

Our Proposal is based upon the four principles for levelling up set out in the Levelling Up White Paper:

Principle one: **Effective leadership** with a revised governance model across the CCA Area.

Principle two: **Sensible geography** – the CCA Area covered by this devolution deal has a clear functional economic geography as identified in the Lancashire independent Economic Review (2021).

Principle three: **Flexibility** – the Proposal recognises the unique needs and ambitions of the CCA Area in terms of its governance and priorities.

Principle four: **Appropriate accountability** – the Constituent Councils have, should the Proposal be approved by the Secretary of State, committed to developing a Constitution and Assurance Framework that will confirm, clarify and formalise the intention of institutions and local leaders to continue to be transparent and accountable, work closely with local businesses, seek the best value for taxpayers' money and maintain strong ethical standards.

Our principles also include the local commitments established through the Lancashire 2050 Strategic Framework:

Principle five: **Work collaboratively** – we will work collaboratively on our collective priorities sharing ideas, assets, skills and knowledge.

Principle six: **Cross-cutting themes** – we will ensure our commitments to diversity and inclusion, reducing inequalities, children and families, climate and improving quality of life are addressed through the CCA priorities.

Principle seven: **Listening to residents** – we will be active listeners in building our plans for Lancashire. Everyone will be able to contribute to shaping our shared future.

Principle eight: **Being open and transparent** – we will ensure decisions are made democratically and transparently, so residents can easily understand progress against our priorities.

Benefits of the Proposal

We believe the time is now for devolution for Lancashire – drawing power from Whitehall to give Lancashire greater control over our public services and funding. The proposed CCA would give Lancashire a stronger voice both nationally and in the North West, allowing the region to compete on a more even playing field with our neighbours in Manchester and Liverpool.

Devolution in Lancashire would:

- Ensure we benefit from a boost in government funding, allowing the proposed CCA to tackle the issues that matter most to the people of Lancashire
- Give us new powers to drive regeneration in our town and city centres and build more affordable homes across Lancashire
- Enable us to support new jobs in growing industries such as low carbon technologies, cyber security and energy, making sure we have the right skills to take advantage of these opportunities
- Enable greater co-ordination of investment in, and management of our expertise, priorities, and investment in our transport infrastructure to ensure that it meets the needs of people across the region
- Drive investment across Lancashire, ensuring no area is left behind.

Next steps

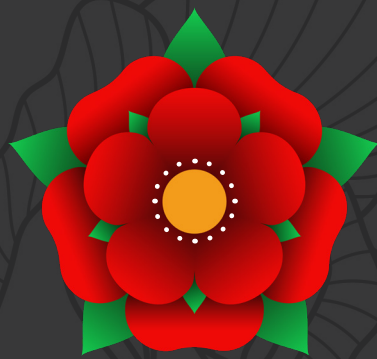
To gain feedback on the Proposal and to inform the decision as to whether to proceed to advance the Proposal (with any potential amendments) to the Secretary of State, an eight-week consultation is planned to be undertaken between 1st December 2023 and 26th January 2024. Transition to the proposed CCA is dependent on a number of factors:

- This Proposal being accepted by the constituent councils as a result of public consultation
- This Proposal then being accepted by Government
- The approval by Parliament of the necessary secondary legislation implementing the deal.

The transition to a formal CCA in Autumn 2024 is planned to be in three stages:

- Stage 1: Establishing transition arrangements – Autumn 2023 to Spring 2024
- Stage 2: Working as a shadow organisation – Spring 2024 to Autumn 2024
- Stage 3: Formal establishment of the CCA – Autumn 2024 onwards.

Lancashire partners recognise that devolution is a journey, not a one-off event. This Proposal is the first step in a process of further intended devolution. As institutions mature, they can gain greater responsibility, and Lancashire will seek to deepen its devolution arrangements over time, subject to Government agreement.



1. INTRODUCTION

Lancashire is a diverse county with a rich history and culture. The emblem of the historic county of Lancashire is the Red Rose of the English royal House of Lancaster. The contrasting geography of the area, along with the creativity and friendliness of its people, combines to make Lancashire a great place to live, learn and work. Lancashire has a long tradition of innovation and entrepreneurship which has gone on to change the world. Today, over 250 years since Richard Arkwright's cotton spinning technology helped to reshape the global economy, the county is again on the cusp of another transformative chapter in its industrial and commercial history.

On the 22 November 2023 the government announced the potential for a devolution deal for Lancashire. The potential signing of the proposed deal would, subject to relevant approvals and consultation, represent a significant milestone in the region's development, addressing decades of historically low investment and providing a platform for innovation-led growth.

A thriving Lancashire remains one of the prerequisites to a successful economy in the North of England. With a population of 1.53 million residents and a GVA of £35 billion, Lancashire already makes a major contribution and offers enormous potential to UK PLC. It has over 55,000 businesses providing over 728,000 jobs. It is a coherent economic area and has a range of significant future-looking sectors with potential for growth, including advanced manufacturing and engineering (one of the world's largest aerospace clusters), cyber, digital and low carbon, as well as traditional strengths in areas such as tourism and food production.

However, alongside this, Lancashire also experiences challenges which impact on productivity and employment levels and the ability to grow. The historic structure of Lancashire's economy has a range of sectors which are gradually losing jobs. Economic shocks can hit harder and take longer to bounce-back from than in neighbouring economies.

A thriving Lancashire remains one of the prerequisites to a successful economy in the North of England.

There are clear and profound disparities in skill levels, health, economic productivity measures and resident prosperity across the county which, in turn impact more widely on people's life chances. 2021 data (latest) on Gross Disposable Household Income shows considerable variation across Lancashire, with around £10,000 difference between the households in Lancashire with the lowest disposable household income (Blackburn with Darwen (£15,025) and the highest Ribble Valley (£24,734).

As a result of their devolution agreements, other areas such as Greater Manchester have seen significant benefits and stronger economic performance. Lancashire now has its opportunity to access greater local powers and funding to address its challenges and exploit its significant opportunities.

Government's devolution framework places a strong emphasis on strong local governance and joint working across functional economic geographies. The upper tier local authorities of Lancashire and Government have agreed a historic Level 2 devolution deal which will provide powers and funding to enable Lancashire to unleash its economic potential and in doing so level up, raise living standards for its communities and make a greater contribution to the UK economy. The Proposal shows how levelling up can be done within a complex geographical area – with clear alignment to the 12 headline Levelling Up missions.

CCAs are a new model of devolution, outlined in the Levelling Up and Regeneration Act (2023). Establishing a CCA is a formal, legal step, allowing upper tier councils across the region to work more closely together in a more structured way. A CCA for the region would be a new statutory authority created to lead collaboration between councils and would act as the recipient of powers and funding from Government.

The creation of the proposed CCA would not result in the merger or take-over of councils in the Area nor would it require individual councils to give up their powers, except in the specific area of transportation, where some powers would be transferred from the upper tier authorities to the CCA. Cooperation in transport matters between the CCA and the councils would also continue into the longer term with certain powers to be held concurrently moving forward to enable the parties to work together effectively in the years ahead. The CCA would work as one democratically accountable body on key priorities such as economic development, regeneration and transport, enhancing the investment capability of the CCA Area and individual authorities to support growth.

We believe the time is now for devolution for Lancashire – drawing power from Whitehall to give Lancashire greater control over our public services and funding. The CCA will give Lancashire a stronger voice both nationally and in the North West, allowing the region to compete on a more even playing field with our neighbours in Manchester and Liverpool.

Devolution in Lancashire would:

- ensure we benefit from a boost in government funding, allowing the proposed new CCA to tackle the issues that matter most to the people of Lancashire
- give us new powers to drive regeneration in our town and city centres and build more affordable homes across Lancashire
- enable us to support new jobs in growing industries such as low carbon technologies, cyber security and energy, making sure we have the right skills to take advantage of these opportunities
- enable greater co-ordination of investment in, and management of our expertise, priorities, and investment in our transport infrastructure to ensure that it meets the needs of people across the region
- drive investment across Lancashire, ensuring no area is left behind.

Whilst the devolution of power and responsibilities would be to the CCA whose constituent members are the three upper tier local authorities, the Proposal respects the importance of the continued role of the district / borough councils² (see Figure 1 below) whose powers and functions remain intact and who would also have specified consenting rights in respect of the exercise of some powers by the CCA.

If devolution goes ahead, all local councils in Lancashire will continue to exist, as they do now. Councils will continue to have the responsibilities they do now, providing vital services to their communities and championing their towns, rural communities, and cities.

Lancashire partners recognise that devolution is a journey, not a one-off event. This Proposal is the first step in a process of further devolution. As institutions mature, they can gain greater responsibility, and Lancashire would intend to deepen its devolution arrangements over time, subject to Government agreement.

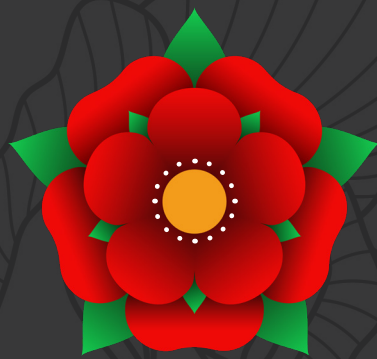
This Proposal document sets out further detail on our plans³.



Figure 1 Map of the proposed Lancashire CCA Area and local authority boundaries. The area covered by Lancashire County Council is shown in light blue.

² Burnley Borough Council, Chorley Council, Fylde Borough Council, Hyndburn Borough Council, Lancaster City Council, Pendle Borough Council, Preston City Council, Ribble Valley Borough Council, Rossendale Borough Council, South Ribble Borough Council, West Lancashire Borough Council and Wyre Borough Council.

³ In line with guidance from Department for Levelling Up, Housing and Communities, this Proposal adopts and acknowledges best practice from a range of devolution documents from other areas, including the EMCCA.



2. BACKGROUND AND CONTEXT

Lancashire is 'polycentric' with a strong network of urban centres set amongst areas of outstanding natural beauty. Home to the cities of Preston and Lancaster and the larger towns of Blackpool and Blackburn, the area brings together a range of nationally significant businesses and assets including BAE Systems and Springfields Nuclear Fuels, combined with a highly capable engineering and manufacturing supply chain. Our county contains four world class universities and 11 further education colleges, which provide excellence in research, skills development, and business support. The area has a rich quality of place offer that complements the more urban offers of Manchester and Liverpool, with its population living within easy access of countryside and coast.

Partners across Lancashire already work closely together on many collaborative large-scale initiatives such as major inward investment projects and the underpinning evidence base and strategies. The proposed CCA supports the growing recognition that our extensive range of strengths and opportunities as a functional local area complement each other. The Proposal's focus on Lancashire-wide issues will improve cohesion between local areas and with other areas.

Population

The proposed CCA Area will cover a population of more than 1.53 million people. This compares to:

- West Midlands Combined Authority - 2.9 million
- Greater Manchester Combined Authority - 2.9 million
- West Yorkshire Combined Authority - 1.9 million
- Liverpool City Region Combined Authority - 1.56 million
- North East Combined Authority - 1.16 million
- South Yorkshire Combined Authority - 1.41 million
- West of England Combined Authority - 0.95 million
- Tees Valley Combined Authority - 0.66 million.

This would make the proposed CCA comparable in size to mid-sized combined authority areas. The Proposal would play a key role in driving new economic, social and cultural opportunities to ensure the CCA Area is better able to compete with other sub-regional economies.

Economy

The proposed CCA is very significant, covering almost as many residents and working age residents as the Liverpool City Region, and contributing £35bn in GVA to the UK economyⁱ.

In 1998, Lancashire was the second-largest economy in the North West, this continued for the next decade until the Global Financial Crisis of 2008, when Lancashire was badly impacted. Along with Cumbria and the Liverpool City Region, Lancashire's economy did not recover to pre-2008 levels until 2014, whilst both Greater Manchester and Cheshire had recovered by 2011. Cumbria and the Liverpool City Region both enjoyed a stronger recovery than Lancashire did, with Cumbria recovering to 3.3% above pre-crisis levels and Liverpool City Region to 2% above – with Lancashire recovering to just 1% above. By the time Lancashire's economy had recovered to pre-crisis levels of output, it had fallen to the third largest in the North West, having been overtaken by the Liverpool City Region.

Pre-Pandemic, Lancashire's economy was still the third largest economy in the North West, but economic data for 2021 shows Lancashire's economy is still 3% smaller than pre-pandemic in real termsⁱⁱ. History dictates a change of tack is needed to ensure Lancashire's recovery from the pandemic does not take as long as the recovery from the Global Financial Crisis – implementation of this Proposal would unlock policy levers to better stimulate, recover and grow Lancashire's economy.

The Proposal would play a key role in driving new economic, social and cultural opportunities to ensure the CCA Area is better able to compete with other sub-regional economies.

The functional economic area (areas that share a number of similar economic factors with boundaries that ideally reflect the drivers of the local economy) has been strengthened through the Local Enterprise Partnership, in place since 2011. This footprint renews those boundaries, and will cover a combined 1.53 million residents, and more than 700,000 jobs. 88% of employed Lancashire residents also work in jobs in Lancashire, though Lancashire residents are also working in large numbers in neighbouring areas like Greater Manchester (38,000), Liverpool City Region (15,000), Cumbria (4,500), Cheshire and Warrington (4,000) and as far as the Leeds City Region (3,800) and York and North Yorkshire (3,400). The integration of these economies and labour markets works both ways, with Lancashire attracting talent from all over the North, with some 30,000 from Greater Manchester, 16,000 from the Liverpool City Region, and more than 3,000 from both Cumbria and the Leeds City Regionⁱⁱⁱ.

Transport and Infrastructure

The proposed CCA Area benefits from a huge amount of strategic assets summarised as follows:

- 104 miles of motorways, the M6, M55, M58, M61 and M65 as well as 616 miles of major roads, and more than 5,000 miles of roads in total^{iv}
- High levels of strategic rail connectivity, including stations on the West Coast Mainline, and stations connected to Merseyrail, Northern, and Transpennine Express
- Preston Railway Station is a key stop and saw more than 4.1million entries and exits in 2021-22, the 70th most used rail station of more than 2,500 nationally, with direct trains to London in 2 hours and 15 minutes^v
- In total, stations in Lancashire handled more than 16 million entries and exits in 2021-22^{vi}
- Heysham Port with links to Ireland and the Isle of Man, connected to the M6 via The Bay Gateway
- Blackpool Airport and Blackpool's connectivity to the North Atlantic Loop
- Enterprise Zones at Blackpool Airport, Samlesbury, Warton, and Hillhouse
- An established pipeline of major development and infrastructure projects with the potential to secure over £20bn of investment over the next decade^{vii}

Business and Manufacturing

The proposed CCA Area has 627,000 employed people^{viii} with 55,000 businesses, and 220 large employers^{ix}. The proposed CCA Area benefits from an exceptionally strong advanced manufacturing base and one of the largest aerospace clusters in the world. The manufacturing sector in Lancashire:

- Generated £6.4bn in 2021 - 8th highest of any enterprise region
- Employs 84,000 people in Lancashire
- Its contribution to the Lancashire economy is almost double what is typical nationally^x.

Lancashire is a world leader in transport equipment manufacturing, in both aerospace and automotive, with prime manufacturers such as BAE Systems in Warton and Samlesbury, which has two of its three largest sites in the UK situated within Lancashire, employing 10,000 people. Other major employers include Rolls Royce in Barnoldswick, Safran Nacelles in Burnley, and Leyland Trucks in South Ribble. Lancashire is home to the North West Advanced Manufacturing Research Centre (AMRC), supporting manufacturing innovation across Lancashire.

Lancashire also has a strong food manufacturing sector, which contributes almost 3.5% of Lancashire's economy (compared to around 2% nationally), with large employers such as Fox's Biscuits, Huntapac, and Flavourfresh Salads.

These draw on Lancashire's strong and concentrated Food and Agriculture businesses, which provide more than £2bn a year to Lancashire's economy, accounting for almost 7% of Lancashire's economy, compared to 5% nationally^{xi}.

