

COUNCIL 17 SEPTEMBER 2025

RECOMMENDATIONS FROM THE CHESHIRE AND WARRINGTON JOINT COMMITTEE: CHESHIRE AND WARRINGTON DEVOLUTION AND THE MAYORAL COMBINED AUTHORITY

EXECUTIVE SUMMARY

1. This report outlines the devolution powers, functions and future investment opportunity for Cheshire and Warrington to be delivered via a newly created Cheshire and Warrington Combined Authority with a duly elected mayor in May 2027, as part of the UK Government's Devolution Priority Programme.
2. This report seeks Council approval of the recommendations that have been endorsed by the Cheshire and Warrington Joint Committee (the Joint Committee), which provides strategic direction and oversight across potential devolution for the region.
3. As part of the formal consenting process to proceed with a Combined Authority and associated devolution powers, functions and investment, approval is required from each council: Cheshire East Borough Council; Cheshire West and Chester Borough Council and Warrington Borough Council ('the Councils'). Meetings have been convened accordingly.
4. At a meeting on 29 August 2025, the Joint Committee endorsed the proposed recommendations for approval by each of the Councils in accordance with their own constitutional requirements. The Joint Committee report, related appendices and minutes of the meeting contain the detail to support the recommendations in this report. These documents should be considered in full alongside this covering report.
5. Cheshire and Warrington Leaders are committed to achieving the shared vision for the area to be the healthiest, most sustainable, inclusive and growing economy in the UK by 2045.
6. Devolution and the creation of a Combined Authority offers a key mechanism to achieve this vision with future Government investment and support on those areas with a strategic approach to delivering sustainable inclusive growth.
7. Areas with devolved governance arrangements through Mayoral Combined Authorities are best placed to influence national direction, receive

Government support, maximise private investment and to deliver maximum impact for businesses, communities and residents with the scale and focus that these devolved arrangements bring.

8. Existing legislation requires consent from each constituent council to the making of relevant statutory instruments to establish a Combined Authority.
9. To facilitate the establishment of a Cheshire and Warrington Combined Authority, interim shadow arrangements are required to ensure 'day one' operational functionality and governance.

RECOMMENDATIONS

That Council:

1. Approve in principle the establishment of a Cheshire and Warrington Combined Authority in accordance with existing legislation under the Local Democracy, Economic Development and Construction Act 2009 (as amended).
2. Delegate authority to the Chief Executive Officer (Head of Paid Service), or their authorised deputy, to consent to the making of the Cheshire and Warrington Combined Authority Order 2026 in accordance with s.110(1)(b) Local Democracy, Economic Development and Construction Act 2009.
3. Agree to hold inaugural mayoral elections in May 2027.
4. Subject to approval of the above recommendations, to create a new joint committee, to be known as the Cheshire and Warrington Combined Authority Shadow Board, to provide strategic direction and interim arrangements in the best interests of the establishment of a Cheshire and Warrington Combined Authority.
5. Approve the Terms of Reference for the Cheshire and Warrington Combined Authority Shadow Board as outlined at Appendix B and delegate authority to the Constituent Members of the Shadow Board to carry out the roles and functions as set out in the Terms of Reference.

6. Note that the Constituent Members for the Shadow Board will be the Leaders and Deputy Leaders of each constituent council as set out in the proposed Terms of Reference.
7. Amend the Cheshire and Warrington Joint Committee Terms of Reference as outlined at Appendix C to reflect the revised function of the Joint Committee following establishment of the Combined Authority Shadow Board.
8. Appoint new membership to the Cheshire and Warrington Joint Committee in accordance with the Joint Committee Terms of Reference.
9. Delegate authority to the Chief Executive, in consultation with the Leader and Deputy Leader, to take all other steps necessary to establish and implement the Cheshire and Warrington Combined Authority.

Extract from the Minutes of the Cheshire and Warrington Joint Committee held on 29 August 2025

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Ahead of the introduction of the report, a point of clarification was made regarding Appendix C of Item 5. In early 2025 the three Councils (Cheshire West and Chester, Cheshire East Council and Warrington Borough Council) agreed to amend the Terms of Reference (TOR) to extend the rotation of the current Chair (Cheshire West and Chester) for a further 12 months to May 2026. Therefore, paragraph 5 of Appendix C should have read as follows, and the TOR would be amended ahead of any reports going to Council meetings in September 2025:

5. The Committee shall maintain a two-year rolling Chair and Vice-Chair from the Subscriber Members. The Chair will rotate every two years in the following order: Cheshire West and Chester Council until May 2026, Cheshire East Council until May 2028, Warrington Borough Council until May 2030 and that it then continue in that rotation. The Vice-Chair shall be from Cheshire East Council (until May 2026) and shall then rotate in the same order as the Chair every two years.

Members considered a report which outlined the devolution powers, functions and future investment opportunity for Cheshire and Warrington, which would be delivered via a newly created Cheshire and Warrington Combined Authority in

early 2026, with an elected mayor in May 2027, as part of the UK Government's Devolution Priority Programme.