Nuclear technology is also significant in Lancashire given the presence of EDF's Nuclear Power Stations at Heysham, currently the only site in the UK with two operating nuclear power stations. Lancashire also plays host to The National Nuclear Laboratory in Salwick with Springfields Nuclear Fuels, where the design and manufacture of nuclear fuels takes place. Alongside Springfields is Westinghouse's Clean Energy Technology Park, an innovation campus open to the nuclear supply chain, academia, and technology developers to collaborate to develop and demonstrate advanced nuclear technologies. Lancashire's nuclear specialisms dovetail well with its Low Carbon story, producing almost 10% of the UK's wind power in 2022^{xii}, as well as being forecast to be home to the highest number of Low Carbon Electricity jobs per head of the population by 2030^{xiii}.

Lancashire also has a burgeoning Healthcare sector, which employs more than 100,000 people, 16% of employment in Lancashire comes from this sector, almost a fifth higher than the national average^{xiv}. This comes with the presence of large hospitals, such as Blackpool Victoria, Royal Preston and Royal Blackburn teaching Hospitals, as well as from our base of innovative businesses working across MedTech, Life Sciences, diagnostics, and clinical research. Lancashire's health sector is also supported by the presence of innovation assets such as Lancaster University's Health Innovation Campus, and the THRIVE research centre at University of Central Lancashire, amongst many others.

Our science and innovation ecosystem are underpinned by Lancashire's three universities, Edge Hill, Lancaster University and the University of Central Lancashire, as well as the Lancaster Campus of the University of Cumbria. In 2021, 91% of research undertaken within Lancaster University's Faculty of Health and Medicine's was rated as "world leading" or "internationally excellent".

Its Management School is rated as the number one business school in the UK for research power, and its Environment centre is ranked 5th nationally for "research power".

The University of Central Lancashire opened its £35m Engineering Innovation Centre in 2019 supporting innovation in engineering and manufacturing in Lancashire.

Lancashire is also to be the permanent home of the National Cyber Force (NCF), and will create the North West Cyber Corridor in collaboration with Greater Manchester, joining NCF with GCHQ in Manchester. This will cement the North West as the Cyber Centre of the UK, with Lancashire playing a leading role.

The investment in the National Cyber Force will bring 2,000 jobs to Lancashire, long-term sustainable funding and will catalyse clustering and agglomeration of digital and cyber businesses in Lancashire, creating high-quality well-paid jobs, and bringing further prosperity.

Outside of our two cities, Lancaster and Preston, the businesses and activities located in the proposed CCA Area's districts and boroughs generate almost 80% of our GVA^{xv}. The share of Lancashire's economy that comes from its cities has remained largely unchanged in the last 20 years, but there have been winners and losers in the distribution of the remainder. The Fylde coast accounts for 1.7% less of Lancashire's economy now than it did in 1998, and there are shrinking shares of the economy that come from most districts and boroughs of East Lancashire. These towns, boroughs and rural economies play host to key manufacturing sites, large employers and thriving small businesses, and are home to much of Lancashire's workforce too.

Commuting and Labour Force

The proposed CCA Area is already a highly functional economic geography, with the Lancashire LEP area having 88% of its workforce living in Lancashire, and 14% of residents working outside of Lancashire in areas like Greater Manchester, the Liverpool City Region, Cheshire and Warrington, and Cumbria. Whilst there is a large labour force locally to provide businesses with employees (940,000 working age residents), the proposed CCA Area will need to continue to catalyse the delivery of great opportunities for work, housing and leisure in order to remain attractive to those who live and work here. This will include building a more attractive proposition to retain more of the graduates from Lancashire's three universities, with around a quarter of graduates from Lancashire universities in the last three years staying to work in Lancashire after they graduate. Lancashire's retention of graduates is the second lowest of all areas of the North, and below the national average of an area retaining a third of its graduates in employment after they graduate^{xvi}.

Whilst Lancashire does have a large working age population, post-pandemic the proportion of Lancashire residents who are economically active (that is they are employed or are looking for work) has fallen considerably. Lancashire has more than 220,000 residents who are economically inactive, which is almost a quarter of its working age population. Lancashire has long had an economically inactive cohort which has been greater in proportion of the workforce than was typical nationally, but this has become more acute post-pandemic, with the gap between Lancashire's economic inactivity rate and the national rate growing from 0.4% to 3.3%^{xvii}.

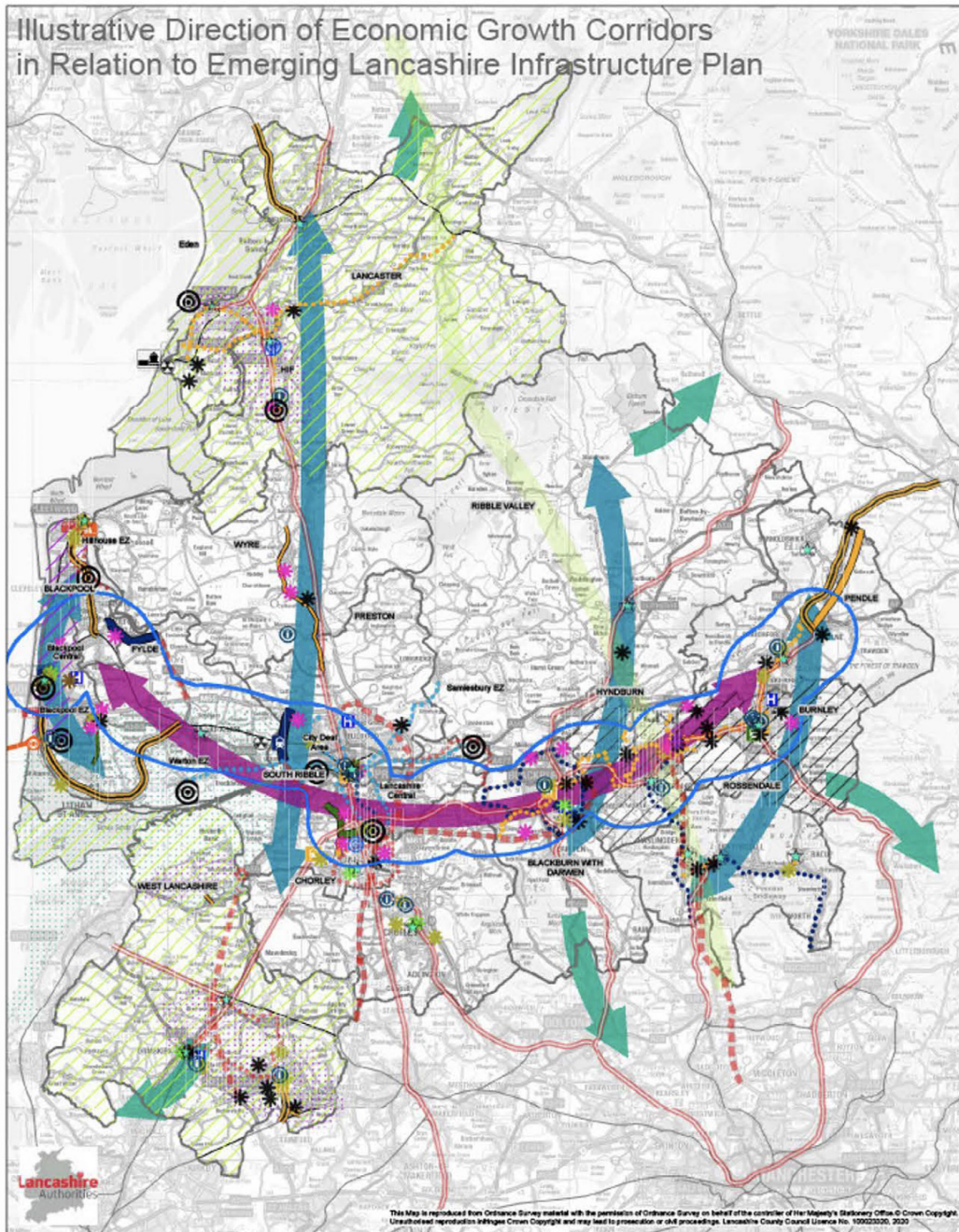


Figure 2 - Map of Economic Corridors in Lancashire, source: LIER 2021

Housing

Across the country, mismatches of demand for housing and housing supply are ubiquitous. In many areas, this leads to increasingly unaffordable and, in some areas, unsuitable dwellings. The proposed CCA Area, like much of the nation, has seen a shortage in housing supply. An estimated 5,200 homes a year are required to meet local need^{xvii}. Over the last five years, an average of 4,560 homes a year have been completed^{xix}. Based on these trends, we are likely to see a shortfall of over 6,400 homes over the next 10 years, which adds to the existing lack of supply.

This is a challenge, but Lancashire is somewhat insulated from lack of affordability for existing housing (relative to the typical position nationally), with a median house price to earnings ratio of 5.64:1, compared to the England average of 8.91:1 and the North West average of 6.47:1^{xx}.

For newly built dwellings though, Lancashire's house price to workplace-based earnings ratio is 8.66:1 (i.e. earnings typical for someone working in a Lancashire workplace, as opposed to earnings from Lancashire residents who may work outside of Lancashire) - this is much closer to the England average of 8.91:1 for existing dwellings, and 9.85:1 for newly built dwellings^{xxi}.

Newly built homes are not being built quickly enough in Lancashire and the gap between housing need and housing provision is widening every year. Despite being the third most affordable new-builds of all "Shire Counties," the affordability of new-builds has dipped by a factor of more than four times the median income in Lancashire since 1998, and they are increasingly unaffordable for Lancashire residents.

Parity of investment

Investment spending in Lancashire has grown on average by 0.8% a year since the Global Financial Crisis. This rate of growth in investment spending puts Lancashire in the bottom fifth of areas nationally, and looking at growth from 1997 onwards, Lancashire is the worst performing region in the country for growth in investment spend. In the North West, only Cumbria had a lower investment spend than Lancashire in 2020, but investment in Cumbria totalled around £11,300 per head, in Lancashire it was just £3,700^{xxii}.

Addressing productivity, skills, and employment

Improvements in productivity can help lift wages and provide high quality jobs across all parts of the country. Across the proposed Lancashire CCA Area there has been a long-standing gap in productivity compared to England as a whole. Despite an increase in productivity of almost 45% since 2004, this has been slower than the growth nationally (49.1%), and so the gap between Lancashire's productivity and the national average rate of productivity has grown.

In 2004, Lancashire's productivity was 12.7% below the national average, as of 2021 this gap has grown, and Lancashire's productivity is 15.3% below the national average^{xxiii}.

A devolved CCA can support the improvement of skills and qualifications in Lancashire residents, boosting workforce participation and employment, enhancing productivity, improving earnings and standards of living.

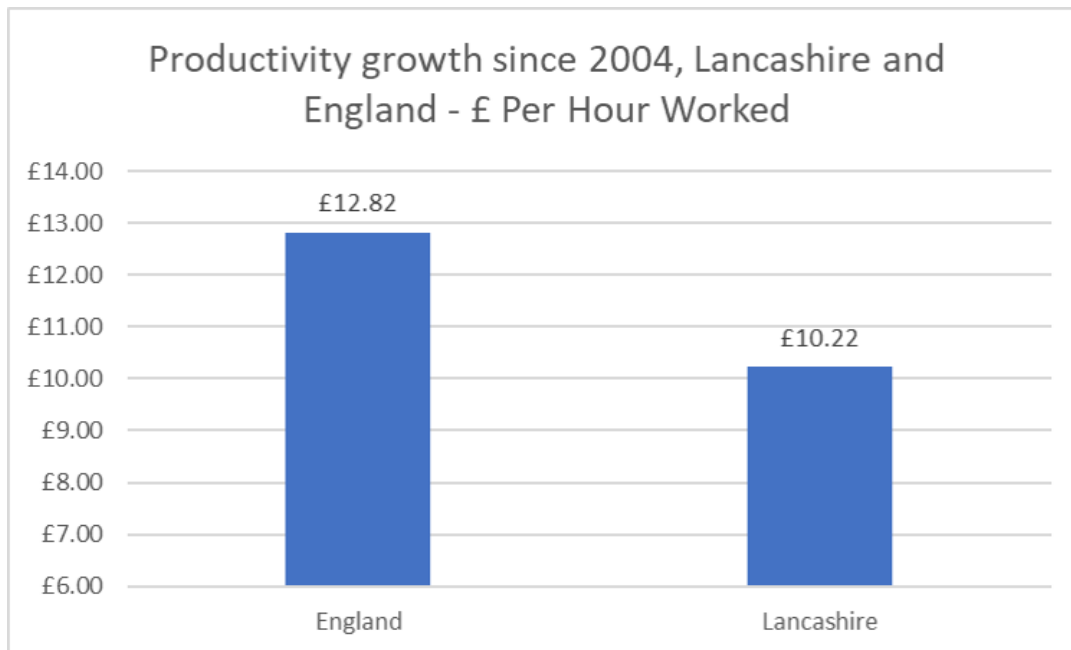


Figure 3 – Graph of Productivity Growth in Lancashire and England

Source: Subregional productivity: labour productivity indices by UK ITL2 and ITL3 subregions - Gross Value Added (Balanced) per hour worked at Current Prices 2004-2021 2023, ONS
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After the recovery from the Global Financial Crisis, and prior to COVID-19, the proposed CCA Area’s economy had grown by an average of 1.9%, slightly below the rate seen in Cheshire and Warrington and 1.3% below Greater Manchester. During this time, Lancashire saw improvements in skills, with an additional 47,000 residents holding Level 4 or above qualifications, and in high value employment opportunities, with an additional 25,000 people working in the most highly qualified occupations. Despite these improvements there remains a significant gap between Lancashire’s economic performance and that of England and there remains some fundamental challenges to be addressed:

- A loss of £3.8 billion in GVA during the first year of COVID-19, and Lancashire’s economy still almost 3% smaller than pre-pandemic. ^{xxiv}
- An estimated 22% of jobs in the Area will be affected by the transition to a net-zero carbon economy requiring the upskilling of 70,000 workers. ^{xxv}
- Poor east-west connectivity by road and rail, more than half of Lancashire’s population live along the east-west axis between Colne and Blackpool, and the four largest settlements in Lancashire lie along this stretch. ^{xxvi}
- The Area has a low skill low wage economy with the median annual pay of both residents and workplaces in the proposed Area being almost 11% lower than the United Kingdom average. ^{xxvii}
- Four of the proposed Area’s 14 local authorities rank in the bottom 10% (decile) of all authorities across the United Kingdom on median gross annual workplace pay, and half are in the bottom third. ^{xxviii}

- Lower than average labour market participation with the Area's employment rate (72.5%) falling below the Great Britain (75.6%) average. Lancashire has a higher rate of economic inactivity amongst the working age population (24.7%) than is typical across Great Britain (21.4%). ^{xxix}

In terms of levelling up measures there are significant differences between different district/borough localities in the Area:

- Productivity, with three of the Area's local authorities in the top 25% (quartile) nationally in 2021 (South Ribble, Fylde and Ribble Valley), but six falling in the lowest performing quartile, including Blackburn with Darwen and Blackpool, which were in the bottom 10% (decile) nationally, and a total of nine in the bottom third. ^{xxx}
- Workplace pay, with Ribble Valley in the best-paid 50 local authorities nationally where pay is around 9% higher than the UK average, but six of the Area's authorities amongst the lowest ranking 25.0% nationally (Blackburn with Darwen, Wyre, Blackpool, Rossendale, Pendle and Burnley) where weekly pay is up to 22% below the UK average. ^{xxxi}
- Employment rate, with two District/Borough areas in the best performing quartile (Fylde, South Ribble) nationally, but eight in the worst performing 25.0%, including Pendle, ranked second lowest in the country (after Brent), with Wyre fourth lowest, and Chorley 10th lowest. ^{xxxii}

Reducing wider inequalities

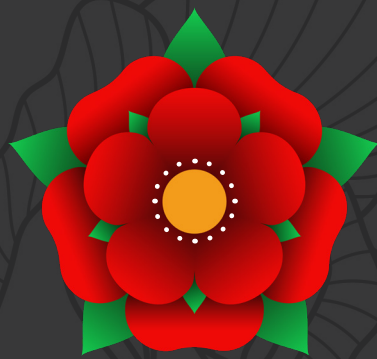
The proposed CCA Area experiences persistent and systemic deprivation, with almost a fifth of neighbourhoods in Lancashire considered to be in the most deprived 10% of neighbourhoods across England.^{xxxiii} There are significant pockets of deprivation right across Lancashire, with 8 of the 10 most deprived neighbourhoods in the country coming from Blackpool alone, and a further 33 neighbourhoods in the most deprived 1% across the country. On a district/borough level, Blackpool is the most deprived in the country, Burnley and Blackburn with Darwen are in the top 10, and Hyndburn, Pendle and Preston are in the 50 most deprived nationally.

In Lancashire, there are significant differences in outcomes depending on where you live:

- Both males and females have a lower healthy life expectancy than is typical nationally across all upper tier authorities of the proposed CCA. In Blackpool, males and females both have the worst recorded healthy life expectancy of any local authority in the county, at 74.1 years for males and 79 years for females, compared to a national average of 79.4 and 83.1 years respectively. For males across Lancashire, healthy life expectancy is particularly challenging, with eight of the proposed CCA's 14 district/unitary authorities amongst the lowest fifth of local authorities in the country by healthy life expectancy. ^{xxxiv}

- From a health standpoint, more than a third of economic inactivity in Lancashire is due to long-term ill health, compared to 26.6% nationally – Lancashire’s proportion of inactivity due to ill health is the 7th highest area in the country. ^{xxxv}
- GCSE Average attainment 8 scores at Key Stage 4 for all upper tier authorities in the proposed CCA are below the England average. ^{xxxvi} Across the districts/boroughs, attainment varies considerably, Blackpool was the third lowest performing district authority nationally at Key Stage 4 in 2022/23, with four other Lancashire districts in the worst performing fifth. On the other hand, Chorley, Ribble Valley, and Rossendale are in the best performing third nationally. ^{xxxvii}
- At the early years foundation stage, four of Lancashire’s district/boroughs are in the lowest 10% (decile) nationally on children meeting the expected level on early learning goals for five-year-olds ^{xxxviii}. Additionally, 10 of the Area’s 14 local authorities are in the poorest performing 25% of areas nationally, only Ribble Valley and Fylde are in the top 50% of local authorities by this measure.
- A lower proportion of adults are qualified to NVQ level 3+ than England (47.7%: 50.8% respectively), and six of Lancashire’s 14 districts are in the least well qualified third of local authorities nationally. ^{xxxix}
- Similarly, Lancashire is also behind the national average for the proportion of adults with a Level 4 or above qualification (29.5% vs 33.9% in England). ^{xl}





3. OUR AMBITIONS

Our vision is for the 1.53 million people in Lancashire to be able to enjoy greater health, prosperity, and wellbeing through the opportunities available to them within an inclusive and confident Lancashire.

Objectives

The objectives for the Proposal reflect regional and national strategy and are designed to ensure a positive future of our county and its people. Together they offer a bold and strategic framework so that:

- Lancashire competes better for its share of national resources and investment
- Lancashire's public, private and voluntary sectors collaborate better to maximise the best use of our resources
- Lancashire has a strong and clear voice that responds innovatively to new opportunities and challenges
- Lancashire has a rich, meaningful and strategic dialogue with central government about the future of our county.
- Lancashire is better positioned to respond to Government's Levelling Up objectives which are;
 - Boosting productivity, pay, skills, jobs and living standards
 - Spreading opportunities and improving public services
 - Restoring a sense of community, local pride and belonging
 - Empowering local leaders and communities.

Outcomes

Through delivering on these objectives, we aim to achieve the following outcomes for our residents and the CCA Area:

- A stronger voice in the North West that is currently dominated by Manchester and Liverpool
- Encourage innovation led growth through long term investment in major opportunities
- Match skills to economic need to increase productivity and wellbeing of people who live and work in the area
- Reduce inequality and promote social mobility to allow people to achieve their potential

- Improve transport links to offer greater choice and facilitate better and more sustainable access to our economic hubs, including improving east – west connectivity
- Greater access to Government funding that is exclusively targeted at devolved areas
- Greater say on where to spend investment
- Decision making brought closer to communities, increasing the visibility of those decisions
- Lancashire authorities will gain powers from Whitehall.

The Lancashire evidence base

Our devolution ambitions have been informed by substantial Lancashire level analysis over recent years and are based upon a series of major reviews and consultations.

Lancashire Independent Economic Review | 2021

This major review showed how the county can build on its world-beating strengths, tackle its economic challenges, and deliver environmentally responsible and inclusive growth while shaping public sector reform and local government reorganisation. The exercise was informed by a call for evidence that was open to individuals, communities, businesses, or representative organisations from within Lancashire and beyond who had an interest in the economic future of Lancashire and who could deepen partners' understanding of the Lancashire economy. One of the central recommendations was for 'strengthened combined governance across Lancashire' to take advantage of the opportunities offered through devolution.

The main report covered 'Productivity, Innovation and Work', 'Skills, Education and Health', 'Housing and Resilience', 'Transport, Infrastructure and Connectivity' and 'Place Governance Capacity' and was enhanced by a series of deep dive reports:

- Internationalisation Strategy for Lancashire
- Economic Geography and the future of towns
- Infrastructure Strategy for Lancashire
- Health, Wealth and Wellbeing
- Stronger and Greener: The future of manufacturing in Lancashire
- Lancashire Net Zero Pathways Options
- Climate Resilience Study
- Lancashire State of the Environment
- State of the Environment: Renewable Technology

Lancashire 2050 Strategic Framework, launched in 2022

Initiated by Lancashire's 15 councils and involving a wide range of stakeholders, Lancashire 2050 sets out a long-term vision, ambition and plans for the Area.

Vision: a place where every single person can live their best life.

Ambition: to be seen across the world as the best place to make a home, raise a family, develop a career, do business, and grow old. A place made up of communities everyone is proud of, that celebrates our sense of place, heritage, and natural environment. A place where we always look to the future.

Plan: Our plan for achieving our vision is organised around eight priority areas. The framework for action will help us focus on the things that are most important, as well as respond to changing local and global trends, policy mandates and place needs. It will mean that Lancashire can speak with one voice when championing our needs in government.

Local partners have established working groups across the eight priority areas as described within section 4 of this proposal.

Responding to the Devolution opportunity

Lancashire partners used the substantial local evidence base and strategic work to assess the devolution framework set out by government in the Levelling Up White Paper. This technical assessment exercise, shared with Government officials in June 2023, considered the following four points across the range of devolution functions set out by Government for a Level 2 Deal:

- What Lancashire is/has already done under each devolution theme
- Identification of specific Lancashire options and proposals under each devolution theme
- Why these proposals are a priority/key issue for Lancashire
- How the Lancashire proposals aligns with Government policy ⁴

Crucially, this approach has allowed partners to understand which priorities can be supported through the Proposal and which could be taken forward over time.

Our Priorities

We propose to use devolution to build upon Lancashire's substantial strengths in delivering benefits for its residents. This initial Proposal will focus on the following priorities and will also establish our case for potential enhanced future deals.

Within this section, we set out what we would intend the CCA would deliver across our key priority areas if this Proposal is approved.

⁴ The CCA Priorities also directly support a number of Labour's Missions announced in February 2023; Securing the "highest sustained growth" in the G7 group, Making Britain a "clean energy superpower", removing fossil fuels from all of Britain's electricity generation by 2030 and Raising education standards.

Innovation, Trade, and Investment

We will work with local and national stakeholders to become a globally recognised and sustainable economy, distinguished by its quality of life, connectivity, and access to opportunities.

We will use the devolution process to refresh our strategic plans for economic prosperity. These plans will build upon our competitive advantages, exploit opportunities, and develop new sectors capable of delivering economic growth and high-value job creation over the long term. The proposed CCA will enable Lancashire to produce better strategic cases for investment and gain a greater share of national resources.

Devolution for Lancashire can support us to overcome a historical imbalance of economic performance, low productivity, low investment, and employment at a local level and ensure that Lancashire gets the necessary boost in funding to address longstanding inequalities and support levelling up our communities. Lancashire has opportunities aplenty in all parts of the county, and devolution will put Lancashire in a better position to realise the benefits of these opportunities to improve the lives of residents.

This Proposal can further stimulate business diversification through building upon the existing sectoral strengths of the CCA Area, and catalysing growth in future industries, such as Energy and Low Carbon and Cyber. This activity will ensure no area of Lancashire is left behind, and the future of Lancashire is one which is equitable for residents in all corners of Lancashire. Devolution will allow Lancashire to build on its proud history of international trade, supported by a county wide internationalisation strategy, and boost investment across all areas of Lancashire.

Subject to funding, policy and delivery considerations at the next Spending Review, Government's expectation is that delivery responsibility for the UK Shared Prosperity Fund (UKSPF), a flexible funding pot, will be aligned with devolution deal responsibilities. This would mean that the proposed CCA could have such responsibilities from 2025/26. In carrying out this role, the proposed CCA and the constituent councils will work closely with the Lancashire District Leaders Forum in an advisory capacity. Delivery of these functions will build on existing district-led delivery arrangements for UKSPF and align with the Lancashire 2050 strategy, as agreed by all Local Authorities in Lancashire, to ensure that the needs of residents can be effectively addressed.

The Proposal will provide £6m capital investment⁵ to create an Innovation Hub of international excellence at Samlesbury Enterprise Zone. The new centre will help stimulate the growth of new clusters to maximise the transformational benefits of the £5bn National Cyber Force in Lancashire.

The Proposal will provide £6m for the Blackburn Technology Innovation Quarter⁶. The project will provide new business space to support the growth of Lancashire's digital, creative, and cyber sectors.

Through the Proposal, Government departments will consider the potential for future relocations of Government roles to Lancashire as part of the Levelling Up agenda.

To support the proposed CCA in its initial stages of this deal, the Government will provide £1m of capacity funding.

Skills

We will work collaboratively with employers, skills and training providers, local authorities, and other stakeholders to support people to develop their skills throughout their lives and attract business to Lancashire because of our highly skilled workforce.

In Lancashire's labour market, the estimated employment rate is below the national rate and has worsened since the pandemic. Lancashire's labour force is also characterised by a lower proportion of residents with higher level qualifications.

The Proposed deal includes new powers to better shape local skills provisions to ensure these meet the needs of the local economy. This will include devolution of adult education, the core Adult Education Budget, and the opportunity to further refine the Local Skills Improvement Plan. Funding for Free Courses for Jobs will also be devolved and will be ring-fenced.

A strong, resilient, and inclusive economy brings health benefits to its residents, just as good population health is essential to economic prosperity, health and wealth are effectively 'two sides of the same coin'. As a CCA Area, Lancashire will be better placed to bid to become a pilot on national economic inactivity programmes that support individuals with health conditions to be retained or re-engaged through early intervention in the workplace.

Transport

We will work with transport providers inside and outside Lancashire to create better connected infrastructure that links opportunity to need and delivers travel choices that are safe, inclusive, affordable, and low carbon.

Partners will build on a successful track record of major transport investment, and Lancashire's fourth Local Transport Plan will set its direction and priorities

⁵ Subject to Business Case approval.

⁶ Subject to Business Case approval.

for highways and transport investment. This plan will work across the county to secure the benefits of connectivity in support of widening transport choices and supporting low carbon travel opportunities. Lancashire has a significant infrastructure pipeline of road transport, bus and rail schemes, and active travel projects that it is seeking to fund through devolution.

The Proposal includes new powers to improve and better integrate local transport, including the ability to develop the bus service improvement plan (BSIP) partnership and strengthen co-ordination of local transport functions.

The Proposal includes plans to improve public electric vehicle charging infrastructure to increase the uptake of electric vehicles and reduce carbon emissions.

As such devolution will help Lancashire deliver improved productivity, health and wellbeing, air quality and net zero carbon policies - and support objectives for maintaining a safe and reliable transport network.

As set out in the recent Network North announcement:

- The proposed CCA will receive a proportion of the £2.5 billion announced as part of Network North to transform local transport in areas in the North outside of the big city regions.
- The proposed CCA will receive a proportion of the £770 million of funding for Bus Service Improvement Plans in the North.
- The proposed CCA will receive a proportion of the £3.3 billion funding to fix potholes in the North.

Note: Under the terms of this Proposal, ownership and operation of Blackpool Transport Services Limited (BTS) and all associated assets, including the Bus and Tram fleet, will remain with BTS. BTS will remain as an arm's length company owned by Blackpool Council.

Blackpool Transport Service also provides vital bus services to Blackpool and the surrounding area. BTS will continue to deliver bus services locally.

Net Zero and Climate Change

We will work across Lancashire to meet our low carbon ambitions, promote clean energy, and enhance our natural environment. Our ambition is that Lancashire becomes internationally recognised as a leader in the creation of 'green jobs', building upon our world class engineering and manufacturing capabilities.

Lancashire's Energy and Low Carbon sector is particularly important due to its existing ecosystem and capabilities in designing and manufacturing low carbon technologies. The area is forecast to have the highest number of jobs

per capita in the Energy and Low Carbon sector in England between 2030 – 2050. Government will work with the proposed CCA to enable the continued growth of this sector by supporting the delivery of Lancashire’s Energy and Low Carbon sector plans.

Lancashire partners have been successful in securing funding for natural carbon capture and storage projects including for woodland creation, peatland restoration and pioneering soil management techniques. The county’s Biological Heritage Site system of managing locally important wildlife sites has been strengthened to support the development and delivery of the Local Nature Recovery Strategy for Lancashire.

The Proposal will provide £2m⁷ additional capital investment for the Cosy Homes in Lancashire domestic retrofit scheme to extend eligibility criteria and complement the current Home Upgrade Grant scheme. This investment will support a reduction in carbon emissions, better quality housing and improved health outcomes.

Digital and Cyber

We will work across Lancashire to continue to transform our digital infrastructure and knowledge-based sectors to balance and modernise our industrial base.

Lancashire has continued the development of a Lancashire Infrastructure Plan and supported rollout of Openreach and Gigabit programmes, including establishing Superfast Atlantic connection with the North Atlantic Loop at Blackpool Enterprise Zone. This increased digital connectivity provides competitive advantages to attract more cutting-edge, tech-based industries.

Locating the National Cyber Force in Lancashire will attract significant investment and create over 2,000 new jobs. Lancashire CCA will work with the Department for Science, Innovation and Technology, to fully capture the investment, business, research, and skills benefits of this new location. These activities will create opportunities and new careers for residents, develop markets and technologies of local businesses and help to establish a North West Cyber Corridor.

The Proposal will provide £6m capital investment for a Low Carbon Data Demonstrator Centre at Blackpool Enterprise Zone . The project will provide new business space to support Lancashire’s low carbon and digital innovation ambitions.

⁷ Subject to Business Case approval.

Culture and Tourism

We recognise the fundamental importance of our culture and tourism assets and will work with stakeholders across Lancashire to strengthen these. This work includes the creation a Local Visitor Economy Partnership for the region to help further develop the region’s visitor economy.

Lancashire’s rich cultural and heritage offer has an important role in the proposed CCA’s plans to attract and retain skilled workers, and in contributing to ‘pride in place’ in the region. Tourism and the visitor economy are crucial industries for Lancashire, with the area amongst the UK’s most prolific visitor destinations every year. Blackpool is the nation’s Number 1 seaside resort, with some 20 million visits per year, and represents a £1.5bn visitor economy.

The proposed CCA will work with Government to hold a series of exploratory conversations to test the region’s appetite and capacity for partnership working across culture, heritage, sport, communities, and the visitor economy.

VisitEngland and the proposed CCA will work with the accredited Local Visitor Economy Partnership for the region to help further develop the region’s visitor economy. This collaborative work, across those areas set out in the Government’s Tourism Recovery Plan, could include harnessing the region’s potential to grow domestic and international visitor spend, and encouraging visits throughout the year rather than just during the traditional tourist season.

Housing and Land

We will support the delivery of decent, affordable, and low carbon housing for every community. High quality housing will benefit existing residents, as well as attract and retain the people required to drive the economy over the long term.

Housing is a crucial issue for Lancashire. We need more and better housing to help support a return to growth in our working-age population and economic growth more widely. We also need concerted action to tackle poor-quality housing across the county as this stock drives many of our worst socio-economic outcomes.

As a collaborative, Lancashire authorities have successfully delivered £22m Local Authority Green Home Grant providing home energy improvements to over 2,000 households through the Cosy Homes in Lancashire scheme. £41m has been secured from the Home Upgrade Grant to provide energy efficiency and low carbon heating measures over the next two years.