Councillor Louise Gittins noted that the three Leaders of Cheshire West and Chester Council, Cheshire East Council and Warrington Borough Council were committed to ensuring that the area was the healthiest, most sustainable, inclusive and growing economy in the UK by 2045, as a result of the benefits of devolution. It was noted that in addition to the statutory constitution contained within the report, the Cheshire and Warrington Combined Authority would be able to determine a local constitution which would reflect specific local circumstances, and arrangements would need to be in place to ensure that Cheshire and Warrington would be ready for a "go live" operational date, as early as February 2026.

It was noted that shadow arrangements would be put in place which would operate collaboratively from within the constituent councils in an advisory approach to oversee the implementation programme of establishing the combined authority. Members were updated that the initial phase of the combined authority, which would be mid to late 2026, would be a small core organisation which would include statutory posts and the minimum number of other core posts to ensure that it could deliver demonstratable value from day one.

It was expected that the combined authority would receive £1 million of capacity funding from central government for the first financial year, and confirmation had been received that capacity funding would be available for a further three financial years. Confirmation of a 30-year Mayoral Investment Fund had also been received, which would be split equally between capital and revenue; it was expected that Cheshire and Warrington would receive £20 million per year, in addition to further funds for transport, skills, economic development, regeneration and housing.

Councillor Nick Mannion noted the benefits which devolution would bring to rural Cheshire and Warrington and smaller business operating in rural areas. Councillor Mannion noted that devolution would offer the opportunity to reconnect many places with public transport to provide regular access to employment, services and training, and to redesign how services could be delivered.

Councillor Hans Mundy stated that Cheshire and Warrington would welcome extra funding for the area and noted that devolution would allow the area to be on an equal footing with its neighbours such as Liverpool and Manchester with regards to transport and rail infrastructure, to provide benefit for the wider region.

Councillor Karen Shore noted that the impact of increased skills funding for the area would be substantial and would allow for the creation of a central careers hub across the sub-region, the continuation of the Connect to Work programme, a local

Get Britain Working plan, Adult Skills Fund, Employment Fund and the Skills Boot Camp. It was noted that devolution would also allow space for innovation and the ability to focus funding and skills on local enterprises.

Councillor Jean Flaherty noted that the devolution communication had to date been government lead via the consultation, taking into account the voices of residents, and that going forward the combined authority would continue to listen and bring important decisions to the local level.

Councillor Mark Goldsmith noted the benefits of bringing decision making on strategic transport from central government to the local area.

Steve Purdham noted that the Business Advisory Board unanimously supported devolution in Cheshire and Warrington and that control, investment and changes were the key factors for them. It was noted that devolution would create a working environment in Cheshire and Warrington which was better than the present circumstances.

Damon Taylor noted that the Police and Crime Commissioner for Cheshire was supportive of the proposals, however noted that a Cheshire and Warrington Mayor would not have policing powers from the outset. The importance of the close working relationship between the combined authority, Mayor and the Police and Crime Commissioner's Office was noted.

Joanne Moorecroft noted that unions were excited at the prospect of devolution and would be working closely with the combined authority.

Councillor Stuart Gardiner stated that, as Leader of the Opposition at Cheshire East Council, he was not currently supportive of the information presented and had significant reservations. Councillor Gardiner raised concerns regarding:

- a. How the government had pushed back when information on funding had been requested,
- b. Rurality,
- c. Quoracy of meetings, and
- d. What guarantees could be provided.

Members noted that it was the ambition of Cheshire and Warrington to start from a baseline and work towards additional benefits, powers and funding for the area over future years, and noted that a substantial amount of work had already gone in to supporting the rural areas in Cheshire and Warrington and this would continue. It was noted that it was likely that the funding levels anticipated would be confirmed by central government. It was noted that in terms of quoracy and

democracy, the combined authority would have an elected Mayor, who would be accountable to the three authorities, residents and businesses, it would provide the opportunity for members to provide named substitutes to meetings, and that there needs to be a majority vote. Members noted that in accepting the deal from central government, there would remain several unknowns, but the positives already outweighed any uncertainty for Cheshire and Warrington, and members noted that the combined authority would do its work in a transparent and open and inclusive way in order to work closely with all political groups for the greater benefit of the combined authority area.

Officers committed to providing a briefing to Members on “rurality”.