Blackpool Council have been a Levelling Up partner with Department for Levelling Up, Housing and Communities (DLUHC) since March 2022 and is now trialling policy changes in decent homes standards for the private rented sector and supported housing, and Blackburn with Darwen is also confirmed as one of 20 national Levelling Up Partnership areas.

Lancashire has a major development and infrastructure pipeline in excess of £22bn and a consistent understanding with regard to brownfield land opportunities and outputs including economic development, infrastructure, and housing. Lancashire has clear evidence of the blockages to development, infrastructure, and housing especially on brownfield land where issues such as ownership and contamination and/or buildings from previous uses can present a barrier to achieving outcomes.

The proposal would give Lancashire the ability to exercise compulsory purchase powers, to help drive regeneration and build more affordable homes, boosting supply and bringing down the cost of newly built dwellings.

The Proposal supports our ambition to deliver a pipeline of strategic development sites and infrastructure opportunities faster and more strategically than would otherwise be the case.

Delivery

We will implement streamlined governance and decision-making arrangements with a strong business voice to address the big opportunities and challenges for Lancashire.

This priority will allow the creation of a powerful CCA to drive growth in the North, empowered through strong leadership and effective governance.

To achieve this, our Proposal includes the integration of the Lancashire Local Enterprise Partnership with wider structures and the formation of a new Business Board. This change will help ensure there continues to be a strong and independent local business voice which informs local decision making and strategic economic planning. The model places a strengthened private sector voice at the heart of growth strategy development.

The governance model proposed (see section 5) builds upon existing structures and recognises the significant role of District Councils. The Proposal includes new arrangements for Transport and Skills and will enable partners to collaborate more effectively and focus on the big opportunities and challenges for Lancashire.

The proposal will see the integration of the Lancashire Enterprise Partnership investment team, Marketing Lancashire - the destination management organisation and the Growth Lancashire company, and existing powers to assemble land to unlock sites of significance to stimulate investment in Lancashire. The integration of the LEP and Business Board helps Lancashire choose its own economic path.

The plans proposed respond to national policy on levelling up and devolution including integration of LEP functions and roles into local democratic institutions to ensure a strong business voice at the heart of local decision making.

We propose to use devolution to build upon Lancashire's substantial strengths in delivering benefits for its residents.

Our Principles

Our Proposal is based upon the four principles for levelling up set out in the Levelling Up White Paper:

Principle one: **Effective leadership** with a revised governance model across the CCA Area.

Principle two: **Sensible geography** - the CCA Area covered by this Proposal has a clear functional economic geography as identified in the Lancashire Independent Economic Review (2021).

Principle three: **Flexibility** - the Proposal recognises the unique needs and ambitions of the CCA Area in its governance and programme.

Principle four: **Appropriate accountability** – the Constituent Councils have committed to developing a Constitution and Assurance Framework that will confirm, clarify, and formalise the intention of institutions and local leaders to continue to be transparent and accountable, work closely with local businesses, seek the best value for taxpayers' money and maintain strong ethical standards.

Our principles also include the local commitments established through the Lancashire 2050 Strategic Framework:

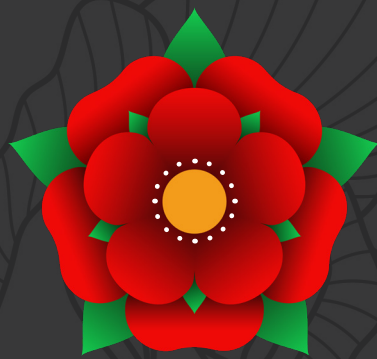
Principle five: **Work collaboratively** – we will work collaboratively on our collective priorities sharing ideas, assets, skills, and knowledge.

Principle six: **Cross-cutting themes** – we will ensure our commitments to diversity and inclusion, reducing inequalities, children and families, climate and improving quality of life are addressed through the CCA priorities, referred to above.

Principle seven: **Listening to residents** – we will be active listeners in building our plans for Lancashire. Everyone will be able to contribute to shaping our shared future.

Principle eight: **Being open and transparent** – we will ensure decisions are made democratically and transparently, so residents can easily understand progress against our priorities.

A major advantage of the CCA model is its capacity for joint governance arrangements across key growth levers such as transport, skills, economic development and regeneration, which allows for more integrated policy development and better strategic prioritisation.



4. DELIVERING OUR AMBITIONS

Work is currently underway to define the intended operating and delivery arrangements for the proposed CCA. The proposed CCA would build upon existing structures and expertise to deliver the ambitions set out above.

Lancashire local authorities have a long history of joint working to deliver projects and services for the whole county. This joint work has included extensive engagement with public, private, and voluntary sectors and communities. Since its launch in 2022, this joint working has been enhanced through the Lancashire 2050 Strategic Framework (L2050) and the formation of eight theme groups (shown below).



Figure 4 - Diagram of Lancashire 2050 Priority Theme Groups established in 2022

Once established, the proposed CCA would build upon the L2050 theme groups to develop a pipeline of key priorities and projects. The projects are intended to be underpinned by the priorities of the proposed CCA and actioned through the powers and functions sought as part of the Proposal.

We recognise that Lancashire is a diverse place and the proposed CCA will deliver our shared vision and outcomes via targeted investment and support that acknowledges our geographic differences and similarities. The needs of Lancashire and the projects to address these needs are not all area-wide.

Some priorities may be focussed on our urban and suburban areas and/or our market towns, and/or our rural areas, recognising that new investment should be able to deliver regional wide benefits. The work of the proposed CCA would be informed by a Lancashire Data Observatory that is an alliance of local authorities, industry experts and academic researchers delivering sub-regional research and analysis.

Lancashire local authorities have a long history of joint working to deliver projects and services for the whole county.

Social Value

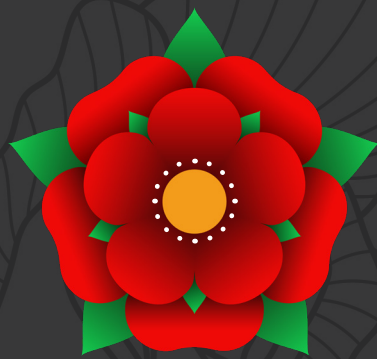
The Proposal provides an opportunity for Lancashire to expand its leading work around generating social value. The proposed CCA would support the development of a Lancashire wide Social Value Framework in delivering devolution.

The Lancashire Enterprise Partnership has been a leading area of the country in realising social value⁹ through its investment spend. Lancashire Enterprise Partnership successfully embedded social value within their key infrastructure investment programmes through the adoption of a LEP wide Social Value Framework. The framework utilises the National Themes Outcomes and Measures to embed social value within the procurement, monitoring and evaluation of projects across the LEP's project and programme portfolio including the Growth Deal, City Deal, and Boost business support programmes.

The impact of this approach can be seen at programme and project level. The £320m Lancashire Growth Deal programme generated a total of £56.9m of added benefits from social value, including for example, 638 Apprenticeships and 338 work placement weeks for unemployed residents.

⁹ Social Value is the additional economic, social and environmental benefits that can be created when an organisation purchases a service from an outside organisation, above and beyond the value of the goods or services.





5. GOVERNANCE

The Constituent Councils have proposed a governance structure for the proposed CCA which is true to the principles of the Levelling Up and Regeneration Bill, and which would secure effective and convenient local government for the proposed CCA Area.

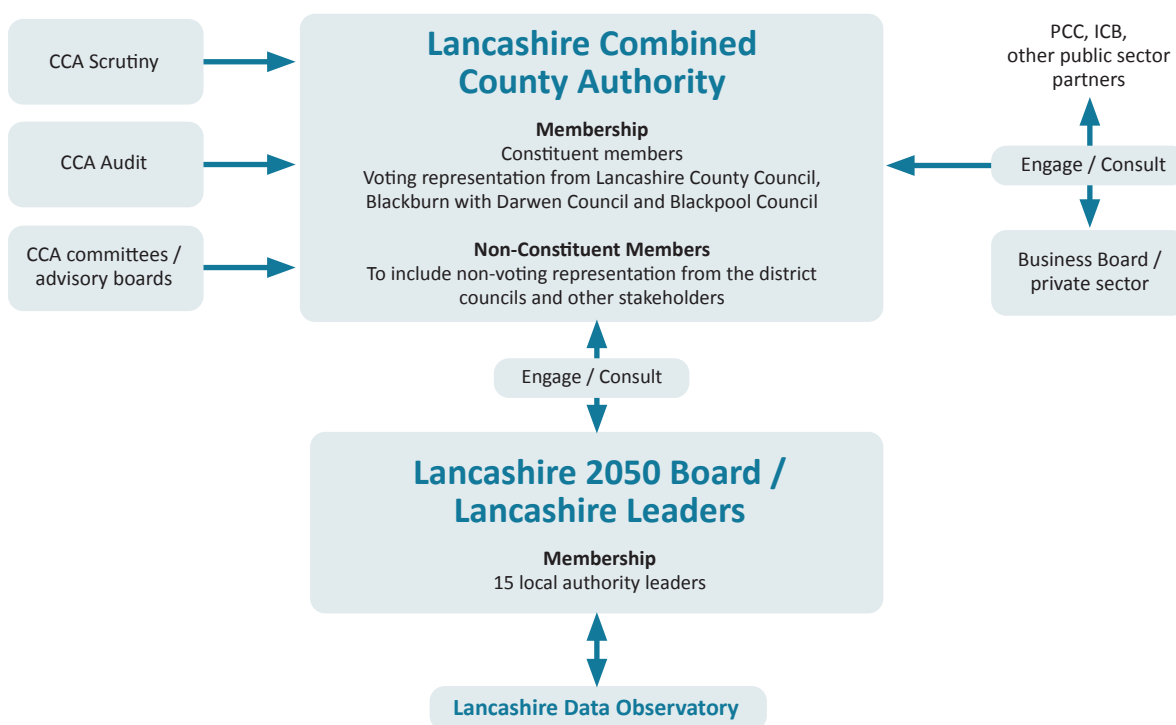


Figure 5 - Diagram of proposed CCA governance model

Name and Area

The proposed CCA would be formally known as the Lancashire Combined County Authority. It would cover the geographical areas of the Lancashire County, Blackburn with Darwen and Blackpool Councils, which together would form the Constituent Councils of the proposed CCA.

Membership of the CCA

The proposed CCA would have up to eight Members in total, comprising:

- Four Constituent Members (Members appointed by the Constituent Councils, with Lancashire County Council appointing two members and Blackburn with Darwen and Blackpool Councils appointing one each)
- Two Non-Constituent Members nominated by the District Councils within the area
- Up to two further Non-Constituent or Associate Members, to be appointed by the CCA

The four constituent members would have full voting rights. In accordance with the Levelling Up and Regeneration Act (2023), the proposed CCA would have the power to grant voting rights to the non-constituent members. The responsibility for agreeing any such rights would rest with the constituent members of the CCA and would be set out in the CCA's constitution. The Levelling Up and Regeneration Act 2023 does not allow associate members to vote.

District Councils

There are 12 District Councils within the proposed CCA Area. The Districts would be invited to nominate two individuals to represent their interests on the proposed CCA as non-constituent members

The Constituent Councils have worked with the District Councils to agree a system of nominations. It has been agreed that nominations would be made by the Lancashire District Council Leaders Forum, on the basis that that Forum operates with the unanimous support of the District Councils in Lancashire. This arrangement would be regularly reviewed to ensure that all District Councils, as well as the proposed CCA, remain content that the district voice is properly reflected in the proposed CCA.

The same appointment arrangements would also be used for the District Councils to nominate additional individuals as substitutes and representatives on the Overview and Scrutiny Committee, and Audit Committee, who may come from different Councils than the nominated Non-Constituent Members.

The inclusion of a mechanism by which the District Councils can have a key role on the proposed CCA ensures that the identities and interests of all our local communities would be fully represented on the proposed CCA.

Business Interests

The voice of business will be a critical component in the future proposed CCA, given that a key area of focus would be economy, industry, and business. The proposed CCA will appoint an Associate Member who can represent the views of business on the proposed CCA.

This function of the Lancashire LEP will be integrated into the proposed CCA, through the creation of a Business Board.

The Business Board would not be a formal committee of the proposed CCA, but it would be part of the formal governance arrangements and would exist to provide advice to the proposed CCA on all issues of business and economy relevant to the proposed CCA. The proposed CCA would then appoint the Chair of the Business Board to the proposed CCA as an Associate Member representing the views of business on the proposed CCA.

Resilience and Public Safety

The proposed CCA, in partnership with Government, will ensure that the Lancashire Police and Crime Commissioner (PCC) is invited to attend and participate in CCA meetings as an observer, or as a non-constituent member. This will ensure close collaboration and productive joint working between the CCA and PCC.

Other Memberships

There would be one remaining potential space for a further member, either as a “non-constituent” or “associate” member. This would be determined by the proposed CCA itself.

CCA Functions

The functions of the proposed CCA will be exercisable by the proposed CCA. On day one these will include:

- The duty to set a budget for the proposed CCA
- Duty to prepare an economic assessment of the proposed CCA Area
- Compulsory purchase, land acquisition and disposal and development of land powers (the exercise of compulsory purchase functions is subject to the consent of all the local planning authorities affected)
- Consideration of whether to seek the power to borrow and to explore the extent of those powers
- Housing supply and regeneration functions
- Duty to review air quality plans and propose and undertake steps to support the delivery of those plans by Districts Councils in the proposed CCA Area, and,
- Incidental powers in relation to its functions (the power to do anything which is incidental to the exercise of its functions).

In addition, the CCA will have functions relating to transport.

More detail is given in the table of powers at Appendix 1.

CCA decision making

The Members of the proposed CCA would be the main decision-making group of the proposed CCA. The proposed CCA will have the power to establish sub-committees to exercise CCA functions.

CCA voting

The proposed CCA would prescribe voting requirements in its Constitution, but the following principles are intended to be applied:

Proposals for decisions by the proposed CCA may be put forward by any constituent member. All constituent members would have one vote. Constituent members would work towards the principle of unanimity of all key decisions. Other questions that are to be decided by the proposed CCA are to be decided by a simple majority of the members present and voting, unless otherwise provided for in legislation. Decisions requiring unanimity amongst the constituent members would include:

- Approval of the proposed CCA's budget, including significant financial decisions
- Approval of the policy framework, which will include:
 - Corporate Strategy
 - Economic Growth Strategy
 - Skills and Employment Strategic Framework
 - The Local Transport Plan, Bus Service Improvement Plan (BSIP) and the Local Cycling and Walking Infrastructure Plan (LCWIP)
 - Appointment of the Chief Executive
 - Approval of and significant amendments to the Constitution.

The following decisions would require the consent of the Lead/Executive member of the relevant Constituent Council, or substitute members acting in their place, in whose area the decision will apply:

- Compulsory purchase of land or buildings by the proposed CCA
- The exercise of compulsory purchase power will also require the consent of the relevant planning authority
- Any decision by the proposed CCA that could lead to a financial liability falling directly upon that constituent council, or significant material impact on Blackpool Transport Services Ltd
- Such other matters as may be contained within the proposed CCA's constitution.

The constituent councils recognise the importance of local consensus in relation to matters that could impact companies wholly owned by those councils, and they have resolved to require Blackpool Council's consent for any decision which may have a significant, material and direct impact on Blackpool Transport Services Ltd.

Advisory Boards

The proposed CCA may choose to establish advisory boards. Advisory boards are formally constituted boards which would form part of the operation of the proposed CCA, but which have no decision-making power.

Advisory Boards may be formed if required to support the business of the proposed CCA. Membership of Advisory Boards would reflect the role and purpose of the Board, including members from outside the Constituent Councils as required to ensure the relevant expertise is available.

The role of any Advisory Boards established would be to advise the proposed CCA on the exercise of functions in their areas of expertise.

Members Allowances

The statutory instrument (SI) which may create the proposed CCA will set out the position on members allowances. DLUHC have indicated that the SI will provide that allowances will be payable as follows:

- Members of committees/sub-committees who are not elected members of a Constituent Council may be paid an allowance, the amount to be recommended by an independent remuneration panel
- Members of Overview and Scrutiny Committees and/or Audit Committee (whether or not also elected members of a Constituent Council) may also be paid an allowance, the amount to be recommended by an independent remuneration panel and,
- Otherwise, members may only be paid allowances for travel and subsistence, paid in accordance with the proposed CCA's published policy.

Overview and Scrutiny Committee

The proposed CCA would be required to have at least one Overview and Scrutiny Committee.

The role of the Overview and Scrutiny Committee is to monitor the decision making of the CCA to ensure that the decision making is appropriately focussed on community needs, and that high quality delivery is taking place for the benefit of the proposed CCA Area.

In accordance with the Levelling Up and Regeneration Act 2023 and given the role of the Committee, its membership must involve different individuals than those who are Members of the proposed CCA. However, the proposed CCA would intend to ensure that the District Councils would be represented on the Overview and Scrutiny Committee and would consider how and whether to represent any additional Non-Constituent and Associate Members on the Committee.

Practically this means that at least one member of the Overview and Scrutiny Committee would be nominated from each Constituent Council of the proposed CCA. At least two members are intended to be nominated by the District Councils. Any members of the Committee not drawn from the Constituent Councils would not automatically have voting rights on the Committee.

There is intended to be a requirement for political balance on the Committee which would reflect the political balance of the CCA Area (which in this context means to reflect the voting in respect of the Constituent Councils but taken across the whole CCA Area).

The Chair of the Overview and Scrutiny Committee would be an independent person – i.e. not a member of the Constituent Councils or District Councils in Lancashire. The Independent Chair of Overview and Scrutiny would be appointed by the proposed CCA through an open recruitment process.

Audit Committee

The proposed CCA would be required to have an Audit Committee. The role of the Audit Committee is to support and monitor the authority in the areas of governance, risk management, external audit, internal audit, financial reporting, and other related areas to ensure that the financial and governance decision making position of the proposed CCA is sound.

As with the Overview and Scrutiny Committee, this means that at least one member of the Audit Committee would be nominated from each Constituent Council of the proposed CCA. At least one member would be nominated by the District Councils. Any members of the Committee not drawn from the Constituent Councils would not automatically have voting rights on the Committee.

There would be a requirement for political balance on the Committee which will reflect the political balance of the proposed CCA Area (which in this context means to reflect the voting in respect of the Constituent Councils but taken across the whole CCA Area).

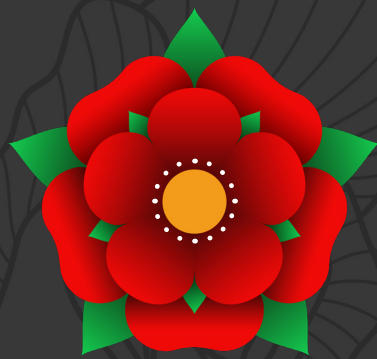
There is a requirement for the Chair of the Audit Committee to be an independent person, who is not otherwise involved in the proposed CCA. Again, the Levelling Up and Regeneration Act 2023 requires that members of the Audit Committee must not be the same individuals as those representatives who are members of the proposed CCA.

The proposed CCA will ensure that the Audit Committee has the right people to ensure effective oversight of the adequacy of the proposed CCA's overall assurance arrangements, and scrutiny of financial decision making by the proposed CCA.

Funding of the CCA

If the decision is taken by the Secretary of State to establish the proposed CCA then the Establishment Order will indicate that the proposed CCA will be funded by the three Constituent Councils. Funding has been secured as part of the deal from central Government to cover the financial years 2023/4 and 2024/5. In addition, the proposed CCA would consider whether to seek the power to borrow and explore the extent of these powers. In practice it is expected that the running costs of the proposed CCA will be met by either continued central Government support or with funding from the Constituent Councils. The proposed CCA will not have the power to raise a precept. That means it will not be able raise money through increasing Council Tax.

The general powers the proposed CCA is intended to have around finance and funding are expected to be substantially the same as local authorities enjoy generally.



6. CONSULTATION

To gain feedback on the Proposal and to inform the decision as to whether to proceed to advance the Proposal (with any potential amendments) to the Secretary of State, an eight-week consultation is planned to be undertaken between 1 December 2023 and 26 January 2024.

The consultation methods will include:

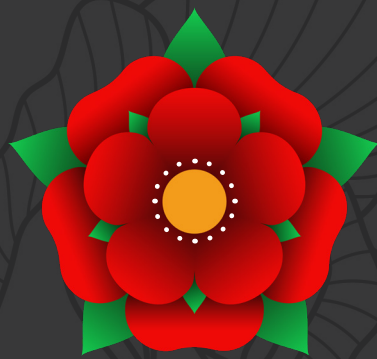
- an online survey with alternative options provided on request to meet the needs of participants (translations, paper copies and easy-read versions)
- stakeholder engagement with businesses, the voluntary sector, and other stakeholders identified
- events to engage residents and stakeholders of the proposed CCA Area.

Active steps will be taken to encourage participation and to ensure that the consultation is accessible to all (including, for example, the digitally disadvantaged, those with protected characteristics and high intensity users of affected services). An equality impact assessment has been completed to inform engagement undertaken by Constituent Councils.

A detailed plan of communications will be created with support from each Constituent Council to identify the best method of promoting the consultation in their local areas, including a list of frequently asked questions (FAQs).

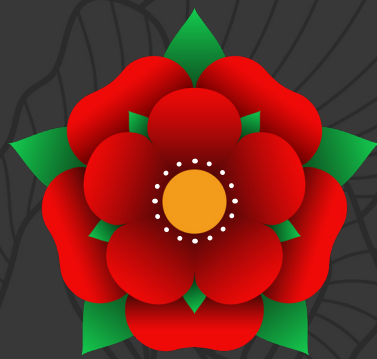
A Data Protection Impact Assessment will be undertaken to assist the Constituent Councils in ensuring that data shared and collected through the consultation process is held, processed and stored correctly, and for no longer than is necessary.

Findings from the consultation will be analysed and published in March 2024. These will support consideration of the Proposal by each Constituent Council.



7. THE DEAL

The Lancashire Devolution Deal can be viewed here:
www.gov.uk/government/publications/lancashire-devolution-deal



8. NEXT STEPS (TRANSITION)

The transition to a formal CCA in Autumn 2024 is planned to be in three stages:

- **Stage 1: Establishing transition arrangements – Autumn 2023 to Spring 2024**
- **Stage 2: Working as a shadow organisation – Spring 2024 to Autumn 2024**
- **Stage 3: Formal establishment of the CCA – Autumn 2024 onwards**

It is important to note that transition to the proposed CCA is dependent on a number of factors: this Proposal being accepted as a result of public consultation; this Proposal then being accepted by Government; and the approval by Parliament of the necessary secondary legislation implementing the Proposal. Importantly we would not propose to move into 'shadow' mode until the outcome of the consultation was known and all parties agreed to progress advancing the Proposal for the establishment of a CCA to the Secretary of State for consideration.

Stage 1: Establishing transition arrangements – Autumn 2023 – Spring 2024

The three Constituent Councils will work closely together in this Stage to oversee consultation and engagement, consider any amendments to the Proposal in light of the outcome of the consultation and prior to potential submission to the Secretary of State, take a decision as to whether to submit a proposal to the Secretary of State following consultation, and plan for the potential establishment of the proposed CCA. If it is decided to submit a proposal, then this stage will involve:

- ensuring collaborative leadership from Leaders of Constituent Councils to enable decisions to be made
- consolidating a programme team to operate as the 'engine' of the shadow CCA – drawing on staff from Constituent Councils, other stakeholders, and professional advisors
- defining a resource plan so that individual authorities can take decisions about their financial and time commitments
- developing an engagement plan to ensure that key partners, including District Councils and the business community are involved in the development activity
- putting in place the necessary arrangements to begin developing plans for priority areas such as transport, skills, and employment

- starting to consider the practical arrangements for shadow and combined authority working and decision making, including the role of districts and the Lancashire Leaders forum.

In this and subsequent stages, the relationship between the future CCA and existing local authorities (and other stakeholders) will be developed to ensure effective and constructive governance.

Stage 2: Working as a shadow organisation - Spring 2024 to Autumn 2024

In this stage, the focus will be on working as a shadow organisation and making preparations for the formal CCA. It is important to note that this shadow organisation will not be a new legal entity and therefore any activities (such as employing people or financial accountability) will be done by the existing local authorities. Functions at this stage will involve:

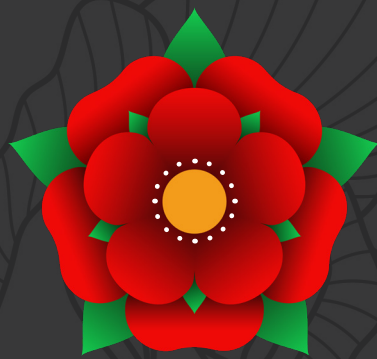
- preparing functional plans ready for the formal CCA to pick up if it is established
- designing and confirming important aspects of the formal CCA, such as the future management structure and resources to enable delivery of the objectives
- developing and designing a constitution for the CCA to ensure effective governance arrangements
- planning the integration of the functions of the LEP into the CCA, ensuring it is ready for delivering functional responsibilities if the formal CCA is established.

Stage 3: Formal establishment of the CCA – Autumn 2024 onwards

In this stage, which would follow the laying of the necessary Statutory Instrument, the constituent councils will begin to formally meet as a Combined County Authority, informed by the preparation and planning undertaken in the previous two stages. It will begin to deliver on the objectives and ambitions of this proposal:

- begin the process of appointment to Statutory Roles to manage the CCA's operations
- delivering on functional plans to begin delivering CCA responsibilities and achieving outcomes for the region
- scaling up the enabling competencies in order to allow the organisation to operate as required
- implementing the governance model for the CCA, including establishing the various committees
- continuing to enable the CCA to operationally evolve as is required.





9. LEGISLATION

Set out in the Appendix is a table of the powers which the Constituent Councils are proposing are available to the proposed CCA. The powers are those which the Constituent Councils believe are needed to enable the proposed CCA to deliver the purposes outlined in this Proposal.

In considering our Proposal, the Government, and in particular, specialist legislative counsel, will review the table below and some of the detail set out may be required to change as a consequence of the drafting of establishment orders, and other consequential amendments to existing powers for combined authorities.

The scope of powers to be available, and the broad terms of the exercise of those powers are unlikely to change, and, in any event, the powers will not go beyond the scope set out in the governance section of this Proposal.

In particular it should be noted that discussions are ongoing with the Department for Transport in relation to certain transport functions, in particular the necessity for concurrent exercise of specified functions. The Appendix therefore sets out the intended position in relation to these powers, but this may be subject to change as a result of these ongoing discussions.

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- ⁱⁱ Regional Gross Value Added (Balanced) by Industry: City and Enterprise Regions, 2021, Office for National Statistics (ONS) © Crown Copyright
- ⁱⁱⁱ ONS: 2011 Census: Origin-destination (flow) data
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- ^{xi} Lancashire Skills and Employment Hub: Food and Agriculture Study, July 2022: <https://www.lancshireskillshub.co.uk/wp-content/uploads/2022/10/Lancashire-Food-Agriculture-LMI-study-Final-Report-2022.pdf>
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- ^{xvi} Lancashire LEP Analysis of 2018/19 - 2020/21 Higher Education Statistics Authority (HESA) Graduate Outcomes Survey
- ^{xvii} ONS: Annual Population Survey, 2023
- ^{xviii} Housing need sourced from the Planning Authorities or their current Local Plans, Lancashire LIER Infrastructure in Lancashire 2021, and <https://lichfields.uk/grow-renew-protect-planning-for-the-future/how-many-homes-the-new-standard-met>
- ^{xix} Table 253: permanent dwellings started and completed, by tenure and district, Department for Levelling Up, Housing and Communities, © Crown Copyright
- ^{xx} ONS: House price (existing dwellings) to workplace-based earnings ratio, 2023
- ^{xxi} House price (newly built dwellings) to workplace-based earnings ratio, ONS, 2023
- ^{xxii} ONS: Experimental regional gross fixed capital formation (GFCF) estimates by asset type, 2022
- ^{xxiii} Subregional productivity: labour productivity indices by UK ITL2 and ITL3 subregions, Current Price (Smoothed) Gross Value Added (Balanced) Per Hour Worked, Indices 2004-2021. ONS, 2023 © Crown Copyright
- ^{xxiv} Regional gross value added (balanced) by industry: city and enterprise regions, 2021, ONS © Crown Copyright

^{xxv} Tracking Local Employment in the Green Economy: The Place-based Climate Action Network Just Transition Jobs Tracker, PCAN

^{xxvi} Lancashire Independent Economic Review: Infrastructure in Lancashire, 2021. Link: https://www.lancashireier.org/wp-content/uploads/2021/12/LIER_Infrastructure_In_Lancashire_2021_v1.pdf

^{xxvii} Annual Survey of Hours and Earnings 2022, ONS (Nomis) © Crown Copyright

^{xxviii} Annual Survey of Hours and Earnings 2022, ONS (Nomis) © Crown Copyright

^{xxix} Annual Population Survey, Jul 2022-Jun 2023, ONS (Nomis) © Crown Copyright

^{xxx} Subregional productivity, Current Price (smoothed) GVA per hour worked, 2004-2021, ONS © Crown Copyright

^{xxxi} Annual Survey of Hours and Earnings 2022, ONS (Nomis) © Crown Copyright

^{xxxii} Annual Population Survey, Jul 2022-Jun 2023, ONS (Nomis) © Crown Copyright

^{xxxiii} English Indices of Deprivation, 2019, The Department for Levelling Up, Housing and Communities, © Crown Copyright

^{xxxiv} PHE Fingertips Dashboard, Office for Health Improvement and Disparities, Life Expectancy at Birth 2018-2020, © Crown Copyright

^{xxxv} Annual Population Survey – Jun 2022 to Jul 2023. ONS, Accessed via NOMIS

^{xxxvi} Department for Education, Average Attainment 8 Score of all pupils. Key stage 4 performance: Local Authority Data, 2022/23

^{xxxvii} Department for Education, Average Attainment 8 Score of all pupils. Key stage 4 performance: Local authority district and region of school location data by FSM and disadvantage status, 2022/23

^{xxxviii} Early Years Foundation Stage Profile results, 2021-22, Department for Education © Crown Copyright

^{xxxix} TS067 - Highest level of qualification, Census 2021, ONS (Nomis) © Crown Copyright

^{xi} TS067 - Highest level of qualification, Census 2021, ONS (Nomis) © Crown Copyright

DEFINED TERMS

CCA - Combined County Authority.

Constituent Councils - Lancashire County Council, Blackburn with Darwen Council and Blackpool Council.

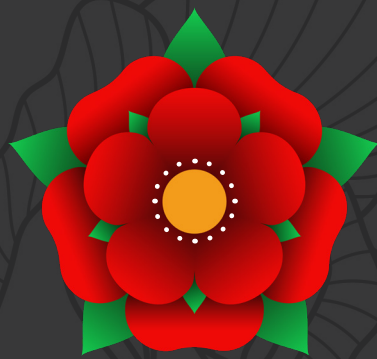
Functional Economic Area - FEA - areas that share several similar economic factors with boundaries that ideally reflect the drivers of the local economy.

GVA - Gross Value Added – this is the measure of the value of goods and services produced in an area, industry, or sector of an economy.

Local Enterprise Partnerships (LEPs) - Partnerships between local authorities and businesses to help determine local economic priorities and undertake activities to drive economic growth and create local jobs.

The Area - The Area covered by the proposed Lancashire Combined County Authority.

Statutory Instrument (SI) - Statutory instruments are the most common form of secondary (or delegated) legislation.



APPENDIX A: TABLE OF POWERS/ FUNCTIONS

Set out below is a table of the powers which the Constituent Councils are proposing are available to the CCA. The powers are those which the Constituent Councils believe are needed to enable the CCA to deliver the purposes outlined in this proposal. In considering our proposal the Government, and in particular, specialist legislative counsel, will review the table below and some of the detail set out may be required to change as a consequence of enactment of the Levelling-up and Regeneration Act, the drafting of establishment orders, and other consequential amendments to existing powers for combined authorities. The scope of powers to be available, and the broad terms of the exercise of those powers are unlikely to change; and in any event, the powers will not go beyond the scope set out in the governance section of this proposal, and the Devolution Deal.