RESOLVED (Unanimously):

That the Cheshire and Warrington Joint Committee:

1. Approve in principle the establishment of a Cheshire and Warrington Combined Authority in accordance with existing legislation under the Local Democracy, Economic Development and Construction Act 2009 (as amended).
2. Delegate authority to the Chief Executive Officers (Head of Paid Service), or their authorised deputy, to consent to the making of the Cheshire and Warrington Combined Authority Order 2026 in accordance with s.110(1)(b) Local Democracy, Economic Development and Construction Act 2009.
3. Agree to hold inaugural mayoral elections in May 2027.
4. Agree to, subject to approval of the above recommendations, to create a new joint committee, to be known as the Cheshire and Warrington Combined Authority Shadow Board, to provide strategic direction and interim arrangements in the best interests of the establishment of a Cheshire and Warrington Combined Authority.
5. Approve the Terms of Reference for the Cheshire and Warrington Combined Authority Shadow Board as outlined at Appendix B and to delegate authority to the Constituent Members of the Shadow Board to carry out the roles and functions as set out in the Terms of Reference.
6. Note that the Constituent Members for the Shadow Board will be the Leaders and Deputy Leaders of each constituent council as set out in the proposed Terms of Reference.

7. Amend the Cheshire and Warrington Joint Committee Terms of Reference as outlined at Appendix C to reflect the revised function of the Joint Committee following establishment of the Combined Authority Shadow Board.
8. Appoint new membership from each Council to the Cheshire and Warrington Joint Committee in accordance with the Joint Committee Terms of Reference.
- 9 Delegate authority to the Chief Executives, in consultation with the Leaders, of each constituent council, to take all other steps necessary to establish and implement the Cheshire and Warrington Combined Authority.

Link to [Minutes of the Cheshire and Warrington Joint Committee 29 Aug 2025](#)

Supplementary Information Published After the Joint Committee Report including financial implications

Following consideration of the Devolution and Combined Authority paper by the Cheshire and Warrington Joint Committee on 29th August 2025, further financial information has been released which is relevant to the decisions being sought from the three constituent Councils. This paper summarises the new information.

Level of Mayoral Investment Fund – The Ministry of Housing, Communities and Local Government (MHCLG) have now confirmed the scale of the 30-year Mayoral Investment Fund that would be paid to the Cheshire and Warrington Combined Authority, as part of the Devolution Priority Programme, if established. The confirmed value of the Mayoral Investment Fund is £21.7m per annum, or just over £650m over the 30-year commitment. That funding is split 50% for capital investment and 50% revenue funding. Beyond that split, the Combined Authority would have complete flexibility to spend this funding on agreed priorities for the area.

As a new Mayor would not be in place until May 2027, the first instalment payable to the Combined Authority in 2026-27 would be a reduced sum set at **£10.85m** (50% of the normal annual value). Funding of **£21.7m** would then be paid annually for each of the next 29 years before a final balancing payment of **£10.85m** is made in 2056-57, giving a total investment to the area of **£651m** over that period. These sums are a slight increase on the illustrative allocations (£20m pa) included within the published report, and critically the balances are now guaranteed for the full 30-year period.

Level of Mayoral Capacity Funding - Alongside the announcement of the Mayoral Investment Fund, further instalments of the Mayoral Capacity Grant have also been confirmed. It was already known that, subject to a positive devolution decision, a grant of £1m would be released in 2025-26 to support the local costs of creating a Mayoral Combined Authority in Cheshire and Warrington. It has now been confirmed that a minimum of an additional £3m will be made available over the following 3 years, with funding for each year to be confirmed, subject to business planning.

This will bring the total Mayoral Capacity Funding to a minimum of £4m between 2025-26 and 2028-29, to support the costs of establishing, mobilising and

operating the new body as well as reflecting the ongoing transfer of funds and functions from the Government to the Combined Authority over its first few years.

Core Funding for CA	2025-26	2026-27	2027-28	2028-29	Minimum Over 30 yrs £000s
	£000s	£000s	£000s	£000s	
Previously Assumed					
Investment Fund		10,000	20,000	20,000	600,000
Capacity Fund	1,000	TBC	TBC	TBC	1,000
Now confirmed					
Investment Fund		10,850	21,700	21,700	651,000
Capacity Fund *	1,000	1,000	1,000	1,000	4,000

* The minimum scale of new capacity funding has been confirmed, but the profile across years will be shaped by the pace at which new functions transfer

Consequences of Funding Confirmation

Confirmation of the levels of the Mayoral Investment Fund and Mayoral Capacity Fund helps address some of the key risks and uncertainties in relation to the formation of a Combined Authority.

- a) The long-term nature of the commitment provides funding certainty and allows the Combined Authority, the Councils and the Mayor once elected, to develop sustainable investment strategies that both directly address local needs and leverage in wider investment for the benefit of local residents and businesses.
- b) The scale of the funding also ensures that the Combined Authority will be able to meet its costs and still make a significant net contribution to the local economy. As with any public body there will be an underlying cost to having a Combined Authority, including the costs of the mayor, a small core of staff, systems to allow it to operate effectively and holding a mayoral election every four years. Now that the level of core funding has been confirmed it can give confidence that after meeting such costs, the Combined Authority

will still have 85-90% of the funding available to support new investment into the region.

The funding now confirmed only represents the base funding for the Combined Authority and its investment programme. Additional strands of funding being devolved for functional areas such as transport, adult skills, employment support and housing will be separately confirmed by each of the relevant government departments, in advance of those activities transferring into the Combined Authority over its first few years.