Finance, Investment, Innovation and Trade

Legislative Provisions	From	Concurrent exercise?	Consent	Voting
Local Democracy, Economic Development and Construction Act 2009 Section 69	Upper tier councils	Yes	No, but requirement to consult and seek the participation of the district/ boroughs.	Unanimous vote
Crime and Disorder Act 1998 Section 17A	Upper tier councils	Yes	No	Simple majority
Local Government Act 1972 Sections 113, 142(2), 144, 145 and 222	All LAs	No (but LAs do not lose powers)	No	Simple majority
Local Government Act 1985 Section 88	All LAs	No	No	Simple majority

Finance, Investment, Innovation and Trade (cont.)

Legislative Provisions	From	Concurrent exercise?	Consent	Voting
Local Government and Housing Act 1989 Section 13	Applies to all powers conferred on any relevant authority by s102(1) of the Local Government Act 1972	N/a – this relates to voting rights rather than exercise of powers	No	N/a – no voting
Local Government Pension Scheme Regulations 2013	N/a – provision for pension arrangements	No – administering authority is Lancashire County Council	No	N/a – no voting
Local Government Act 2003 Section 31	Minister	Yes	Where exercise of power will result in financial liability of a constituent council, that constituent council must consent. Where exercise of power will result in financial liability for Blackpool Transport Services Limited, Blackpool Borough Council must consent. Where exercise of a power may have a significant, material, and direct impact on Blackpool Transport Services Ltd, Blackpool Borough Council must consent.	Simple majority

Skills and Education

Legislative Provisions	From	Concurrent exercise?	Consent	Voting
Apprenticeships, Skills, Children and Learning Act 2009 Sections 86 and 87, 88, 90 and 100(1)	Secretary of State functions	Section 86, 87 and 88 are transferred Sections 90 and 100(1) are exercised concurrently with Secretary of State	None specified	Simple majority
Education Act 1996 Sections 13A , 15ZA, 15ZB and 15ZC	Upper tier councils	Yes	None specified	Simple majority
Education and Skills Act 2008 Sections 10, 12, 68, 70, 71 and 75	Upper tier councils	Yes	None specified	Simple majority
Further and Higher Education Act 1992 Section 51A	Upper tier councils	Yes	None specified	Simple majority

Housing and Planning

Legislative Provisions	From	Concurrent exercise?	Consent	Voting
<p>Town and Country Planning Act 1990</p> <p>Sections 226, 227, 229, 230(1)(a), 232, 233, 235, 236, 238, 239, 241</p>	LPA (Local Planning Authority) powers	Yes	Section 226 requires consent of lead member of CCA designated under paragraph 1(3) of schedule 1 whose area contains land subject to the acquisition, and of district councils in whose area the land subject to the acquisition is located.	Simple majority
<p>Housing and Regeneration Act 2008</p> <p>Sections 5, 6, 7, 8, 9, 10, 11, 12, paragraphs 19 and 20 of Schedule 3 and paragraphs 1, 2, 3, 4, 6, 10 and 20 of Schedule 4</p>	Homes England powers	Yes	<p>Section 9(2) requires consent of</p> <ul style="list-style-type: none"> • Lead member of CCA designated by constituent council whose local government area contains any part of the relevant land; • Each district council whose area contains any part of the relevant land. <p>Where exercise results in financial liability falling on a constituent council, the consent of the lead member of that council is required.</p>	Simple majority
<p>Housing Act 1985</p> <p>Sections 8(1), 11, 12, 17 and 18</p>	City Council and District/ Borough powers	Yes	<p>Section 17(3) requires consent of:</p> <ul style="list-style-type: none"> • Lead member of CCA designated by constituent council whose local government area containing the relevant land; • Each district council whose area contains any part of the relevant area • Where exercise of 17(3) results in financial liability falling on a constituent council, the consent of the lead member of that council is required 	Simple majority

Transport

Discussions are ongoing between the Constituent Councils and the Department for Transport in relation to the necessity for the concurrent exercise of those functions and/or powers marked with a [*]

Legislative Provisions	From	Concurrent exercise?	Consent required before exercise	Voting	When?
Part 2 Transport Act 2000					
Local transport plans and bus strategies (sections 108, 109 and 112) (sections 110 to 111 repealed)	A local transport authority or local transport authorities or a district council or a Passenger Transport Executive (as applicable)	The following are concurrent during the transition period: • 113C-123 • 123A-123X • 124-134B • 138A-143B • 151-162 Thereafter, the following are concurrent and continuing: • 134C – 138 • 145A to 150	In respect of all powers: • Where exercise of power will result in financial liability of a constituent council, that constituent council must consent • Where exercise of power will result in financial liability for Blackpool Transport Services Limited, Blackpool Borough Council must consent • Where exercise of a power may have a significant, material and direct impact on Blackpool Transport Services Ltd, Blackpool Borough Council must consent In addition, s123A-123X are only exercisable with the consent of the affected constituent council.	Unanimous for s108-113 Otherwise, simple Majority	From Establishment and on an ongoing basis
Bus services: advanced quality partnership schemes (sections 113C to 113O)					
Bus services: quality partnership schemes (sections 114 to 123)					
Bus services: franchising schemes (sections 123A to 123X)					
* Bus services: advanced ticketing schemes (sections 134C to 134G)					
* Bus services: ticketing schemes (sections 135 to 138)					
Bus services: enhanced partnership plans and schemes (sections 138A to 138S)					
Bus services: provision of information (section 139 to 141A)					
Bus services: miscellaneous (sections 142 to 143B)					
* Mandatory travel concessions for journeys not beginning on the London bus network (sections 145A to 150)					
Travel concessions in Greater London (Section 151)					
Financial and competition provisions (sections 152 to 159 (156 and 158 repealed))					
Supplementary (Section 160 to 162)					

Transport (cont.)

Legislative Provisions	From	Concurrent exercise?	Consent required before exercise	Voting	When?
Part 2 Transport Act 2000					
Chapters 2 and 3 of Part 3 (Workplace parking levy, General and supplementary) and Workplace Parking Levy (England Regulations 2009	Local Authority (charging authority which is the traffic authority (charging schemes can be made by a non-metropolitan local traffic authority (or jointly by more than one non-metropolitan local traffic authority), by an Integrated Transport Authority or combined authority and one or more eligible local traffic authorities, or the Secretary of State [or a strategic highways company]; a licencing authority or licencing authorities)	Concurrent and continuing	<p>Only exercisable with consent of the affected constituent council.</p> <p>Where exercise of power will result in financial liability of a constituent council, that constituent council must consent</p> <p>Where exercise of power will result in financial liability for Blackpool Transport Services Limited, Blackpool Borough Council must consent</p> <p>Where exercise of a power may have a significant, material, and direct impact on Blackpool Transport Services Ltd, Blackpool Borough Council must consent</p>	Simple majority	From Establishment and on an ongoing basis.

Transport (cont.)

Legislative Provisions	From	Concurrent exercise?	Consent required before exercise	Voting	When?
Highways Act 1980					
Section 6 Highways Act 1980 (Delegation etc. of functions with respect to trunk roads etc)	Public Authority Minister of Crown [or a strategic highway company]	With Constituent Councils	Only exercisable with the consent of the affected Constituent Council. Where exercise of power will result in financial liability of a constituent council, that Constituent Council must consent Where exercise of power will result in financial liability for Blackpool Transport Services Limited, Blackpool Borough Council must consent Where exercise of a power may have a significant, material, and direct impact on Blackpool Transport Services Ltd, Blackpool Borough Council must consent	Simple majority voting but the agreement of the Constituent Council would be needed before vote	From Establishment and on an ongoing basis.
Sections 8 of the Highways Act 1980 (Agreements between local highway authorities [and strategic highways companies] for certain works)	Local Authority Local highway authorities [and strategic highway companies]	With Constituent Councils	Only exercisable with the consent of the affected Constituent Council. Where exercise of power will result in financial liability of a Constituent Council, that constituent council must consent Where exercise of power will result in financial liability for Blackpool Transport Services Limited, Blackpool Borough Council must consent Where exercise of a power may have a significant, material, and direct impact on Blackpool Transport Services Ltd, Blackpool Borough Council must consent	Simple majority voting but the agreement of the Constituent Council would be needed before vote	From Establishment and on an ongoing basis.

Transport (cont.)

Legislative Provisions	From	Concurrent exercise?	Consent required before exercise	Voting	When?
Part 4 Transport Act 1985					
Passenger Transport Areas (section 57 to 62)	In a non-metropolitan county in England and Wales, the county council, a non-metropolitan district council in England, Passenger Transport Executive for any integrated transport area, council operating a bus undertaking, public transport company or its controlling authority, a Passenger Transport Executive or a council or local authority	The following sections are concurrent during the transition period: · S57 to 62 · S80 to 87	<p>In respect of all powers:</p> <ul style="list-style-type: none"> • Where exercise of power will result in financial liability of a constituent council, that constituent council must consent • Where exercise of power will result in financial liability for Blackpool Transport Services Limited, Blackpool Borough Council must consent • Where exercise of a power may have a significant, material, and direct impact on Blackpool Transport Services Ltd, Blackpool Borough Council must consent <p>In addition, s63-64 and 72-79 only exercisable with consent of affected constituent council</p>	Simple majority	From Establishment and on an ongoing basis
[* - in relation to sections 65 to 71 only]					
Passenger Transport in other areas (sections 63 to 71)		The following are concurrent and continuing · s63 and 64 · s65 to 71 · s72 to 79			
Further Provisions (sections 72 to 79)					
Miscellaneous (section 80 to 87)					

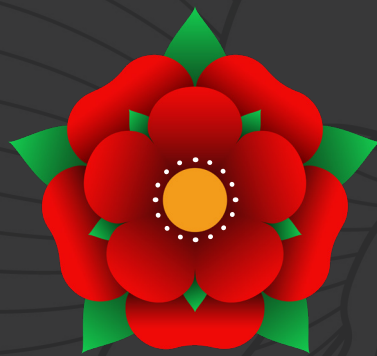
Transport (cont.)

Legislative Provisions	From	Concurrent exercise?	Consent required before exercise	Voting	When?
Part 5 Transport Act 1985					
[* - in relation to section 88 only] Expenditure on public passenger transport services (sections 88 to 92)	Any authority responsible for expenditure on public local transport, any local authority or any two or more local authorities acting jointly, Passenger Transport Executive, a county or district council operating any public passenger transport service, a parish council or community council, the Secretary of State	The following are concurrent and continuing <ul style="list-style-type: none"> • s88 to 92 • s93-101 • s103-105 • s106 and 106A 	In respect of all powers: <ul style="list-style-type: none"> • Where exercise of power will result in financial liability of a constituent council, that constituent council must consent • Where exercise of power will result in financial liability for Blackpool Transport Services Limited, Blackpool Borough Council must consent • Where exercise of a power may have a significant, material, and direct impact on Blackpool Transport Services Ltd, Blackpool Borough Council must consent In addition: <ul style="list-style-type: none"> • during transition period s88 only exercisable with consent of constituent council and; • s93-101 only exercisable with consent of constituent councils 	Simple majority	From Establishment and on an ongoing basis
* Travel Concession Schemes (sections 93 to 101 (102 repealed))					
*Travel concessions apart from schemes (sections 103 to 105)					
Grants for transport facilities and services (sections 106 and 106A)					
Grants for services in rural areas (sections 108 to 109)					
Miscellaneous (sections 110 (111 repealed) and 112)					

Transport (cont.)

Legislative Provisions	From	Concurrent exercise?	Consent required before exercise	Voting	When?
Traffic Management Act 2004					
Part 3 Permit Schemes Section 33 Section 33A Section 36	Local Highway Authorities	Concurrent and continuing	<p>Only exercisable with the consent of the affected Constituent Council(s).</p> <p>Where exercise of power will result in financial liability of a constituent council, that constituent council must consent</p> <p>Where exercise of power will result in financial liability for Blackpool Transport Services Limited, Blackpool Borough Council must consent</p> <p>Where exercise of a power may have a significant, material, and direct impact on Blackpool Transport Services Ltd, Blackpool Borough Council must consent</p>	Simple majority	From Establishment and on an ongoing basis
Part 6 (Civil Enforcement of Traffic Contraventions) and paragraph 10 (designation of civil enforcement areas for moving traffic contraventions) of Schedule 8 (civil enforcement areas and enforcement authorities outside Greater London)	Enforcement Authority	Concurrent and continuing	<p>Only exercisable with the consent of the affected Constituent Council(s).</p> <p>Where exercise of power will result in financial liability of a constituent council, that constituent council must consent</p> <p>Where exercise of power will result in financial liability for Blackpool Transport Services Limited, Blackpool Borough Council must consent</p> <p>Where exercise of a power may have a significant, material, and direct impact on Blackpool Transport Services Ltd, Blackpool Borough Council must consent</p>	Simple majority	From Establishment and on an ongoing basis





Appendix 7c: Equalities Impact Assessment

Lancashire Devolution Proposal

November 2023

This Equalities Impact Assessment (EIA), examines the possible impacts arising from the Devolution Proposal. It is a living document and will be reviewed and updated by the Constituent Councils as necessary, including after public consultation on the Draft Proposal (described in this EIA) has been carried out and before the Proposal is finalised.

Question 1 - What is the nature of and are the key components of the proposal being presented?

The Government and the upper tier Councils in Lancashire (Lancashire County Council, Blackburn with Darwen Council and Blackpool Council) ("the Constituent Councils") have negotiated a proposed Devolution Deal ("The Deal"). A copy of the Devolution Deal can be found here <http://www.gov.uk/government/publications/lancashire-devolution-deal>

In response to the Deal, the Constituent Councils have developed a proposal ("the Proposal") which sets out how they will collectively deliver the Deal by establishing a Combined County Authority (CCA) for Lancashire, Blackburn with Darwen and Blackpool ("the Area"). If the proposals are accepted, Government would give additional powers and funding to the Lancashire CCA and more control over the decision-making that affects Lancashire's residents and businesses.

The creation of the CCA will not result in the merger or take-over of councils in the Area nor will it require individual councils to give up their powers, except in the specific area of transportation, where some powers will be transferred from the Constituent Councils to the CCA. Cooperation in transport matters between the CCA and the councils will also continue into the longer term with certain powers to be held concurrently moving forward to enable the parties to work together effectively in the years ahead. The CCA will work as one democratically accountable body on key priorities such as economic development, skills, regeneration and transport, enhancing the investment capability of the CCA Area and individual authorities to support growth.

Objectives

The objectives for the Proposal reflect regional and national strategy and are designed to ensure a positive future of our county and its people. Together they offer a bold and strategic framework so that:

- Lancashire competes better for its share of national resources and investment
- Lancashire's public, private and voluntary sectors collaborate better to maximise the best use of our resources
- Lancashire has a strong and clear voice that responds innovatively to new opportunities and challenges
- Lancashire has a rich, meaningful and strategic dialogue with central government about the future of our county.
- Lancashire is better positioned to respond to Government's Levelling Up objectives which are;
 - Boosting productivity, pay, skills, jobs and living standards
 - Spreading opportunities and improving public services
 - Restoring a sense of community, local pride and belonging
 - Empowering local leaders and communities.

Outcomes

Through delivering on these objectives, we aim to achieve the following outcomes for our residents and the CCA Area:

- A stronger voice in the North West that is currently dominated by Manchester and Liverpool
- Encourage innovation led growth through long term investment in major opportunities
- Match skills to economic need to increase productivity and wellbeing of people who live and work in the area
- Reduce inequality and promote social mobility to allow people to achieve their potential
- Improve transport links to offer greater choice and facilitate better and more sustainable access to our economic hubs, including improving east – west connectivity
- Greater access to Government funding that is exclusively targeted at devolved areas
- Greater say on where to spend investment
- Decision making brought closer to communities, increasing the visibility of those decisions
- Lancashire authorities will gain powers from Whitehall.

Our Priorities

We propose to use devolution to build upon Lancashire's substantial strengths in delivering benefits for its residents. The initial proposal will focus on the following priorities and will also establish our case for enhanced future deals.

Innovation, Trade and Investment

We will work with local and national stakeholders to become a globally recognised and sustainable economy, distinguished by its quality of life, connectivity, and access to opportunities.

We will use the devolution process to refresh our strategic plans for economic prosperity. These plans will build upon our competitive advantages, exploit opportunities, and develop new sectors capable of delivering economic growth and high-value job creation over the long term. The proposed CCA will enable Lancashire to produce better strategic cases for investment and gain a greater share of national resources.

Devolution for Lancashire can support us to overcome a historical imbalance of economic performance, low productivity, low investment, and employment at a local level and ensure that Lancashire gets the necessary boost in funding to address longstanding inequalities and support levelling up our communities. Lancashire has opportunities aplenty in all parts of the county, and devolution will put Lancashire in a better position to realise the benefits of these opportunities to improve the lives of residents.

This Proposal can further stimulate business diversification through building upon the existing sectoral strengths of the CCA Area, and catalysing growth in future industries, such as Energy and Low Carbon and Cyber. This activity will ensure no area of Lancashire is left behind, and the future of Lancashire is one which is equitable for residents in all corners of Lancashire. Devolution will allow Lancashire to build on its proud history of international trade, supported by a county wide internationalisation strategy, and boost investment across all areas of Lancashire.

Subject to funding, policy and delivery considerations at the next Spending Review, Government's expectation is that delivery responsibility for the UK Shared Prosperity Fund (UKSPF), a flexible funding pot, will be aligned with devolution deal responsibilities. This would mean that the

proposed CCA could have such responsibilities from 2025/26. In carrying out this role, the proposed CCA and the constituent councils will work closely with the Lancashire District Leaders Forum in an advisory capacity. Delivery of these functions will build on existing district-led delivery arrangements for UKSPF and align with the Lancashire 2050 strategy, as agreed by all Local Authorities in Lancashire, to ensure that the needs of residents can be effectively addressed.

The Proposal will provide £6m capital investment¹ to create an Innovation Hub of international excellence at Samlesbury Enterprise Zone. The new centre will help stimulate the growth of new clusters to maximise the transformational benefits of the £5bn National Cyber Force in Lancashire.

The Proposal will provide £6m for the Blackburn Technology Innovation Quarter². The project will provide new business space to support the growth of Lancashire's digital, creative, and cyber sectors.

Through the Proposal, Government departments will consider the potential for future relocations of Government roles to Lancashire as part of the Levelling Up agenda.

To support the proposed CCA in its initial stages of this deal, the Government will provide £1m of capacity funding.

Skills

We will work collaboratively with employers, skills and training providers, local authorities, and other stakeholders to support people to develop their skills throughout their lives and attract business to Lancashire because of our highly skilled workforce.

In Lancashire's labour market, the estimated employment rate is below the national rate and has worsened since the COVID 19 pandemic. Lancashire's labour force is also characterised by a lower proportion of residents with higher level qualifications.

The Proposed Deal includes new powers to better shape local skills provisions to ensure these meet the needs of the local economy. This will include devolution of adult education, the core Adult Education Budget, and the opportunity to further refine the Local Skills Improvement Plan. Funding for Free Courses for Jobs will also be devolved and will be ring-fenced.

A strong, resilient, and inclusive economy brings health benefits to its residents, just as good population health is essential to economic prosperity, health and wealth are effectively 'two sides of the same coin'. As a CCA Area, Lancashire will be better placed to bid to become a pilot on national economic inactivity programmes that support individuals with health conditions to be retained or re-engaged through early intervention in the workplace.

Transport

We will work with transport providers inside and outside Lancashire to create better connected infrastructure that links opportunity to need and delivers travel choices that are safe, inclusive, affordable, and low carbon.

Partners will build on a successful track record of major transport investment, and Lancashire's fourth Local Transport Plan will set its direction and priorities for highways and transport investment. This plan will work across the county to secure the benefits of connectivity in support

¹ Subject to Business Case approval.

² Subject to Business Case approval.

of widening transport choices and supporting low carbon travel opportunities. Lancashire has a significant infrastructure pipeline of road transport, bus and rail schemes, and active travel projects that it is seeking to fund through devolution.

The Proposal includes new powers to improve and better integrate local transport, including the ability to develop the bus service improvement plan (BSIP) partnership and strengthen co-ordination of local transport functions.

The Proposal includes plans to improve public electric vehicle charging infrastructure to increase the uptake of electric vehicles and reduce carbon emissions.

As such devolution will help Lancashire deliver improved productivity, health and wellbeing, air quality and net zero carbon policies - and support objectives for maintaining a safe and reliable transport network.

As set out in the recent Network North announcement:

- The proposed CCA will receive a proportion of the £2.5 billion announced as part of Network North to transform local transport in areas in the North outside of the big city regions.
- The proposed CCA will receive a proportion of the £770 million of funding for Bus Service Improvement Plans in the North.
- The proposed CCA will receive a proportion of the £3.3 billion funding to fix potholes in the North.

Note: Blackpool Transport Services (BTS) will continue to operate tram services in Blackpool and the surrounding area and Blackpool Council will retain the relevant powers to manage BTS. Maintenance of tram infrastructure and assets will continue to be the responsibility of Blackpool Council in partnership with Lancashire County Council.

Blackpool Transport Service also provides vital bus services to Blackpool and the surrounding area. BTS will continue to deliver bus services locally.

Net Zero and Climate Change

We will work across Lancashire to meet our low carbon ambitions, promote clean energy, and enhance our natural environment. Our ambition is that Lancashire becomes internationally recognised as a leader in the creation of 'green jobs', building upon our world class engineering and manufacturing capabilities.

Lancashire's Energy and Low Carbon sector is particularly important due to its existing ecosystem and capabilities in designing and manufacturing low carbon technologies. The area is forecast to have the highest number of jobs per capita in the Energy and Low Carbon sector in England between 2030 – 2050. Government will work with the proposed CCA to enable the continued growth of this sector by supporting the delivery of Lancashire's Energy and Low Carbon sector plans.

Lancashire partners have been successful in securing funding for natural carbon capture and storage projects including for woodland creation, peatland restoration and pioneering soil management techniques. The County's Biological Heritage Site system of managing locally important wildlife sites has been strengthened to support the development and delivery of the Local Nature Recovery Strategy for Lancashire.

The Proposal will provide £2m³ additional capital investment for the Cosy Homes in Lancashire domestic retrofit scheme to extend eligibility criteria and complement the current Home Upgrade Grant scheme. This investment will support a reduction in carbon emissions, better quality housing and improved health outcomes.

Digital and Cyber

We will work across Lancashire to continue to transform our digital infrastructure and knowledge-based sectors to balance and modernise our industrial base.

Lancashire has continued the development of a Lancashire Infrastructure Plan and supported rollout of Openreach and Gigabit programmes, including establishing Superfast Atlantic connection with the North Atlantic Loop at Blackpool Enterprise Zone. This increased digital connectivity provides competitive advantages to attract more cutting-edge, tech-based industries.

Locating the National Cyber Force in Lancashire will attract significant investment and create over 2,000 new jobs. Lancashire CCA will work with the Department for Science, Innovation and Technology, to fully capture the investment, business, research, and skills benefits of this new location. These activities will create opportunities and new careers for residents, develop markets and technologies of local businesses and help to establish a North West Cyber Corridor.

The Proposal will provide £6m capital investment for a Low Carbon Data Demonstrator Centre at Blackpool Enterprise Zone⁴. The project will provide new business space to support Lancashire's low carbon and digital innovation ambitions.

Culture and Tourism

We recognise the fundamental importance of our culture and tourism assets and will work with stakeholders across Lancashire to strengthen these. This work includes the creation a Local Visitor Economy Partnership for the region to help further develop the region's visitor economy.

Lancashire's rich cultural and heritage offer has an important role in the proposed CCA's plans to attract and retain skilled workers, and in contributing to 'pride in place' in the region. Tourism and the visitor economy are crucial industries for Lancashire, with the area amongst the UK's most prolific visitor destinations every year. Blackpool is the nation's No1 seaside resort, with some 20m visits per year, and represents a £1.5bn visitor economy.

The proposed CCA will work with Government to hold a series of exploratory conversations to test the region's appetite and capacity for partnership working across culture, heritage, sport, communities, and the visitor economy.

VisitEngland and the proposed CCA will work with the accredited Local Visitor Economy Partnership for the region to help further develop the region's visitor economy. This collaborative work, across those areas set out in the Government's Tourism Recovery Plan, could include harnessing the region's potential to grow domestic and international visitor spend, and encouraging visits throughout the year rather than just during the traditional tourist season.

³ Subject to Business Case approval.

⁴ Subject to Business Case approval.

Housing and Land

We will support the delivery of decent, affordable, and low carbon housing for every community. High quality housing will benefit existing residents, as well as attract and retain the people required to drive the economy over the long term.

Housing is a crucial issue for Lancashire. We need more and better housing to help support a return to growth in our working-age population and economic growth more widely. We also need concerted action to tackle poor-quality housing across the county as this stock drives many of our worst socioeconomic outcomes.

As a collaborative, Lancashire authorities have successfully delivered £22m Local Authority Green Home Grant providing home energy improvements to over 2000 households through the Cosy Homes in Lancashire scheme. £41m has been secured from the Home Upgrade Grant to provide energy efficiency and low-carbon heating measures over the next two years.

Blackpool Council have been a Levelling Up partner with DHLUC since March 2022 and is now trialling policy changes in decent homes standards for the private rented sector and supported housing, and Blackburn with Darwen is also confirmed as one of 20 national Levelling Up Partnership areas.

Lancashire has a major development and infrastructure pipeline in excess of £22bn and a consistent understanding with regard to brownfield land opportunities and outputs including economic development, infrastructure, and housing. Lancashire has clear evidence of the blockages to development, infrastructure, and housing especially on brownfield land where issues such as ownership and contamination and/or buildings from previous uses can present a barrier to achieving outcomes.

The proposal would give Lancashire the ability to exercise compulsory purchase powers, to help drive regeneration and build more affordable homes, boosting supply and bringing down the cost of newly built dwellings.

The Proposal supports our ambition to deliver a pipeline of strategic development sites and infrastructure opportunities faster and more strategically than would otherwise be the case.

Delivery

We will implement streamlined governance and decision-making arrangements with a strong business voice to address the big opportunities and challenges for Lancashire.

This priority will allow the creation of a powerful CCA to drive growth in the North, empowered through strong leadership and effective governance.

To achieve this, our Proposal includes the integration of the Lancashire Local Enterprise Partnership with wider structures and the formation of a new Business Board. This change will help ensure there continues to be a strong and independent local business voice which informs local decision making and strategic economic planning. The model places a strengthened private sector voice at the heart of growth strategy development.

The governance model proposed (see section 5) builds upon existing structures and recognises the significant role of District Councils. The Proposal includes new arrangements for Transport and Skills and will enable partners to collaborate more effectively and focus on the big opportunities and challenges for Lancashire.

The Proposal will see the integration of the Local Enterprise Partnership investment team, the Growth Lancashire company, destination management organisation, and compulsory purchase orders to unlock sites of significance to stimulate investment in Lancashire. The integration of the LEP and a Business Board helps Lancashire choose its own economic path.

The plans proposed respond to national policy on levelling up and devolution including integration of LEP functions and roles into local democratic institutions to ensure a strong business voice at the heart of local decision making.

Question 2 - Scope of the Proposal

In broad terms, the Proposal is likely to affect people across the county in a similar way, as the CCA would cover the whole county of Lancashire, including Blackpool and Blackburn with Darwen and the 12 districts, which are:

- Burnley
- Chorley
- Fylde
- Hyndburn
- Lancaster
- Pendle
- Preston
- Ribble Valley
- Rossendale
- South Ribble
- West Lancashire
- Wyre

However, some of the specific arrangements which flow from decisions made by the proposed CCA, may have a different impact across various areas and communities. The proposed CCA will need to establish appropriate mechanisms for considering and ensuring an appropriate distribution of benefits, i.e. investment, training opportunities, transport improvements etc, for example by drawing on sound intelligence and a clear evidence base.

Question 3 – Protected Characteristics Potentially Affected

It is not anticipated at this stage that there will be an adverse impact on any groups with protected characteristics within Lancashire, Blackpool or Blackburn with Darwen. To assess how the proposed consultation reflects the communities covered, we have provided the following demographic information⁵.

Age

For Lancashire the Age profiles are 21% of the population is aged 0-18, 59% are aged 19-65 and 20% are aged 66 plus, with some variations within the districts. In Blackburn with Darwen 27.5% of the population are aged 0-18, 59.4% are aged 19-65 and 13.5% are aged 66+ whilst in Blackpool 20.7% of residents are aged 0-18, 59.8% are aged 19-65 and 19.5% are aged 66+.

Disability

For Lancashire those where activities were limited a little or a lot, combined is 20% of the population. For Blackburn with Darwen it is 20.8% and for Blackpool it is 24.7%.

⁵ Sourced from: <https://www.lancashire.gov.uk/lancashire-insight/>

Gender Identity

Information for people who identified that their gender was different from the sex registered at birth or who identified as trans women, trans men or other identities varied across the Districts in the 2021 Census from 891 people when all responses were combined in Preston to 93 people in Ribble Valley.

Sexual Orientation

For Lancashire Gay or Lesbian is 1.4% of the population and Bi sexual is 1.2% of the population. For Blackburn with Darwen, Gay or Lesbian is 1.1% of the population and Bisexual is 0.8%. For Blackpool, residents who are Gay or Lesbian represent 3.3% of the population and Bi Sexual is 1.4% of the population.

Sex

For Lancashire 50.9% of the population is female and 49.1% is male. Blackburn with Darwen has 50.4% are female and 49.6% male and Blackpool has 50.6% of the population who are female and 49.4% male.

Ethnicity

For Lancashire 88.9% of the population is white and 11% come from Black, Asian or mixed/multiple ethnicities. For Blackburn with Darwen 61.5% are white and 38.1% are from Black, Asian or mixed/multiple ethnicities. In Blackpool 95% of the population are White and 5% are from Black, Asian or mixed/multiple ethnicities.

Within Lancashire's districts there is a significant variation in the populations of Black, Asian and mixed multiple ethnicities ranging from 29.5% in Pendle and 27.5% in Preston to 2.5% in Wyre and 3% in West Lancashire.

Ethnicity by deprivation – Ethnicity by deprivation – within Lancashire Census 2021 data identified that 15.4% of the population lived in the most deprived area 1 of English Index of Multiple Deprivation 2019. For White British residents this was 11.6% and those of Indian ethnicity it was 16.2% whilst for those of White Other ethnicities the percentage was 34.3% and for those of Pakistani ethnicity 64.2%.

Gypsy, Roma, Irish

At the 2021 Census 956 people in Lancashire identified as Gypsy and 889 people identified as Irish Travellers. For Blackburn with Darwen 101 people identified as Gypsy and 143 as Irish Travellers whilst in Blackpool 236 people identified as Gypsy and 207 as Irish Travellers.

Religion or Belief

A number of Religions or Beliefs are represented within the county. The leading representations are 1) No Religion for Lancashire is 32% of the population. For Blackburn it is 21.1% and for Blackpool it is 41%.

2) Christianity for Lancashire its 55% of the population, 38% for Blackburn with Darwen and 51% for Blackpool.

In Lancashire 7% of the population is Muslim, 35% of the Blackburn with Darwen population is Muslim and 1.4% of the population in Blackpool is Muslim. There are smaller population of Hindu, Jewish, Buddhist, Sikh and other religions amongst the County's population.

Car Ownership

In Lancashire 20% of households have no car or van but this varies across different districts and in parts of districts so in some parts of Burnley and Pendle between 50% and 80% of households don't

have access to a car. In Blackburn with Darwen 26.9% of households don't have access to a car or van and in Blackpool the figure is 34% of households.

Question 4 – Engagement/Consultation

The consultation will be used to explain the Proposal to residents and other interested parties, and to encourage a wide range of stakeholders to respond to the consultation. An eight-week consultation is considered appropriate to enable consultees to consider and digest the material, and to respond to the survey. It will run for eight weeks from 1 December 2023 to 26 January 2024 and the Constituent Councils will take all possible measures to actively promote the consultation and engage with consultees during this period.

Findings from the consultation will be analysed and published in March 2024 to inform the Constituent Councils in making their decision as to whether to submit the Proposal to government and if so then whether to make any amendments to the Proposal prior to doing so.

The consultation methods will include:

- an online survey with alternative options available to meet the needs of participants (for example including translations, paper copies, large print and braille versions)
- engagement with businesses, the voluntary and community sector, and other identified stakeholders
- public events to engage residents in the CCA area

A stakeholder list will be collated to ensure that consistent identification and mapping has been undertaken across the CCA area to include interested businesses, organisations, groups and individuals as part of the consultation. Each Constituent Council holds mailing lists or databases of their own partner organisations/ networks and will share any consultation information through these.

Active steps will be taken to promote the consultation, to encourage participation and to ensure that the consultation is accessible to all (including, for example, the digitally disadvantaged or those with protected characteristics).

As part of the specification, completion of the survey will be tailored to needs (for example, paper, large print, translation provided, braille).

Each council will work with those groups covered by the EIA locally to ensure engagement. We recognise there is a need to target communications locally to ensure we receive a cross section of responses from all areas and therefore a geographic and demographic balance.

The constituent councils will use a variety of measures to promote the consultation in their areas, including resident communication, press releases and social media as well as explainers, and holding meetings and stakeholder engagement sessions.

A detailed communications plan will provide an outline of methods to be used to target residents. Each constituent council will look at the best way to target the consultation through their own networks. Explainers will be devised and shared on any consultation webpages created.

Each constituent council will undertake engagement events with key stakeholder groups. These will be organised locally with content consistent and coordinated across all council areas.

This Equality Impact Assessment will be updated following the consultation.

Question 5 – Analysing Impact

All Protected Characteristic Groups

Positive Impacts

The Proposal has the potential to positively impact the lives of people, living, working and visiting the Area, including those with protected characteristics.

The devolution of new powers to the CCA, particularly in relation to Transport and Skills, and the integration of LEP functions into the CCA, will combine to provide improved opportunities for all, including those with protected characteristics and from protected groups.

Additional investment into the area which would flow from the establishment of the CCA, as well as the potential to commission and deliver services at a larger scale is expected to result in improved services for all people in the Area, both with protected characteristics and others.

Negative Impacts

The establishment of the CCA could potentially result in decisions being taken further from individuals or groups who are most reliant upon services provided in the Area. This risk is considered to be mitigated though by the direct membership of the Constituent Councils in the CCA, proposed involvement of district councils through representation as non-constituent members on the CCA, the putting in place of proposed governance and voting arrangements, and the concurrent exercise of a number of functions as set out in the Proposal.

Further consideration will be given to the impact of the Proposal on people with protected characteristics and from protected groups, throughout the consultation process, particularly as part of the stakeholder engagement activities.

It is recognised that no specific decisions are being taken at this time as to the exercise of functions that may be afforded to the CCA pursuant to the Proposal. The CCA if established will need to ensure that it has in place appropriate arrangements for the discharge of the public sector equality duty in the exercise of any functions that are afforded to it if it is established.

Age

It is anticipated that the Proposal would lead to positive rather than negative impact upon people of all ages across the Area.

Positive Impacts

In relation to the proposed new powers to shape skills provision for example, younger people as well as older workers and those seeking to access employment for the first time, or return to work following a period of inactivity will benefit from the investment in upskilling which will enhance qualification levels and in turn strengthen access to and suitability for employment.

There are also wide variations in educational attainment in the Lancashire area and for working age people the percentage achieving NVQ Level 4 qualifications at 29.5% whilst the national average is 33.9%⁶, being able to plan and deliver to boost adult education and skills training locally should advance equality of opportunity in this area.

In relation to transport, the opportunity to develop a single local transport plan for the Area will ensure a better connected and accessible public transport system, with infrastructure that links opportunities to need and travel choices that are safe, inclusive, affordable and low carbon. The Proposal will assist in balancing network issues as unlike more urban city regions, counties have a greater proportion and length of B roads and rural roads. This has the potential to provide greater

⁶ TS067 - Highest level of qualification, Census 2021, ONS (Nomis) © Crown Copyright

opportunities for people to travel where, when and how they choose in a way that meets their needs. Specific details are to be developed but the principles of inclusivity and affordability will be key to determining future transport interventions. The potential to improve transport and connectivity is beneficial to people of all ages. It is extremely important to those of working age in order to enable them to better access employment, but also beneficial to those in education and higher education as well as people who need to access public services. This can include both younger and older people.

It is anticipated that, should the proposal be approved, activities associated with the Proposal could help to improve healthy life expectancy within the Lancashire area which for all three areas is lower than the national average, and particularly so in Blackpool. This in turn will require associated developments in services, and the anticipated positive impacts of the Proposal as referred to above then become more acute and of greater significance.

Negative Impacts

As recognised above, no specific decisions have been or are being taken at this time in relation to the exercise of the functions that are Proposed to be afforded to the CCA if established. This will take place in due course and require careful consideration as to where investment across the Area is required. The establishment of the CCA as set out in the Proposal would however better provide for such considerations over the whole Area, better enabling functions to be exercised and investment to be distributed across the Area so as to benefit people of all ages.

At this stage it is not considered that the Proposal itself would result in negative impacts to any particular age group.

Disability

Positive Impacts

The potential for disabled people to be subject to greater discrimination when seeking to access employment or training is recognised. The Proposal may lead to improvements if powers that are proposed to be afforded to the CCA are exercised in a way that focusses on removing barriers to employment and training for disabled people. The Proposal would enable such exercise over the whole Area, thereby providing the potential for making improvements here across the whole Area.

Improvements in transport across the Area is anticipated to benefit disabled people across the Area, providing the potential for greater accessibility to education, employment and other services to this group of people who traditional might face greater challenges in this regard. This can lead to a reduction in isolation or exclusion of disabled people, as well as opening up new opportunities for them.

Negative Impacts

It is not considered that the Proposal would lead to negative impacts for disabled people. For the reasons set out above, the establishment of the CCA is anticipated only to provide the potential for positive impacts. It is recognised that specific decisions as to the exercise of functions afforded to the CCA would be made in due course and so no positive or negative impacts will in fact be felt by the establishment of the CCA alone. However the establishment of the CCA will enable decisions to be taken across the Area, with the benefit of additional investment and commissioning at scale as referred to above.

Gender Re-assignment

Positive Impacts

Trans people can experience discrimination to a greater extent than individuals or groups who do not share this protected characteristic. This can result in additional barriers to securing

employment, as well as potential abuse experiences when accessing services, such as public transport but also other public services.

It is anticipated that the Proposal would have positive impacts for trans people. It will enable certain key functions to be exercised at an Area wide level, whereby the exercise of functions in such a way as to encourage and secure diversity and inclusion in employment, education, housing and transport will impact positively the experience of such groups or individuals when accessing any of these services. Whilst the exercise of these functions currently at a more local level should be being done in such a way as to achieve such diversity and inclusion, the establishment of the CCA better provides for a consistent approach which ensures that those who share this characteristic across the whole Area experience the positive impacts in a more consistent manner.

Negative Impacts

It is not anticipated that negative impacts will arise as a result of the Proposal. Similar considerations apply as in relation to other protected characteristics here. It is recognised however that it will be very important to ensure that the exercise of functions and application of investment is done in such a way that takes account of the impact on groups and people with this protected characteristic across the Area. As above, the negative impact experienced by trans people across all areas to which it is proposed that the CCA would be afforded functions, and the CCA would need to have due regard to this in its own decision making once established.

Marriage and Civil Partnership

Positive Impacts

It is anticipated that the Proposal would have positive impacts for people across the Area regardless of their marital or civil partnership status.

Negative Impacts

Whilst it is anticipated that the Proposal would have positive impacts for groups or individuals with these protected characteristics, it is acknowledged that individuals in civil partnerships can experience discrimination as a result. Careful consideration will be given to any responses during the consultation process in relation to this protected characteristic to ensure that any particular negative impacts are considered.

As with all other protected characteristics it is recognised that no specific decisions as to the exercise of functions that may be afforded to the CCA pursuant to the Proposal or application of any additional investment is being made at this time.

Pregnancy and Maternity

Positive Impacts

The Proposal is expected to benefit pregnant women and those returning to work as well as others who do not share this protected characteristic. Improvements in the areas of education and employment are expected to be beneficial to those seeking to return to work or gain employment following a period of maternity leave. Improvements in transport across the Area will also benefit individuals with this protected characteristic by better enabling access to employment, to benefit from childcare arrangements, and to access other services.

Negative Impacts

It is not envisaged that the Proposal would have negative impacts for individuals with this protected characteristic. However as elsewhere it is recognised that that no specific decisions are being taken at this stage, and the exercise of functions should have regard for the positive and negative impacts of individuals who share this protected characteristic.

Race and Ethnic Origin

Positive Impacts

Many people suffer discrimination, disadvantage, or additional barriers in accessing education, employment and other services as a result of their race or ethnic origin. Different communities can experience different levels of such discrimination, disadvantage or additional barriers. In addition, the geographical location of such communities can result in a greater or lesser impact on such groups or individuals.

It is anticipated that the Proposal has the potential to make improvements in this area by considering impacts at an Area wide level, with a view to offering better opportunities to people from all communities across the Area and levelling up the position of those that may currently experience disadvantage. The potential to exercise functions relating to skills and education has the potential to improve employment prospects of individuals from disadvantaged ethnic communities. Improvements in transport across the Area can assist in enabling those from disadvantaged communities to overcome impacts arising due to their geographical location. The potential for greater investment into the Area will also provide the opportunity for investing in a way that improves the prospects of individuals from disadvantaged communities, whether by encouraging the location or relocation of operations to appropriate areas by employers or otherwise better enabling individuals to access employers where currently located.

Negative Impacts

It is not envisaged that the Proposal would have negative impacts for individuals with this protected characteristic. However as elsewhere it is recognised that that no specific decisions are being taken at this stage, and the exercise of functions should have regard for the positive and negative impacts of individuals who share this protected characteristic.

Religion or Belief

Positive Impacts

It is not envisaged that the Proposal would have negative impacts upon groups or individuals as a result of their religion or belief. Instead it is considered that all groups and individuals would benefit in the same way regardless of religion or belief.

Negative Impacts

It is not envisaged that the Proposal would have negative impacts for individuals with this protected characteristic. However as elsewhere it is recognised that that no specific decisions are being taken at this stage, and the exercise of functions should have regard for the positive and negative impacts of individuals who share this protected characteristic.

Sex or Gender

Positive Impacts

It is recognised that there can be greater impacts felt by women rather than men in relation to the areas of higher education and employment as a result of childcare arrangements, for example, resulting in women holding more part time roles than men, or not working due to caring responsibilities - 76.5% of Males in Lancashire (proposed CCA footprint) are in employment compared to 68.6% of females, and 35.1% of females who are employed work part time, compared to 13.5% of males⁷. This contributes to a gender pay gap, with median weekly wages for Females in Lancashire 28.6% below their male counterparts in 2022⁸. Lower income households are also more likely to either have a single or no car and therefore be more reliant on public transport.

⁷ ONS, NOMIS, Annual Population Survey, June 2022-July 2023

⁸ ONS, Annual Survey of Hours and Earnings (AHSE), 2022, Median Gross Weekly Pay

The functions that would be afforded to the CCA as part of the Proposal would enable matters such as employment, education and transport to be considered on an Area wide basis with a view to potentially supporting different genders to access employment in areas that they traditional may not have done, or for better access to a range of employment opportunities on a wider footprint as a result of better transport connections across the Area.

Negative Impacts

It is not envisaged that the Proposal would have negative impacts for individuals with this protected characteristic. However as elsewhere it is recognised that that no specific decisions are being taken at this stage, and the exercise of functions should have regard for the positive and negative impacts of individuals who share this protected characteristic.

Sexual Orientation

Positive Impacts

It is anticipated that the proposal could have a positive impact on people from the Gay, Lesbian, Bisexual and other communities. Although there are people from all age groups within this protected characteristics group, the profile is disproportionately of younger people. The potential of the proposal to positively impact economic growth and the availability of education and skills training may therefore be of particular benefit. Lesbian, gay and bisexual employees or those looking for work, often face discrimination or barriers to employment currently which may be reduced if new opportunities are with more inclusive employers. This may also assist those who are students who may feel more positive about seeking graduate employment opportunities within Lancashire as universities – e.g. UCLAN – are very supportive of both staff and student lgbtq+ staff and student networks. Should the proposal also result in better quality environments this may also be beneficial to lgbtq+ people who are more likely to experience underlying health conditions including mental health issues, than the population as a whole. Should the proposal result in improvements to transport facilities this may also be beneficial as the community does face additional concerns about personal safety and experience hate incidents or hate crimes including when travelling on public transport.

Negative Impacts

It is not envisaged that the Proposal would have negative impacts for individuals with this protected characteristic. However as elsewhere it is recognised that that no specific decisions are being taken at this stage, and the exercise of functions should have regard for the positive and negative impacts of individuals who share this protected characteristic.

Question 6 –Combined/Cumulative Effect

The Proposal responds to the Government's Levelling Up and Regeneration Bill and the 12 levelling up missions, to improve the quality of people's lives across Lancashire, Blackpool and Blackpool with Darwen. It will, if approved by the Secretary of State, help to ensure that the Area can compete for its share of Government resources and brings decision making closer to the locality. The operation of the CCA will combine local authority, business and wider public sector interests and through its governance structures will draw on the advice and expertise available to minimise negative impacts and maximise opportunities.

Whilst the Proposal will initially focus on the acceleration of activity to achieve our identified priorities, the ambition set out in the Proposal for the Area, and the people and communities it serves, is significantly greater.

The current Proposal is intended to be used as a platform to broaden and deepen its scope in the future, ensuring that we continue to address identified and emerging challenges, maximising available opportunities that come our way, maintaining and building momentum.

We will therefore be working with Government and our partners across the Area over coming months and years to strengthen ties and collaboration, deliver against the twelve levelling up missions, improving outcomes for our people and our places whilst acting as a trailblazer for other CCAs that follow in our path.

This Proposal is intended to be the start of our devolution journey, and the ambition is to secure additional powers and funding as the CCA evolves to help achieve our aims and the Government's Levelling Up agenda.

Question 7 – Identifying Initial Results of Your Analysis

As a result of the analysis has the original proposal been changed/amended, if so please describe.

No change at this point. The Proposal will be reviewed following the consultation process.

Question 8 - Mitigation

Will any steps be taken to mitigate/reduce any potential adverse effects of the proposal?

[To be reviewed following the consultation.]

Question 9 – Balancing the Proposal/Countervailing Factors

Overall it is anticipated that the Proposal would provide positive impacts for all groups and individuals across the Area, including those with any protected characteristics. Any negative impacts which are identified, we will do what we can to mitigate.

The exact impacts experienced by any groups or individuals will depend upon how the functions that it is proposed are afforded to the CCA pursuant to the Proposal are ultimately exercised. The CCA would need to ensure that it puts in place appropriate arrangements for the discharge of the public sector equality duty in the exercise of such functions, and seek to address inequalities as appropriate. The CCA will also be subject to requirements to set equality objectives and to publish certain information annually relating to equalities.

One key issue relates to the potential for functions currently exercised at a more localised level, to be exercised on a wider footprint by the proposed CCA. This could have both positive effects as referred to in the analysis above, but also potential negative impacts resulting from the exercise of functions being considered on a wider basis. Such risk is considered to be mitigated by the involvement of the Constituent Councils and representatives of the district councils as non-constituent members of the CCA.

Question 10 – Final Proposal

In summary, what is the final proposal and which groups may be affected and how?

The final Proposal will be developed following the consultation process and therefore this Question will be completed at that stage.

Question 11 – Review and Monitoring Arrangements

What arrangements will be put in place to review and monitor the effects of this proposal?

We will review this EIA following the consultation which ends on 26th January and the EIA will be updated and published mid-March 2024.

Reference Documents Used in the development of this EIA:-

1. [Equality Objectives 2023-27 | Blackburn with Darwen Borough Council](#)
2. [Equality watch | Blackburn with Darwen Borough Council](#)
3. The Census Statistics for the Borough can be found here - [Census Maps - Census 2021 data interactive, ONS](#)
4. Lancashire Insight www.lancashire.gov.uk/lancashire-insight/
5. TS067 - Highest level of qualification, Census 2021, ONS (Nomis) © Crown Copyright
6. Lancashire Combined County Authority Draft Proposal
7. <https://www.lancashire.gov.uk/council/strategies-policies-plans/equality-diversity-and-community-cohesion/>
8. <https://www.blackpool.gov.uk/Your-Council/Documents/Council-Plan-2019-2024-Update.pdf>

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